

LEGISLATIVE ASSEMBLY OF ALBERTA

Wednesday, April 3, 1974

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF BILLS

Bill No. 212 The Tips and Gratuities Act, 1974

MR. WILSON:

Mr. Speaker, I beg leave to introduce a bill being The Tips and Gratuities Act, 1974. The main purpose of this bill is to assure patrons that their tips and gratuities will, in fact, be gifts to employees and to assure employees that their tips and gratuities will not be deducted from their salaries.

[Leave being granted, Bill No. 212 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. HO LEM:

Mr. Speaker, it is my pleasure to introduce to you and through you to this Assembly a group of 60 Grade 9 students from the St. Anne School in Calgary. Mr. Speaker, the school itself is located in the constituency of my colleague, the Member for Calgary Millican. However, Mr. Speaker, the students come from both our constituencies. In extending a personal welcome to them and to their teachers, Mr. Nadeau and Brother Joshua, I wish to commend them for their interest in attending and observing the legislative proceedings this afternoon. Will they please rise and be recognized.

DR. HOHOL:

Mr. Speaker, it is my pleasure, too, this afternoon to introduce students, teachers and parents from the John Barnett School in the constituency of Edmonton Belmont. There are 56 Grade 4 students and they are in the members gallery. With them are teachers Mrs. Rimney and Miss Brown, and parents, Mrs. Telford, Mrs. Desnoyerf, Mrs. Van der Hoek, Mrs. Chichak and Mrs. Lezarowich. I would like to ask them to stand and be recognized by this Assembly.

MR. DICKIE:

Mr. Speaker, I am also very pleased this afternoon to have the opportunity to welcome and introduce to you, and through you to the hon. members, 38 students from Henry Wise Wood School in Calgary Glenmore. They are accompanied by Mr. Buehner, their teacher. I'd ask them to stand and be recognized.

MR. BUCKWELL:

Mr. Speaker, I would like to introduce to you and through you to the members of this House two prominent farmers and businessmen from the Picture Butte area of the sunny south, Mr. Leonard Haney and Mr. Bernard Nolan.

MINISTERIAL STATEMENTS

Department of the Solicitor General

MISS HUNLEY:

A number of hon. members have expressed interest in the appointment of the Deputy Solicitor General. I am pleased to advise all hon. members that Mr. Rheal LeBlanc is joining my staff this month.

Mr. LeBlanc brings an impressive background of administrative ability to his new position, as well as experience in this and other provinces in executive positions in the field of social services.

He is presently employed by the Province of Alberta in the Department of Health and Social Development, but I look forward to the day when he officially joins my staff.

[Applause]

MR. CLARK:

Mr. Speaker, in commenting on the announcement made by the Solicitor General, might I say we welcome the fact that the Solicitor General now has a deputy minister. We look forward to the Solicitor General now getting along with the very important job of rehabilitation. We are pleased, Mr. Speaker, that it didn't take the Solicitor General as long to appoint a deputy minister as it did the Minister of Consumer Affairs.

Department of Highways and Transport

MR. COPITHORNE:

Mr. Speaker, yesterday in response to a question from the hon. Member for Calgary Mountain View, I responded that to my knowledge there was not a shortage of certain classes of licence plates in Calgary.

I am now advised, Mr. Speaker, that a shortage does indeed exist throughout the province, not just in Calgary, in "X" plates and trailer plates. The shortage is due to both production and distribution problems.

The total order of "X" plates has now been received and is in the process of being distributed to our licence issuing agencies throughout the province. We anticipate all deliveries will be made on or before April 10. Additional stocks of trailer plates have also been received and are now in the process of being distributed also. There is an additional shipment expected from the supplier about mid-month and this will complete the total order of the plates for this year.

MR. LUDWIG:

Mr. Speaker, the hon. minister's apology is accepted.

Department of Agriculture

DR. HORNER:

Mr. Speaker, very briefly. Hon. members will be receiving in their post office boxes a cucumber, and some explanation may be in order. There was also a comment I think made by the hon. Member for Calgary Millican recently with regard to the greenhouse operation in Grimshaw, the most northerly commercial greenhouse operation in Alberta, and I would hope that he, particularly, would appreciate the cucumber he receives.

This project had some problems but is developing quite nicely. They now have some 9,000 square feet of cucumbers growing and some 40,000 other types of plants in production at the present time.

ORAL QUESTION PERIOD

Corporate Income Tax

MR. CLARK:

Mr. Speaker, I'd like to direct a question to the Minister of Federal and Intergovernmental Affairs. I'd like to ask the minister what was the reaction of the three other western provinces when the Government of Alberta advised them at the recent meeting of the four western premiers that the Province of Alberta planned to opt out of the federal corporation income tax and, in fact, set up the province's own corporation income tax scheme in 1977?

MR. GETTY:

Mr. Speaker, the matter was not discussed at that conference.

SOME HON. MEMBERS:

Shame, shame.

MR. CLARK:

A supplementary question, Mr. Speaker, to the minister. Was that the same conference at which the four provinces agreed they would not unnecessarily compete one against the other in the betterment of industrial development in western Canada?

MR. GETTY:

As a matter of fact, Mr. Speaker, it was the same conference. One of the things hon. members should be quite alert to is that the plan presented by the Premier yesterday is one that will encourage development from within this province.

We already have many, many people coming to the province hoping to develop Alberta's resources. The premiers in Saskatoon were quite anxious to make sure that those provinces which had a natural advantage continued to develop those natural advantages to their benefit. So I see no conflict whatsoever with the statement by the Premier yesterday and the resolution the four premiers were able to come to in Saskatoon.

MR. NOTLEY:

Mr. Speaker, a supplementary question to the hon. minister. Can the minister advise whether it's the intention of the government to discuss officially Alberta's plan with the other three provinces in the hopes, perhaps, of synchronizing a corporate tax scheme for the western provinces?

MR. GETTY:

Well, Mr. Speaker, the Premier laid out pretty clearly, I thought, that there were unique differences among the various provinces and Alberta's own special uniqueness, and that a corporation tax plan could only be developed to best highlight those unique qualities of our province. We'd certainly be happy to discuss the entire scheme with the other provinces. There will be many opportunities and it might be an ideal subject to have on the next agenda of the western premiers' council meeting.

MR. SPEAKER:

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

MR. DIXON:

Mr. Speaker, my question is for the hon. Premier and he is not in his seat as yet, so I'll hold it.

DR. HORNER:

Mr. Speaker, on that, the Premier is expected later on in the latter part of the question period.

MR. SPEAKER:

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

Boxcar Shortage

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to the hon. Minister of Agriculture. Has the Department of Agriculture had an opportunity yet to review the recent report by the National Farmers Union on boxcar shortages, and does the government concur with their prediction that this shortfall could reach 60,000 cars by the end of July?

DR. HORNER:

Mr. Speaker, some time ago in this House, in response to a question from the hon. Member for Edmonton Norwood, I indicated that indeed our grain commission had done similar work to that of the NFU report, and substantially we agree with the conclusions that they have reached. I might add that a recent announcement yesterday by Mr. Lang that the federal government was going to put an additional \$100 million into additional boxcars is very welcome indeed.

MR. NOTLEY:

Mr. Speaker, a supplementary question to the hon. Deputy Premier. Has the government calculated the potential loss to the Alberta economy as a result of the railways' failure to allocate sufficient boxcars?

DR. HORNER:

Not at present, Mr. Speaker, but we continue to monitor those kinds of things and we may have a statement later on in that regard.

MR. NOTLEY:

Mr. Speaker, a further supplementary question to the hon. Minister of Agriculture. It deals with the monitoring process which was announced by the Minister of Industry and Commerce on March 13. Can the minister advise what progress has been made in setting up the ongoing monitoring process, as far as the Province of Alberta is concerned?

DR. HORNER:

Well, I'm not sure I understand the hon. member. Is he asking about the interprovincial committee that we've set up? They are meeting in Vancouver tomorrow, as I understand it, in relation to a number of products, and hopefully something will come out of that meeting.

MR. NOTLEY:

Just one final supplementary question, Mr. Speaker. What is the Government of Alberta's position with respect to the proposal made by the National Farmers Union that there should be a national transportation conference - which will include the governments of the provinces, farm organizations, the elevator companies and the railways - to discuss better methods of delivering grain?

DR. HORNER:

I must say, Mr. Speaker, in response to the hon. member that my colleague, the Minister of Industry and Commerce, has been a very prominent member of the western transportation group and has been doing work in that area. In addition to that, the Alberta Grain Commission is charged with an evaluation of the work that the grains group in Winnipeg has done in relation to our handling system. I think the need for such a conference, as suggested by the NFU, may be there. It would be my contention that indeed those conferences are taking place now and will continue to take place as we go along.

MR. TAYLOR:

A supplementary to the hon. Deputy Premier. Has the government made any representations to Ottawa in connection with improved trackage through the Rockies?

DR. HORNER:

Perhaps my colleague, the Minister of Industry and Commerce, might want to add But it is my recollection that, in fact, we did, and that one of those was the extension of a spur at Lytton to get through some of the really difficult problems in the Fraser Valley.

MR. PEACOCK:

Mr. Speaker, if I may just add to my colleague's comments. First of all, with regard to the hon. Member for Spirit River-Fairview, there have been ongoing meetings since WEOC in regard to the four western provinces and the federal government covering these very issues of grain movement. The grains group have had a number of meetings in which they have once again related their findings to the ongoing transportation meetings with the four western provinces and the federal government.

Finally, there is WESTAC, which is an organization developed by the four western provinces for the development of such programs as we're experiencing here today, so they wouldn't be taking place in the next decades. In other words, future planning of transportation needs and requirements of the movement of goods and products out of western Canada was developed a year ago and it has had ongoing meetings on a number of them.

To add to what the Member for Drumheller was asking in regard to what we are doing about trackage and efficiency in releasing of communal rail, not only has the Ashcroft-Clinton cut-off been recommended and is being negotiated at this present time between the railroads concerned, the B.C. government and the federal government, but a study will also be available for all and sundry at the end of June in which the recommendations will be brought forth by the four western provinces and the federal government with regard to the common use of trackage.

DR. BUCK:

Mr. Speaker, a supplementary to the hon. Deputy Premier. I would like to know if the Deputy Premier can inform the House what relation there is between the shortage of boxcars and the distribution of fertilizer to the western provinces?

DR. HORNER:

Part of the problem in fertilizer distribution, Mr. Speaker, has to do with the question of transportation, not only boxcars but indeed of having enough available trucks to move fertilizer into a position where the farmers can use it. We are now discussing with the appropriate departments what action we might be able to take to allow farmers to haul their own.

MR. SPEAKER:

The hon. Member for Edmonton Norwood followed by the hon. Member for Clover Bar.

Holy Redeemer College

MRS. CHICHAK:

Mr. Speaker, my question is directed to either the Solicitor General or the Minister of the Environment ... if I can have his ear. I gather he was somewhat distracted.

Has the government considered stepping up negotiations for the purchase of the entire Holy Redeemer College property in order that the best total use of that property be under the purview of the provincial government, inasmuch as the federal government is considering buying a very small portion of it and the prime area of it?

MR. YURKO:

Mr. Speaker, I think all I can say at this time is that we are having very active negotiations with the federal government in regard to the property in question, as well as to other properties the federal government may be able to use for their needs in the larger Edmonton area. Beyond that, without jeopardizing the negotiations, I feel I can't add any more at this time.

MRS. CHICHAK:

Supplementary, I wonder if the hon. minister might consider that it would be important for the provincial government to have the need for ...

MR. SPEAKER:

The hon. member is actually making a recommendation which perhaps might be made to the minister on another occasion.

The hon. Member for ...

MRS. CHICHAK:

Mr. Speaker, may I change my ...

AN HON. MEMBER:

Mind.

MRS. CHICHAK:

... approach to the question. Could the hon. minister advise whether there is a special plan by the provincial government for the use of it for our own purposes, rather than the federal plan?

MR. YURKO:

As I wished to indicate earlier, I might say that all aspects of the property are being discussed, both use and ownership, and I don't feel that I am prepared to reveal the details of these discussions at this time.

MR. SPEAKER:

The hon. Member for Clover Bar followed by the hon. Member for Calgary Mountain View.

Indian Land - Enoch Band

DR. BUCK:

Mr. Speaker, I would like to address my question to the hon. Attorney General in the relation to Indian lands. I would like to know if the Attorney General could indicate if his department has studied the claim by the Enoch Indian Band towards land in and surrounding the city of Edmonton?

MR. LEITCH:

Mr. Speaker, on that kind of issue - and there are a number of them - members of the department are reviewing the legal position.

DR. BUCK:

Mr. Speaker, a supplementary. Is the minister's department studying all the other Indian land surrenders at the same time that he is looking at this question? Is he looking at all the others?

MR. LEITCH:

Mr. Speaker, I don't believe the review is that inclusive.

DR. BUCK:

A final supplementary, Mr. Speaker, to the Minister of Federal and Intergovernmental Affairs. I would like to know if the hon. minister has had any discussion with the federal minister responsible for Indian affairs in relation to the Enoch Band situation?

MR. GETTY:

Mr. Speaker, the Enoch Band's situation has not been discussed with me and the federal minister responsible. However, officials in the Department of Federal and Intergovernmental Affairs have discussed the matter with the federal government and have been keeping on top of the situation as has, I'm certain, the minister responsible for northern affairs in our government as well.

MR. SPEAKER:

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

Licence Plates

MR. LUDWIG:

Mr. Speaker, my question is a follow-up question to the Minister of Highways. What is the cause of the shortage of licence plates? Is it production or the distribution problem?

MR. COPITHORNE:

Mr. Speaker, to start with, production was the main cause of the distribution problem. Because the contract is put out for the distribution of the plates - it's done on a contract basis - it has crowded the distribution of them into a narrow period because of the inability of the plates to be produced on a regular basis.

MR. LUDWIG:

Mr. Speaker, I would like to follow up. Which firm is responsible for the distribution of the plates in Alberta?

MR. COPITHORNE:

Mr. Speaker, offhand I couldn't tell you the name of the contractor. Maybe the hon. member would put that on the Order Paper.

MR. LUDWIG:

Yes, Mr. Speaker, I wonder if the minister could find out for me. I would also like to ask the hon. minister which firm has the contract for the production of plates in Alberta?

MR. SPEAKER:

I believe that might be put on the Order Paper very conveniently with the other item.

MR. COPITHORNE:

Mr. Speaker, the plates are being made out at the [Fort] Saskatchewan goal.

DR. BUCK:

Mr. Speaker, a supplementary to the hon. Minister of Highways. Is this the last year that the licence plates will be made in the Fort Saskatchewan jail and then they will be tendered out?

MR. COPITHORNE:

Yes, Mr. Speaker. This will be the last year that licence plates will be made in [Fort] Saskatchewan. They will be tendered out, and have been tendered out for the 1975 year.

DR. BUCK:

Mr. Speaker, maybe this is a slow down protest about it being phased out at Fort Saskatchewan ...

MR. SPEAKER:

Order please. The hon. Leader of the Opposition followed by the hon. Member for Calgary Millican.

Ombudsman's Report

MR. CLARK:

Mr. Speaker, I would like to direct my question to the Premier, and ask the Premier if he has now had an opportunity to familiarize himself with the report of the Ombudsman, and specifically what steps does he anticipate, or what steps will the government take to deal with the major complaint in the report dealing with the failure and delay in correspondence - the long delay and in many cases, not answering at all?

MR. LOUGHEED:

Mr. Speaker, I am sure that all governments face that situation and we certainly are pressing forward to try to make an improvement.

I would say, as I think most citizens would say, Mr. Speaker, that if at the conclusion of many years the Ombudsman's final report relates to that subject - important as it is - I think the fact that the emphasis is on a matter such as a delay, rather than on other matters that might have been there, is a factor that I think both sides of the Legislature should have some reassurance with regard to. That's not to say that we can't do a better job. Frankly, I have been waiting, because of being involved in other matters, in the hope that the Member for Calgary Bow might give me a note as to where he thought we should direct our initial attentions.

MR. CLARK:

Mr. Speaker, a supplementary question to the Premier. At this time then, in light of the Ombudsman's report, there has been no study undertaken by the government and no specific action taken from the Premier's office to deal with the most important recommendation in the report?

MR. LOUGHEED:

Mr. Speaker, as I'm sure the hon. member is well aware - because I'm sure he in his days on this side of the House had many experiences worrying about the same matter - it's a matter of ongoing review and assessment. Naturally we would like to be in a position that we could expedite the correspondence. We, within the Office of Premier, despite something in the neighbourhood of five times a heavier correspondence load than occurred about three years ago we understand, we have been able to keep abreast of it. But certainly with regard to the complexities of modern government this will occur. It isn't something that is going to be anything other than an ongoing effort with this government and with all governments.

MR. SPEAKER:

The hon. Member for Calgary Millican followed by the hon. Member for Lethbridge West.

Natural Gas - Export Tax

MR. DIXON:

Mr. Speaker, I'd like to direct the following question to the hon. Premier. Could the hon. Premier advise the Legislature, during the course of his discussions in Ottawa last week with the Prime Minister, did the federal government indicate that they were considering placing an export tax on natural gas going to the United States?

MR. LOUGHEED:

Mr. Speaker, during the meeting of a week ago today that matter was not discussed. But during the course of conversations with the Prime Minister it was discussed and I believe it's fair to say that my response at the moment is [that there is] a recognition by the federal government, first as to the long-term nature of the contracts that exist in natural gas - which, in the province of British Columbia are certainly a matter to cause some considerable problems in terms of the actions by the Province of British Columbia - a recognition of that by the federal government, and, I think, too, a recognition contained in the June 1973 statement by the federal government that natural gas prices should be moving upward.

So I would say my feeling for it, from the discussions with the Prime Minister, is that there is no present intention in that regard by the federal government.

MR. SPEAKER:

The hon. Member for Lethbridge West followed by the hon. Member for Calgary Bow.

University of Alberta

MR. GRUENWALD:

Mr. Speaker, my question is to the Minister of Advanced Education. It is regarding the remarks attributed to Dr. Harry Gunning, the President-elect of The University of Alberta.

What is the Department of Advanced Education doing to correct the lack of understanding between The University of Alberta and the provincial government, which, as Dr. Gunning says, is driving the university's top students out of the province?

SOME HON. MEMBERS:

Order, order.

MR. SPEAKER:

The hon. member has broached a topic which might require a statement of considerable length by the hon. minister. Perhaps that might be made on another occasion or in another manner than in the question period.

MR. GRUENWALD:

A supplementary, Mr. Speaker, then. Is the minister aware that top students are leaving the province of Alberta, from The University of Alberta?

MR. FOSTER:

Mr. Speaker, I welcome the opportunity to get into the debate.

[Interjections]

MR. SPEAKER:

The Chair unfortunately is ...

MR. GRUENWALD:

Thank you, Mr. Speaker, we won that one.

Further to the Minister of Advanced Education. Is it the understanding of the Minister of Advanced Education that The University of Alberta will have to eliminate some of their courses entirely because of lack of funding?

MR. FOSTER:

Mr. Speaker, before I get ruled out of order again, let me say that Dr. Gunning delivered an excellent speech and I applaud everything he said.

MR. CLARK:

What are you doing about it?

MR. FOSTER:

My estimates, Mr. Speaker, were dealt with last night and I can see that on the next occasion when they surface in this House it will be an interesting debate and one which I would welcome ...

AN HON. MEMBER:

No promises.

MR. FOSTER:

... but let me briefly comment in response to the question. Dr. Gunning in his remarks is referring primarily to '75-'76. The budget for The University of Alberta is set for next year. The total budget for the university sector in the next year is \$107.797 million.

We have indicated that we are not prepared to provide additional financial support in 1974-75. I have indicated to all universities that I am prepared to recommend to cabinet an increase for '75-'76 above the \$114 million that we have already announced would be available for them.

The budgets of the universities are fixed, Mr. Speaker. I do not believe that any serious program or personnel dislocations will occur in The University of Alberta within the budget year '74-'75. I repeat, Dr. Gunning is referring to the subsequent year and I have already stated that the government will in fact - or at least, on my part, I will encourage the government to increase above \$114 million.

Beyond that, Mr. Speaker, I could go on for some time on the question of Dr. Gunning's speech and I would welcome [the opportunity] at a later time.

MR. CLARK:

Please don't!

MR. SPEAKER:

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

ALCB Strike

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Solicitor General. Would the minister advise how many Alberta breweries are shut down today as a result of the ALCB employees' strike?

MISS HUNLEY:

Mr. Speaker, I don't have that information.

MR. WILSON:

A supplementary, Mr. Speaker, to the hon. minister. Will the minister advise if the root cause of the strike stems from a government decision to change the beer marketing system?

MR. SPEAKER:

Clearly the hon. member is asking for the minister's opinion which is not permitted in the question period.

MR. WILSON:

A supplementary then, Mr. Speaker. Is it part of the minister's negotiating strategy to ignore telephone calls from the President of the Civil Service Association?

MR. SPEAKER:

Order please. The hon. member ...

MR. WILSON:

Mr. Speaker, could the hon. minister advise when the government will sit down and talk to representatives of the ALCB employees?

MISS HUNLEY:

It's unfortunate, Mr. Speaker, that the hon. member was absent yesterday because he clearly doesn't understand the situation. The government does not negotiate with the employees of the ALCB. The ALCB is a Crown corporation. It has a negotiating committee and the Civil Service Association has a negotiating team, and those are the people who negotiate.

MR. WILSON:

A supplementary, Mr. Speaker. Would the hon. minister table the memorandum of agreement she referred to yesterday when I wasn't here?

MR. SPEAKER:

The hon. member might wish to put a motion for an order for a return on the Order Paper.

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

Rural Gas Co-ops

MR. R. SPEAKER:

Mr. Speaker, my question is to the Minister of Telephones and Utilities. Has the minister or his department, after consultation with the federal tax officials, advised

rural gas co-ops that the \$1,700 payment made by co-op members is an expense and can be deducted in full in the year of payment?

MR. FARRAN:

No, I haven't, Mr. Speaker, but I will look into that suggestion.

MR. E. SPEAKER:

Mr. Speaker, a supplementary to the minister. Has the minister made any representation to the federal tax people?

MR. FARRAN:

As I say, Mr. Speaker, I will look into it and see whether it can be regarded as an expense as opposed to a capital contribution.

MR. SPEAKER:

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

Horse Feed

MR. HO LEM:

Thank you, Mr. Speaker. My question today is directed to the hon. Minister of Agriculture. Can the hon. minister advise what is being done to help alleviate the problem experienced by Alberta horsemen in regard to getting sufficient good quality horse feed, namely oats and straw?

MR. LUDWIG:

A few wild oats.

DR. HORNER:

Mr. Speaker, I would hope and expect that all our good horsemen in the province of Alberta would be able to look after securing proper supplies of feed for their horses. As a matter of fact, we, as a department, have moved some hay into the Lesser Slave Lake area to feed some horses that weren't otherwise being fed. I am sure that there is a sufficient quantity of oats around that the horsemen require.

MR. HC LEM:

A supplementary to the hon. minister. Can the hon. minister advise what the government intends to do to stabilize the escalation in prices of horse feed?

DR. HORNER:

Well, Mr. Speaker, let me say to my honourable friend that it is not one of the top priorities in regard to costs in agriculture today, having regard to the other serious problems in the cattle industry and in the dairy industry. On the other hand, we are concerned about developing the horse industry in Alberta and are taking steps in that direction.

MR. HO LEM:

One final supplementary to the hon. Minister of Federal and Intergovernmental Affairs. Can the hon. minister advise his source of obtaining horse feed and at what prices?

DR. HORNER:

Well, Mr. Speaker, I'm sure that my honourable friend can approach any of the very able feed manufacturing companies in Alberta, and indeed the pools and so on.

My honourable colleague tells me that his horse lost two races last year because it was too fat, Mr. Speaker.

[Laughter]

MR. SPEAKER:

The hon. Member for Sedgewick-Coronation followed by the hon. Member for Lesser Slave Lake.

Skating Rinks - Pollution

MR. SORENSON:

Mr. Speaker, my question is to the hon. Minister of the Environment. Could the minister indicate if the Department of the Environment has studied the matter of high carbon monoxide levels in skating rinks throughout the province?

MR. YURKO:

Mr. Speaker, I'd have to take the question under advisement, check into the matter and report back to the House.

MR. SORENSON:

A supplementary to the minister. Has the minister studied reports by local boards of health indicating high levels of pollution in these arenas?

MR. YURKO:

I might turn that question over to the Minister of Health and Social Development.

MR. CRAWFORD:

Mr. Speaker, I wonder if the hon. member would mind repeating his question.

MR. SORENSON:

Mr. Speaker, I'm referring to a news report in The Edmonton Journal of March 18. Has the minister studied reports by the local boards of health indicating high levels of pollution in skating rinks?

MR. CRAWFORD:

Did I hear the hon. member correctly? Did he say skating?

MR. SORENSON:

High levels of pollution.

SOME HON. MEMBERS:

Carbon monoxide - pollution in skating rinks,

MR. CRAWFORD:

Oh, oh, of course. I see - right. Mr. Speaker, I would have to say that I have heard of the reports but have not studied them.

MR. SPEAKER:

The hon. Member for Lesser Slave Lake followed by the hon. Member for Medicine Hat-Redcliff.

Foster Parents Allowance

MR. BARTON:

Thank you, Mr. Speaker. My question is to the Minister of Health and Social Development. Can the hon. minister advise the Assembly as to any further developments in the allowance to foster parents as promised a week ago?

MR. CRAWFORD:

Mr. Speaker, I don't think I promised a week ago. What I said was that the statement would be out in about a week, but I didn't actually promise it.

I can say to him that a policy position that should fully answer the question has been drafted. I hope to speak to some of my colleagues about it in a very short time and make it known.

MR. SPEAKER:

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

Labour Legislation

MR. WYSE:

My question, Mr. Speaker, is to the hon. Minister of Manpower and Labour. It's regarding the present maximum 44-hour work week. Is the government giving any consideration to lowering it or changing it to 40 hours?

DR. HOHOL:

Mr. Speaker, not at the present time. You will recall, sir, that the new Labour Act came into effect just a few months ago. This particular order of the Board of Industrial Relations came into effect on October 1, 1973. The change in the last Act was as follows: from 48 to 44 and from 44 to 40 based on an eight hour day, five days a week. So it's not the intention of the government at the present time, although we have had some representation in that direction.

MR. WYSE:

A supplementary question then, Mr. Speaker. Is the provincial government considering passing compulsory arbitration legislation to replace strikes in labour disputes involving essential services?

DR. HOHOL:

Mr. Speaker, I'd respond in two ways. Again I'd point out that the Act as amended is very new. We have had numerous representations both ways, so that it would not be usual in the substantial kind of clause the hon. member is referring to, to make changes so soon. However, important legislation is always under review.

If you will permit me, I'd like to point out that a precedent on that kind of legislation would be a more definitive statement and description as to what an essential service is, all of which would follow new legislation if that were to occur.

MR. SPEAKER:

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

Native Children ~ Placement

MR. D. MILLER:

Thank you, Mr. Speaker. My question is to the hon. Minister of Health and Social Development. Has the minister given consideration to the Alberta Native women's society calling for an end to the placement of Native children in non-Native homes?

MR. CRAWFORD:

Mr. Speaker, the hon. member's question relates to one of the recommendations of the Catonio Report which has had much attention from the government. Much concern has been expressed, at my specific request, to officials in discussing with the Native associations the possibility of having all, if possible, or at least a much, much larger percentage of Native children placed in their own Native environment.

It seems, Mr. Speaker, for the actual ability to achieve that, there will first have to be some upgrading in more Native homes where the children could be placed. But it has full attention and our hopes on it continue.

MR. SPEAKER:

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

W.A.C. Bennett Dam

MR. DIXON:

I would like to direct a question to the hon. Minister of the Environment. My question to the hon. minister is this, has the hon. minister been able to conclude satisfactory arrangements with the Government of British Columbia and B.C. Hydro to control the water that is flowing out of W.A.C. Bennett Dam to prevent the flooding of the Peace-Athabasca delta?

MR. YURKO:

Mr. Speaker, I believe I had informed the House that the British Columbia government asked us to participate with them in the possibility of controlling or regulating the discharges from the Bennett Dam in regard to preventing flooding in the Peace River area if and when it occurs. I might inform the House that flooding has not as yet occurred in the Peace River area, so there has been no need for programming any flow out of the Bennett Dam up to this time.

MR. SPEAKER:

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

Natural Gas Prices

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister of Mines and Minerals. Can the minister advise the House whether he has any recent statistics as to the average increase in the field price of natural gas since July, 1972?

MR. DICKIE:

Mr. Speaker, we have unofficial information as to the increases in price of natural gas as a result of the actions of this government. I think, however, I mentioned some time ago that we are awaiting a report from the Energy Resources Conservation Board. They have requested all companies to file with them the pricing provisions of their natural gas contracts as of March 31. They will, subsequent to that time, be making a report to us in which they will bring us up to date on the actual provisions of all natural gas contracts.

MR. NOTLEY:

Mr. Speaker, a supplementary question. Can the hon. minister advise the Assembly in ball park figures what the average increase would be?

MR. DICKIE:

No, Mr. Speaker. I think it would be better if we awaited the report from the Energy Resources Conservation Board.

MR. SPEAKER:

The hon. Member for Calgary Bow.

ALCB Strike (Cont.)

MR. WILSON:

Mr. Speaker, I'd like to direct a question to the hon. Solicitor General. Would the minister advise if the Edmonton branch of the Alberta Brewers' Agents is shut down today because of the Alberta Liquor Control Board employees' strike?

MISS HUNLEY:

I don't have that information, Mr. Speaker. I could inquire and advise the hon. member.

MR. WILSON:

A supplementary, Mr. Speaker. Could the minister advise if the Alberta Liquor Control Board staff turnover has been inordinate this year?

MR. SPEAKER:

This is clearly a matter of opinion.

MR. WILSON:

Perhaps, Mr. Speaker, I could rephrase it. Has the staff turnover been higher this year than previously experienced?

MR. SPEAKER:

Clearly that is a matter that should go on the Order Paper.

MR. WILSON:

A supplementary then, Mr. Speaker, to the hon. minister. Does the government sanction ALCB employees working in Alberta Brewers' Agents' warehouses for \$100 a month less than the Alberta Brewers' Agents' employees are getting for doing the same work?

MISS HUNLEY:

Mr. Speaker, I think they can work wherever they want.

AN HON. MEMBER:

There's concern.

Education Tax Reduction

MR. RUSSELL:

Mr. Speaker, I'd like to take this opportunity to respond and report back to a question raised by the hon. Member for Spirit River-Fairview two days ago with respect to education tax levies in public housing projects. I have since ascertained that all the projects in the province presently pay the education tax levy and therefore will be part of the program in having it lifted from those projects, effective this year.

MR. NOTLEY:

Mr. Speaker, a supplementary question on that. Has the minister had an opportunity to discuss with the various public housing authorities whether or not they will pass on the reduction?

MR. RUSSELL:

Well, of course, Mr. Speaker, the whole intent of public housing is to maintain the tenant's rent at a percentage of his income. It is not really related to the economic rent which is charged, so we would have to assume that it is the economic rent which will be lowered as a result of the tax saving. But the tenant's rent, of course, is directly geared to his income.

MR. NOTLEY:

Mr. Speaker, just a further supplementary question. For clarification then, I take it that there will be no saving? I realize how public housing operates, but there will be no saving, even on a pro rata basis, passed on to the tenant as a result of the government lifting the education cost?

MR. SPEAKER:

The hon. member is asking the minister to prophesy.

Skating Rinks - Pollution (Cont.)

MR. YURKO:

Mr. Speaker, in regard to the question I was asked earlier by the hon. Member for Sedgewick-Coronation, I would just like to state that the department advised me that we are not, as yet, measuring any pollutants inside buildings. This is a matter of responsibility for the Department of Health and Social Development.

ORDERS OF THE DAY

MR. HYNDMAN:

Mr. Speaker, I'd like to ask leave of the Assembly to revert to Presenting Reports by Standing and Select Committees so that an important report can be tabled at this time.

MR. SPEAKER:

May the hon. Government House Leader have the requested leave?

HON. MEMBERS:

Agreed.

PRESENTING REPORTS BY STANDING AND SELECT COMMITTEES

MR. HYNDMAN:

Mr. Speaker, I am pleased indeed to table the report of the special committee appointed October 30, 1973, to recommend the person it considers most suitable for the position of Ombudsman for the Province of Alberta. I'd like to ask leave of the Assembly, Mr. Speaker, to very briefly outline the highlights of the report which, I think, hon. members will find of interest.

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Speaker, the committee was set up on October 30, 1973, to carry out this task. Advertisements were arranged to be published in seven newspapers in Alberta and sixteen other newspapers circulating in other major Canadian population centres. There was a total of 182 applications in response to the advertisement. Forty were from Alberta, sixty-two from other locations in western Canada, seventy-six from eastern Canada and the Maritimes and four from Canadian citizens resident in the United States. The committee conducted twenty-one personal interviews.

It may be of interest to members to hear an outline of some of the more important attributes that were sought by the committee in assessing the many applicants: first, a knowledge of Alberta and its people, both urban and rural; practical experience in and a broad exposure to life generally; qualities of determination, patience, horse sense, tact, stamina and wide experience in helping people in trouble in an objective way; an ability to distinguish between natural justice and legal justice, coupled with an understanding of the place of laws and regulations in our society; an ability to communicate clearly and cogently, and a working knowledge of parliamentary procedure; a trained mind with a knowledge of or an ability to acquire an understanding of law and investigatory procedures, and a knowledge of good business and administrative practice.

Mr. Speaker, after a careful assessment of all the applications, and following intensive face to face interviews with 21 of the applicants, and after thoughtful consideration of the implications of the task which this Assembly gave to its committee, the committee recommends as the person most suitable for appointment to the position of Ombudsman for the Province of Alberta, Randall Eugene Ivany. The committee is unanimous in this recommendation.

MR. CLARK:

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

MR. SPEAKER:

Assuming the debate to have been started, does the hon. Opposition Leader have the request of leave?

HON. MEMBERS:

Agreed.

MR. HENDERSON:

On a point of order, what is the motion that is being debated - just so we get the record straight, Mr. Speaker?

MR. CLARK:

Mr. Speaker, speaking to the point of order, it's my understanding that we are dealing with Motion No. 3 under Government Motions on the Order Paper.

MR. SPEAKER:

The difficulty is whether the debate has started. My understanding is that the hon. Government House Leader was given the leave of the House to summarize the highlights of the report. Whether the report should be concurred in has not yet been debated as I understand it.

MR. HYNDMAN:

It is my understanding, Mr. Speaker, that we would now move to Motion No. 3 which would be the motion for receipt and concurrence which I would speak on briefly and then give an opportunity for a debate adjournment.

SOME HON. MEMBERS:

Agreed.

GOVERNMENT MOTIONS

3. Hon. Mr. Hyndman proposed, seconded by hon. Mr. Clark:

Be it resolved that the Report of the Special Committee appointed October 30, 1973 for the purpose of recommending to the Assembly the person it considers most suitable for the position of Ombudsman for the Province of Alberta, be now received and concurred in.

MR. HYNDMAN:

Mr. Speaker, my remarks will be brief. Let me say at once there will be a further opportunity for debate on this motion as was the case when this procedure was followed in 1967. I would see the motion probably being adjourned after my remarks and we would then come back to it next Monday or Tuesday.

May I first thank the members of the committee, Mr. Speaker, for the assistance which they gave me. This was an unusual responsibility. The committee, composed of Miss Hunley, Dr. Buck and Messrs. Cookson, McCrae and Wilson, certainly gave willing cooperation in all our deliberations, and I want to thank them for their objective judgment and particularly the very special and deep sense of responsibility which they brought to the committee in all its deliberations.

Mr. Speaker, I would like just very briefly to outline some of the biographical highlights of the candidate recommended as they relate to the attributes which we sought as a committee. Members will find a detailed biography with regard to Dr. Ivany in the last two pages of the report which I believe has been distributed to them.

Dr. Ivany was not born in Alberta, he was born in the fishing outport of Port Rexton in Newfoundland. He was the son of a Grand Banks fisherman and carpenter. He moved in 1945 with his family to Toronto and completed high school there. For the following seven years he worked with Canadian Westinghouse Co. Ltd. in Toronto and Hamilton in the sales and estimating departments. During that time he studied engineering at night school, both at a college in Toronto and later through the apprenticeship route at McMaster University, receiving a Bachelor of Engineering degree in 1958.

From 1958 to 1961 he pursued studies in theology at Wycliffe College at The University of Toronto and it was then that his first exposure to Alberta, in a summer mission to Three Hills, Acme and Carbon, took place.

He became rector in 1961 of two churches in what then were the towns of Bowness and Montgomery, now part of Calgary. At that time he was the Chaplain of the Wood's Christian Homes and also of the Baker Sanatorium in Calgary.

For the next five years he was Rector of St. Luke's Church in Red Deer, the Honorary Chaplain of the Red Deer Junior College and an executive member of the Red Deer Y.M.C.A.

It was 1969 when he came to Edmonton and was appointed in 1970 the Dean and Rector of All Saints' Anglican Cathedral. At that time he was the youngest man in Canada ever to have been appointed to that position of responsibility.

The Edmonton Council of Churches, an interdenominational council, elected him as its Vice-president in 1971 and its President last year. And in further recognition of the excellence of his contribution to church work, he received an honorary doctorate from The University of Toronto in 1973.

He has been involved in many community volunteer works, the most recent involvement being as a member of the Planning Advisory Committee of the Alberta Rehabilitation Council for the Disabled.

He is not unfamiliar at all with business matters, Mr. Speaker, having initiated the concept and piloted the development of a \$2.5 million senior citizens' high-rise development which is just about to begin in the centre of downtown Edmonton. He has been involved not only in the planning and design, but the financing arrangements of that project.

His career - there have been a number of careers in which he has been involved, Mr. Speaker. I think members would agree that a person who has spent time with the church, has been involved with people in trouble, trying to help them - might I say that we believe this candidate is an objective person in handling people of that kind, and the kind of person who, although he will be a sensitive listener, will not become emotionally involved with every person who happens to come to his door.

The broad experience in life which I think his biography suggests, Mr. Speaker, in the committee's view, marks a man who is mature and contemporary and who does have an outlook of practical realism to world affairs. Certainly he does have a quality of determination, and I think one can say, a flash of independence, such that I believe the committee would feel that if there were a matter he wanted to pursue for an aggrieved citizen, in pursuing that matter to secure natural and legal justice he would go, if necessary, all the way to this Chamber.

Mr. Speaker, in conclusion I would just like to advise that Dr. Ivany, although he knows Edmonton, Calgary and Red Deer very well, is a person who especially enjoys visiting with people in smaller centres and rural areas of the province. In the committee's view, Mr. Speaker, the candidate Dr. Ivany does have that special blend of the qualities, qualifications and potential which we believe this committee seeks for this position.

In conclusion, Mr. Speaker, I would like to say that, without hesitation and indeed with enthusiasm, I am pleased to urge the Assembly to support this motion, to adopt this motion and to have a new Ombudsman for the Province of Alberta, being Randall Eugene Ivany.

MR. CLARK:

Mr. Speaker, I now adjourn the debate.

MR. SPEAKER:

I take it the hon. Opposition Leader has the requested leave.

HON. MEMBERS:

Agreed.

GOVERNMENT MOTIONS (CONT.)

1. Moved by hon. Mr. Miniely:

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

Adjourned debate: Mr. Ruste.

MR. RUSTE:

Mr. Speaker, in rising to take part in the debate on the budget, I've listened with interest to those who have followed ahead of me. I've noticed with interest the professional way in which the Provincial Treasurer delivered the budget. Looking at figures, and they're getting to be larger every year, when one compares this budget to the budget as recently as '65, it was some \$500 million. In 1970 it was \$1,150 million in rough figures. Now with this budget plus the anticipated one coming later, I suppose you are getting up in the area of \$2.75 billion or some figure in that field. Certainly with those amounts of money the budget should provide a lot of things for the citizens of Alberta.

But in the delivery of the budget the Provincial Treasurer reminded me of a young chap who had come from a farm home where his parents had struggled, pioneered and built up a real fine farm. Over the years the young man went out to college, to school and came back periodically to help, but certainly the parents carried the load. Through an unfortunate incident the parents passed away and the young chap came back home to operate the farm. After the first years of operation and after he had had a bountiful harvest, the young man ended up in town one evening at the bar. He was telling his friends of what he had done. Of course, the more he consumed, the more abundant he became in what he had done, without giving any credit whatever to his parents or to the abundance that the good Lord Almighty had bestowed upon him. Certainly as the evening wore on it became more and more. I couldn't help but recall this story when I listened to the hon. Provincial Treasurer deliver his Budget address.

Now in referring to some of the things that have happened and some of the things that bring this to my mind, I go back to an article in one of the Calgary papers which referred to the College of Art being opened. It's rather interesting when you look at some of the comments. It says, "The Alberta College of Art at the Southern Alberta Institute of Technology was opened Monday with good feelings all around." Then the one that I just want to mention is that Social Credit MLAs Albert Ludwig and Bob Clark also attended the opening, and smilingly watched representatives of the current government do the honours for a project which began when the Socreds were in office.

And I've got another one - the opening of the Bighorn Dam out west of Rocky Mountain House when there were no less than, I believe, seven or eight cabinet ministers in attendance. I can recall, as the Minister of Lands and Forests, when the clearing for that basin took place, and certainly in my tour of the basin I don't think there's ever been a job of clearing a reservoir that was as nicely done as that.

AN HON. MEMBER:

By who?

MR. RUSTE:

And then we get on to the Edmonton Courthouse that was opened not too long ago too. Some of the foundation work was laid by the previous administration.

Certainly in the public accounts this morning I was most interested in listening to the Provincial Treasurer deal [with] and outline the treasury branch system that we have in this province. He praised it and its growth and certainly when you see the figures that we have before us in this budget compared to just five years ago, ten years ago and so on, certainly there's got to be growth. I commend him for carrying on a good thing that was started by a previous administration under some pretty difficult and trying times.

When we look at the Energy Conservation Board report in 1973, I'm going to quote in part again:

Total deliveries of Alberta oil also reached a record level during 1973, averaging 1.64 million barrels per day compared to 1.37 million barrels per day in 1972.

This significant increase in total deliveries was primarily due to the increase in deliveries of Alberta oil to the United States which rose by 21 per cent over the 1972 level ...

to an average of so many barrels a day.

Now I submit, Mr. Speaker, that these are things that happen despite government, and for the Provincial Treasurer to take credit for them all, I think, is going a long way.

During the debate, I believe it was the Member for Lloyminster referred to some of the loans that were available and it brought back to me a cartoon that was in The Organized Farmer not too many years ago. It referred to Trusty Ruste ...

[Laughter]

... and it dealt with "On Loan" and it was kind of interesting. It referred to grain-drying loans, seed operation loans, loans for electric calf halters, lone loans, lone ranger loans loans, and then it went on - and the last of it, loans for the heck of it.

I submit Mr. Speaker, that we've got lots and lots of loans now and certainly my hope is that the buoyancy of the agricultural conditions, the prices that you and I as producers get for our products, will stay where it is. If it goes back to what it has been then we can look forward to some pretty difficult times in paying back some of these loans that are for goods at fairly inflated prices.

I would like to refer for just a minute or two to some of the changes that have taken place, and I'm referring here to a report from the Agricultural Outlook Conference in Ottawa, when it said that:

Four years ago when the Federal Government's LIFT program was offered as the answer to Canada's lagging wheat sales, no one in his wildest dreams ...

not one on the other side even

... could have imagined how quickly the world grain situation would turn around.

It went on to say that:

In Saskatchewan alone, total farm cash receipts from crops this year will surpass \$2 billion, four times the 1970 level.

Certainly there are farmers today who are hauling grain to the elevators in this province - grain that was produced before 1970, even back to '69, '68, and the income from that is going to swell the Provincial Treasurer's pockets, shall we say, through the federal-provincial income tax sharing agreement. The expenses were incurred back in those years and the benefits are coming in directly now to the provincial treasury, and to the people of Alberta, I should say.

Another reference to how rapidly things change goes back to an article in The Financial Post of November 17, 1973, as follows, "The fast-developing energy shortages are dealing Canada's chemical industry a God-given opportunity that no one could have foreseen even six months ago." Here they're talking about the rapid change of even six months ago and certainly this is falling into place and into a good opportunity for the citizens of Alberta in their position.

Then you get the matter of inflation and certainly this is a serious matter that is affecting us all. You get such headlines as, "Higher prices coming from the ground up" -

The likelihood for industries and companies that use resource products in one form or another - whether hefty metal ingots or thin paper packaging - is inflation that could contain the seeds of hyperinflation.

And I think this is one of the most serious things that we in this Legislature face at this time.

Then we get back to another comment from Outlook, in the Country Guide of March this year, and it reads as follows:

Canadian farmers have never seen anything like it. Spiraling commodity prices are carrying farm incomes to dizzy levels. Total receipts for farm products sales hits a record \$6.9 billion in 1973, up 27.7% from 1972, and should hit \$9 billion this year.

And this goes on to say: "That was the word out of the recent Agricultural Outlook Conference in Ottawa. Yet rising costs had everyone at the conference apprehensive."

Another part I think is of interest:

One other important trend was spotlighted at the conference - the increasing number of part-time farmers. Over half of all farmers filing income tax returns (in fact 62% of them) reported less than \$10,000 gross farm income during 1971.

And then finally from this article:

Economist ... of the United Nations Food and Agriculture Organization ... said the present world food shortage is probably unprecedented in its extent and impact. The medium-term food outlook has never been so unpredictable and potentially so unstable.

That is in the food producing from the farming areaa. Certainly when you get into the annual report of Canada Trust, they're looking at 1974 as follows: "1974 promises to be a year of unusual uncertainty, which makes sound planning extremely difficult."

So, with those comments, Mr. Speaker, certainly the Provincial Treasurer, I think, should look at the bountiful blessings that have been bestowed upon this province. I don't think, if I were he, I would take too much credit too quickly.

Now going on to another article that was rather interesting from The Financial Post, it refers as follows: "Barrett rolling in revenue from forest, mining, energy ... " and so on. And it goes on to say:

The Barrett administration had the great good fortune to be elected in 1972, just as this resource-rich province was reaching a new level of well-being.

And I submit, Mr. Speaker, that the present government in Alberta had the good fortune to be elected at a time when we were at the ebb and now going in to the better times.

Now Mr. Speaker, in looking at the overall picture, I can't help but think back of years ago - and I know there are a lot of members on the other side who weren't even in diapers, I guess, back in 1928 - but from the Throne Speech of 1928, there was a reference there that bears a lot of similarity to what we have heard in this House this year. It goes on to say in part that:

... the year that has closed has been a notable one in crop production; both production and total value exceeding by a wide margin that of any previous year.

But it also refers to the fact that threshing in some parts of the province hadn't been completed. So I submit, Mr. Speaker, that the prices then were good, the outlook was good, but we saw what happened shortly after.

Another item of interest I would like to refer to just briefly, and this came over one of the farm broadcasts sponsored by the Alberta Department of Agriculture when Mr. Charlie Munroe, the President of the Canadian Federation of Agriculture, had the following to say about trends in commodity trading - and I'm quoting in part:

The thing that I am most concerned about is the commodity gambling and speculation that we observed in the year '73. This had the overbearing significant effect on food prices in Canada. Yet, the gambling was really taking place outside our country.

And then he goes on to say: "This commodity was corralled by individuals for their own gain to manipulate the commodities to increase the price." I think it is a pretty serious situation when it isn't the actual producer or the consumer, but somebody who is in between, who is speculating and benefiting from it.

Now, Mr. Speaker, I'd like to deal briefly with some of the concerns in my constituency. I think if I could speak in one word it would be inflation. Certainly when you look at the increased price of fuel, the increased price of machinery parts, the increased price of food, in fact, practically everything you buy today is going up. It's rather interesting to notice in one of the industrial papers where it says,

To score a real advance in after-tax income - say in line with productivity gains across the economy as a whole - this year's income has to be ahead of where it was in 1970 by more than 40%.

I think, Mr. Speaker, that this indicates to us what is happening in the field of inflation.

Certainly in the matter of roads, I understand from the Department of Highways and Transport that No. 41 will be completed in 1975 with substantial work to be done this year. We appreciate this.

The senior citizens' home at Wainwright has received the okay for a 30-bed addition - which may not give you a 30-bed net, but it certainly will be an increase in the facilities there.

The hospital - I've discussed with the minister the need for nursing facilities in the old hospital at Wainwright and I understand a new hospital complex at Provost will be under way before too long.

Certainly the matter of the extended service for telephones is one that the people in my area were led to believe would be free and we got into the matter of polling first. Then after the poll was taken they found out it was going to cost money and I think four out of five areas voted against having the extended service.

Concern is also expressed in the community, in my constituency about the small schools. Delegations have been up to see various departmental officials in their concern because they feel if the small school leaves, then many of the community facilities will go with it.

Speaking to some of the industry involved in my constituency, there is certainly concern for the price of fuel that they use. I would hope that this would be considered by government in the setting of the two-price system for industrial users.

Now I think in the Wainwright area - and all of you saw The Edmonton Journal the other day with the heading, "This would put lid on shopping blues". Certainly I would commend this to the government to look at as a sensible approach to bringing some of these modern conveniences to smaller centres. I think this is a thing that bears merit and should be studied in detail.

Other concerns in the community, as I mentioned, were the inflation, this ties in with farm machinery parts, ties in with the feeling that the 4-H movement is being, shall we say, watered down in favour of more sports. The TV coverage and radio coverage in that area is something else that the people would like to see improved.

One other thing I would just like to mention briefly is that the community had the honour not long ago from the Department of Culture, Youth and Recreation to receive an award for a book entitled, Buffalo Trails and Tales, the history of Wainwright and Districts. This was the winner of a 1973 Alberta regional history award in the amount of \$615. It was chosen from among 14 entries in the first competition of its kind in this province. I think it's rather interesting that 1,500 copies of this were printed and they were sold out just pronto.

Now, Mr. Speaker, in going on further I would like to deal with some of the things in government - in the farming industry we look at the record of performance - and I think we should look in government at some of the things that have happened over the last while and certainly in the matter of open government. It's kind of interesting to me when we look at the orders for a return back in March 6, 1973 and they referred to a request for "Two copies of all directives by the Government of Alberta, its ministers, departments, boards or agencies, to employees of the Government ..." and so on. The minister in charge asked that that part be deleted for the reason that it calls for information within departments of government. Now going back a little further when there were two ministers who had an order for a return back in February, 1971, there was no such stipulation and they asked for interdepartmental memos. So I submit, Mr. Speaker, it is rather interesting how some of these things change, depending on which side of the House you are on.

It's also interesting, during the question period I asked the Deputy Premier about the grant to the Palliser Wheat Growers and the number of members. I note there was a \$5,000 grant given to them, and in the annual report which was written up in the paper the membership was listed as 180 in Alberta. The minister in his information to me indicated some 300 to 350. But the point I'm getting at, Mr. Speaker, is that for that number of members in an organization - and then the government turned down or discontinued the grant to the Alberta Fish and Game Association of some \$10,000. To me this doesn't seem right by any sense or thought.

It's rather interesting also that we're noticing more government by grant. I noticed in one of our local papers where there was reference made to a major financial breakthrough when the Alberta government capital grant of \$50,000 was approved for a community development. I submit, Mr. Speaker, that some of these are going into communities where there already are organized groups. It should be worked out so they could get these all together rather than starting up a new group to collect these grants.

In looking at the budget I notice there were some \$71.5 million in special warrants in the period May 15 to March 6. Certainly I can recall back when special warrants were something that was really to be looked down on and here we see a substantial amount in special warrants. I guess, Mr. Speaker, with the affluence that the oil industry, the federal tax rental agreement is bringing to the government, they are spending more.

It's also interesting to note, Mr. Speaker, the debate that took part in the Throne Speech. In looking at the Hansard records, outside of the mover and the seconder, I notice there were twelve pages devoted to the members on this side of the House and only three and one-half pages to members on the opposite side. So we can see who really took part in the Throne debate.

Of course we see at this session the rules have been streamlined. Certainly debate has been restricted in time limitation. I think the hon. lady member opposite was one of the first ones to find that out.

Certainly in looking at the budget, we get the growth of government. It was rather interesting to note just one item, the travelling expenses of the public servants - in

excess of \$6 million - just to get around the province and other places. The Bureau of Public Affairs, salary and man-years, 1974-1975 listed at 115; 1973-1974 at 65, which is a growth of 40. Now, Mr. Speaker, does this mean that there is going to be more government propaganda come out in all different directions telling the people of Alberta how good they are on the other side?

Now certainly another one I would like to mention briefly is government advertising. It's kind of interesting to me, Mr. Speaker, to see an ad such as this in the daily papers and I don't know how many papers it was in, but there is three columns by the whole space, and it says, "We were cramped for space ... we had to move." Then on the other side there is an ad telling us that we have moved. Now, Mr. Speaker, for individuals, many of them on the other side who were talking about growing bureaucracy, I think this has to be it, when they have to advertise the fact they are moving. I think what really happened is that there is getting to be so many people they have to move them out some place to make space for the ones who are left.

Now compare that to what we faced at this session when the second report of the Legislative Committee on Professions and Occupations was tabled in this Legislature. When the first one was tabled there was a relatively large number available and as a representative I sent many of these out to various people for their comments. But I wasn't able to get the required number when the second report came out. So I submit, Mr. Speaker, that it would be better to spend the money that was spent on advertising of this type in getting information out to the citizens of this province so they can assess what is proposed in these reports and in legislation.

Another thing I would like to deal with just briefly and that is the number of government announcements that are made outside the Legislature when the Legislature is in session. I think there have been several made in this field and certainly if we are going to have the supremacy of the Legislature then the time to make those reports is when the Legislature is sitting and not outside the House at that time.

Now Mr. Speaker, there are several other things I could deal with. I would like to touch just briefly on one or two of them. It goes back to the time when the Deputy Premier and Minister of Agriculture announced the program of aid for livestock producers in the building of facilities.

I am just going to read this for the record. The hon. member Mr. French asked the Deputy Premier about the announcement that was made yesterday and this is from Hansard, and it says:

[Will the payment for] ... the work done by the farmer or his sons be based on the minimum wage of \$1.90 an hour or the current wage paid to carpenters?

To which the Deputy Premier answered:

Mr. Speaker, to make the program work I have great faith in the good judgment of the farmers of Alberta and I am sure they'll assess that in a fair manner.

Now, Mr. Speaker, that was commendable. I think that was fair. Yet the next week he came back to the effect that they had looked at it and

... the following guidelines had been sent out to the district agriculturist which will allow the farmer to charge \$2 an hour for his labour ...

and goes on to say,

... we appreciate that his time may, in fact, be worth more than this and usually is, but it does take into account that we will also give him an allowance for sons who may be helping.

Now I raise this, Mr. Speaker, because in conferences held across this country, and even the Deputy Premier himself has indicated at meetings that farm labour is one that needs to be upgraded. I think he said at a dairy conference "... dairy farmers put in seven 16-hour days a week at 'child-labour rates, or below the minimum wage.'" And at an Ottawa meeting, "A two-day farm labour conference sponsored by the Canadian Federation of Agriculture concluded Tuesday that more must be done to emphasize the glories of farm work." So I was disappointed when the Deputy Premier chose that. Here is an opportunity to expand on it and raise the status of the farm help.

Just before closing, I would like to just mention basically that I had the opportunity some weeks ago to hear a medical missionary who had returned to this country from a foreign mission field. He had been away for nine years. In his address he indicated that when you go to a foreign field you have to make adjustments. But he said he got a cultural shock when he returned to Canada after nine years. I think this is really something when you consider the changes that have taken place in the period he has been away. We live with it. We see it day by day.

I think we are coming to a crisis in human affairs because of affluence, because of things such as abortion, the illegitimacy report that was tabled the other day, the liquor outlets, marriage breakdowns and divorce and the numbers in prisons. I think we have a lot to look at and to be pretty concerned about in what is happening in our society today.

Yes, we have a tremendous budget in figures. But does that affluence result in the quality of life? I was concerned, Mr. Speaker, in this very Assembly over the last three years that the use of the Lord's Prayer has been dropped in the opening of the daily session. When we dealt with The Alberta Bill of Rights if it hadn't been that the government had been forced to a vote, the following words "... that acknowledge the supremacy of God ..." would not have been acknowledged in The Alberta Bill of Rights. When we look at such things as ...

MR. GETTY:

On a point of order, Mr. Speaker. Is the hon. member indicating in some way in his budget speech that the government had something to do with the dropping of the Lord's Prayer to commence the day's discussions?

MR. RUSTE:

Mr. Speaker, I am referring to - getting back to what this member mentioned to me in the cultural shock he got in coming back to this Canada of ours and the changes that are taking place. I am just referring to them as I see them one by one. Certainly when you get into the field of the Lord's Prayer and other such things, when you go into Scouting and Guiding certainly they have recognition in there in the Religion in Life emblem. I think it behooves us all to look pretty carefully at some of these things that are being changed.

I would just like to refer here to some representation I got not too long ago from an individual. This is a concerned parent. It goes something like this: "Words just fail me at the problems that have developed due to this lowering of the age limit." - this is dealing with liquor in public places such as high school dances and so on - "Now, it would seem, the majority of students are more interested in obtaining liquor than in graduating." It goes on to say that this particular student "... was an outstanding student when beginning High School. By the time he was 18 barely got his Diploma."

MR. SPEAKER:

Order please. I regret interrupting the hon. member. Perhaps he should keep in mind that it is not in order to criticize obliquely previous decisions of the Legislature. My recollection is that the dropping of the age of majority was a decision of the Legislature and that The Alberta Bill of Rights in its present form was also passed by this Legislature.

If the hon. member wishes to attack these two decisions of the Legislature, it must be done directly by a resolution rather than obliquely in the manner in which he is apparently attacking it by equating these things with cultural shock.

With regard to the prayers which are said in the Assembly, there would certainly be a more appropriate manner for the hon. member to express his opinion.

SOME HON. MEMBERS:

Agreed.

MR. RUSTE:

Thank you, Mr. Speaker. Then in summing up, I think we can talk about the record budget. We can talk about many records. But I think the quality of life is certainly what matters. I think those of us in this Legislative Assembly have the responsibility to see that quality wherever it might have changed or whenever it might have changed that we have the responsibility to see it is changed back for the betterment of our community. Certainly with the anticipated income that is coming in the near future, we have more of a responsibility to see that money is spent to ensure that we have not only quantity of life in Alberta but quality of life as well.

Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview caught the Chair's eye first, followed by the hon. Member for Hanna-Oyen.

MR. NOTLEY:

Mr. Speaker, I welcome the opportunity to take part in the budget debate and join with the other members in congratulating the hon. Provincial Treasurer on his eloquence and great speaking ability in introducing the budget.

Now, Mr. Speaker, I want to deal mainly with a number of issues that have arisen in the last while. But before doing that, I should just mention several constituency matters which I would like to draw to the attention of hon. members.

I was pleased the other day when the hon. Minister of the Environment indicated that the government was going to proceed with an investigation of the feasibility of a dam site at Dunvegan. It's my view, Mr. Speaker, that with the moves by the British Columbia government to build a second dam it is certainly feasible for us to consider the Dunvegan site. I welcome the minister's - not announcement - but at least his indication in the question period that the government is going to move in that matter.

Similarly, the Clear Hills iron ore deposits are largely in the constituency of Spirit River-Fairview. Again, while the research this year certainly is a modest effort, it is a step in the right direction. I think constituents in the Spirit River-Fairview constituency recognize though that even though we might want to see an iron ore development in that region, there has to be an investigation of the feasibility of it. It doesn't make a lot of sense for the government to move heavily into an industry which isn't feasible. So I welcomed the minister's speech the other day where he indicated that the research on the iron ore deposits would be ongoing and stepped up.

I am also sorry that the Minister of Highways and Transport isn't here, but I want to make my annual plea for the paving of the last 26 miles of the Number 49 Highway and the completion of the Clear River road to B.C. Highway 49, I should point out, Mr. Speaker, would bring the last 26 miles to the B.C. border of the woods and water scenic route well worth the support of all the hon. members on both sides of the House.

Mr. Speaker, one of the disappointments I had in looking at the budget with respect to my constituency is the rather small allowance that has been made for small rural schools. I believe the allowance in the budget is half a million dollars. Frankly, that really isn't going to go very far. What is necessary, in my judgment, Mr. Speaker, is to build into the equalization formula some sort of concept which would provide rural jurisdictions with the same buying power when it comes to education as the larger jurisdictions have, where you have a growing student enrolment or at least a static student enrolment. The problems in the smaller divisions are, number one, that in many cases you have a declining enrolment and you have very definite increases in cost.

Mr. Speaker, while the half million dollar program announced this year is a small step in the right direction, it is a very small step. I would think that perhaps we should be looking at \$15 or \$20 million if we were going to balance the equalization formula so that we reach the objective, Mr. Speaker, of providing equal educational opportunities to students in this province, whether they live in the country or whether they live in the city. That should be our objective. Our objective shouldn't be to try to equalize the yardstick. The objective should be equal educational opportunity.

Mr. Speaker, I also want to say, with respect to the unharvested crops, that it's my judgment that a better approach, rather than the loan program up to \$7,500, would have been, in conjunction with the federal government, to bring in an acreage payment scheme. Some farm people, including the National Farmer's Union, have advocated \$20 an acre up to a maximum of 200 cultivated or unharvested acres. In my view, Mr. Speaker, that's not an unreasonable proposition, especially when you consider the windfall revenues which are accruing to the provincial treasury this year.

Mr. Speaker, I want to turn from constituency matters and deal with a number of the major issues that confront the Province of Alberta today. On Thursday the Premier reported on the conference in Ottawa - came back and made it very clear that he felt the right decision had been made to surrender any proceeds from the export tax in return for a higher price for crude oil. The argument was that the export tax is a declining star. Well, Mr. Speaker, if we take the January statistics of the Energy Resources Conservation Board, we are exporting 880,000 barrels per day to the United States. Projected over the next two years, Mr. Speaker, before a pipeline to Montreal can be completed, this is in the neighbourhood of 650 million barrels of crude oil from the province of Alberta which will be exported to the United States. So the question of the proceeds from that export tax is really a rather important one and can't be dismissed as simply a declining star.

I submit, Mr. Speaker, that the Premier may have misjudged the situation rather badly and rather than being a stalwart defender of provincial rights, he may, in fact, have allowed the federal government to latch on to a whole new area of taxation by getting 100 per cent of the revenues of the export tax. The federal government has clearly established a precedent which it will use if other export taxes are levied.

Now, Mr. Speaker, we had the question posed today by the hon. Member for Calgary Millican as to whether or not a natural gas export tax would be levied. The Premier didn't say yes and didn't say no, but it would be my guess, Mr. Speaker, that if one reviews the whole concept of selective price controls, and that seems to be the course that the present Trudeau government is taking, one of the mechanisms they are going to use is an export tax. An export tax is one way of shielding consumers in Canada and getting the full international market value on the other hand. And that export tax, Mr. Speaker, can apply to lumber, it can apply to propane, it can apply to natural gas, it can apply to a whole range of commodities, not just oil.

Mr. Speaker, I suspect that what we're going to see in the years ahead, whether we have a Liberal government in Ottawa or a Conservative government or NDP government or what have you, is that you will find Ottawa employing the export tax as a mechanism in their fiscal policy. Now, Mr. Speaker, under those circumstances, it's my submission that the export tax, as a concept, is really a rising star, and therefore we made a serious error by not claiming a share of the proceeds of that export tax to the producing province.

Mr. Speaker, another area that concerns me is that as a result of the agreement of the \$6.50 per barrel price, we apparently have given up the *quid pro quo* argument. Instead, we are talking about trying to eliminate the obstacles to growth in the West. But, Mr. Speaker, whether the Premier says it or not, it appears to me that there is at least an element of the *quid pro quo* in the province of Saskatchewan, because the new DREE program has an equalization factor built into it which will mean that Saskatchewan will be able to use federal dollars to encourage industry - while in Alberta, the other day we had to pass a bill which authorizes the use of Alberta dollars in grants to industry.

Mr. Speaker, it's my submission that I think we have a good case to be made. If we're going to shelter energy prices in Canada, if we're going to receive less than the international market price of approximately \$10.70 a barrel, then it is not unreasonable to expect Central Canada and the other provinces who are the beneficiaries of this lower price to commit themselves to a *quid pro quo* equal to that difference.

AN HON. MEMBER:

You didn't say that before.

MR. NOTLEY:

Mr. Speaker, that was the position I took last fall. It was the position I took during the energy debate. It's the position I take today.

Mr. Speaker, the next question that really has to be asked and answered by the government is, how is the \$6.50 a barrel going to be divided, especially the increase from \$3.80 to \$6.50, that extra \$2.70? Well, we had the announcement last week of the new royalty program, and the suggestion was that 65 per cent of that difference would go in the form of a royalty. Mr. Speaker, it really isn't 65 per cent when you look at the total oil picture in Alberta because, as the Minister of Mines and Minerals pointed out on Friday, the companies' share is going to be \$737 million. Based on the production for this year, that works out to approximately \$1.20 a barrel, which is not 35 per cent at all. It's 45 per cent. When you consider the drilling incentive program, plus the fact that we're going to have higher prices too, which we have to shield from the public treasury by lowering the gasoline tax, it's probable that the companies will get approximately 50 per cent of the increase.

Mr. Speaker, the same sort of thing was announced as far as natural gas royalties were concerned. We had a very complicated formula but we were told that the formula would allow for a 50 per cent surcharge and then a 65 per cent surcharge after the price of natural gas reaches 72 cents per thousand cubic feet. Well the fact of the matter is that when you take the formula and work it out, even when the price of natural gas reaches an average price in this province of 32 cents per thousand cubic feet, the effective royalty rate will only be 25.3 per cent. When the price of natural gas doubles again or more than doubles to reach 72 cents per thousand cubic feet, the effective royalty rate will only be 37.8 per cent. The price of natural gas will actually have to reach \$1.31 at the wellhead level before the province collects 50 per cent in the form of royalties. So, Mr. Speaker, in a sense we have - I'm not suggesting this in a dishonest way - but we do have a little bit of Russian statistics or perhaps you might call it Nixon arithmetic when it comes to these statistics.

Mr. Speaker, the major problem in Alberta today - and it's one which I think even the government has implicitly recognized, I noticed in the press reports of the Premier's news conference yesterday that he made some reference to it, and presumably this is one of the reasons for the new corporate income tax for Alberta - but one of the major problems in Alberta is the outflow of capital, largely caused by the great, multi-national corporations.

I've reviewed statistics before, but I have here the February 18 edition of Oilweek. It's very interesting, Mr. Speaker, to compare the revenues of the industry with the expenditures. You find that the difference has been growing very sharply. In 1968 the difference was approximately \$80 million, that is, the large corporations took \$80 million more out of Alberta than their combined expenditures in the province. Now that's not a serious outflow, but last year that outflow had reached the figure of \$1,160 million or almost \$100 million a month. This year, according to the estimate, it's \$1,324 million. But this estimate, Mr. Speaker, was before the new crude oil royalty plan as well as the natural gas plan. When you consider the impact of adding another \$737 million, plus whatever the oil companies gain from the new natural gas pricing formula, then the outflow will reach hemorrhage-like proportions.

It is rather ironic, Mr. Speaker, that when you are dealing with multi-national corporations, of course, the time comes when they want to take out their investment. There is no doubt about that, that's the way they operate, they aren't philanthropic organizations set up to do good around the world. But the tragedy for Alberta is that when the pay-out time came in this province we were in the midst of an energy crisis which forced up the price far beyond the predictions of either the people of Alberta or the companies themselves. As a result, when pay-out times comes, they not only get their investment back, plus a reasonable return on that investment, but it appears at this stage that they are getting a windfall of record-like proportions.

Now on the other hand, we have heard a great deal about how we are going to protect the consumer. Well, I look in the budget, Mr. Speaker, and I see that the protection for the consumers of natural gas is going to be \$20 million for the current year; \$20 million, Mr. Speaker, is equal to 5 cents per thousand cubic feet. Now I don't know what the average wellhead price increase has been, but I suspect it's been substantially greater than 5 cents per thousand cubic feet. And I would invite one of the hon. members opposite, when they join the debate, to tell the people of Alberta what the intention of this government is. Is the government prepared to fully shield the people of Alberta from rising natural gas prices or is it going to be a 50 per cent cushion, or a 10 per cent cushion, or what is the policy going to be? Mr. Speaker, I submit that we should know this right away.

I know the government is going to table a position paper on its natural gas plan, but we really should have it now because we are discussing the budget and one of the elements of that budget is a \$20 million appropriation for the natural gas rebate plan. Well, Mr. Speaker, we should know to what extent this government is prepared to shield natural gas consumers in this province.

Now, the gasoline tax reduction, I already dealt with when I discussed the amendment, but I further submit that if we are going to make that kind of concept workable we need to bring in wholesale price controls.

Mr. Speaker, I want to move from there to discuss the new tar sands research authority. And to do that, I think it is important to look at the pattern in Canada. The tragedy of research in this country is that most research is done by large companies, frequently not even in Canada. Ninety-five per cent of the patents, for example, between 1957 and 1961 were patented by U.S.-controlled corporations, or foreign-controlled corporations. And I quote from Page 98 of a Science Council of Canada publication, which I think illustrates what I'm trying to drive at. I quote:

For these reasons, and also because the largest, the most experienced and generally the most competent teams of engineering and marketing people in multinational corporations are usually found in the headquarters country, it is unlikely that a Canadian subsidiary would be allowed to carry through a highly promising development. Few companies would risk losing millions of dollars for the emotional reason of letting the Canadian subsidiary carry its invention through to fruition. One executive at Head Office in the United States stated quite frankly in discussion with us that any major breakthrough by the Canadian subsidiary, if it occurred, would probably be brought back to the United States for development and initial production.

Mr. Speaker, that's from the Science Council of Canada, Special Study No. 23, October, 1972.

We have the recent report, Mr. Speaker, in The Edmonton Journal by Dr. Don L. Flock, a professor of petrochemical engineering at The University of Alberta. I quote just briefly from that article because I think his comments are worth noting:

The Alberta government does not at this time have access to the latest technological developments in oil sands recovery, although the Research Council of Alberta (Alberta Research) pioneered the current commercial process of extracting oil from the oil sands.

"Alberta Research is doing contract research at its Clover Bar experimental station for a number of companies involved in the oil sands, but by the very nature of

the contracts with these companies, they cannot release information on this work," Dr. Flock Said.

Now, Mr. Speaker, the concern that I express is that if we are going to set up a \$100 million tar sands authority, and we are going to involve the private sector, on what grounds are we going to involve the private sector and what conditions?

I think if we are going to control the pattern of future development in the tar sands, it is absolutely necessary that the technology be under Canadian ownership and control. But are we, in this new program, going to be cutting the multi-nationals into a share of the research? Is that the objective? It is one thing to contract with a small consulting firm that is based in Alberta, but are we going to be giving the great concerns like Exxon, Gulf and what have you, a share of this money to do research work? Are we going to be doing research work with Syncrude which is in effect controlled by four major American oil companies?

Then the question arises, who gets the patents once this research is done? Are we going to be putting public money into private coffers and then find that we don't have the patent rights? Will this research be done in Alberta, or will it be done in the main research centres of the corporations involved? And more important, or equally important, when the research is completed will all that information be published so it will be available to the people of Alberta and be available to all companies that might be considering tar sands or oil sands development?

Well, Mr. Speaker, I don't know the answers to these questions because I read the release very carefully and those answers are not contained in the government's initial release. I would hope that when the bill comes into the House that we can have some assurance that we are simply not taking \$100 million of public money and turning it over to private companies and in effect footing the bill for multi-national research.

Mr. Speaker, a further point which I consider important is the direction of future development. I frankly don't accept the proposition that minority participation in oil sands ventures is any substitute for real control. I again harken back to the excellent report prepared by some of our top civil servants in the province of Alberta. There were really two major points in that report. The first was that the development of the tar sands should be tailored to meet the needs of the Canadian market, not the American market. The second major proposition was that tar sands development should be under Canadian control. Well, it is pretty obvious that by opting for the Syncrude approach, the government is not taking that route. And as you look at the Petrofina application and the Shell application, that's just further evidence to illustrate the point I've made.

It is obvious, Mr. Speaker, that the government has decided to follow the Levy report. I notice that when the Premier spoke during the fall debate he made reference to the Levy report. When the hon. Member for Calgary Buffalo spoke during the debate on, I believe it was the petroleum marketing board, he made some reference to the Levy report.

There are two principal propositions put forth in the Levy report, Mr. Speaker. One, that tar sands development, or oil sands development should take into consideration the continental market, the 'synchronization of resources' the Americans now talk about, or as Mr. Simon, the energy czar describes [it]. That is an euphemism for 'continental energy policy'. And the other point he made is that the multi-national corporations, if they didn't control the oil sands, should at least have an important stake in developing the oil sands.

Mr. Speaker, I have no reason to believe that Mr. Levy is anything other than an honourable and capable man who knows his business very well. But I think that we just have to take a look for a moment at what his credentials are, who he is, and who he is advising. Very recently we had a speech in Winnipeg by Dr. Larry Pratt, professor of international politics at The University of Alberta. I would just like to quote very briefly from Dr. Pratt's speech. He talks about Walter T. Levy, Consultants, of New York:

This is an interesting source of advice, since Levy is a long-time leading consultant to both the oil majors and the U.S. government.

He goes on to report that:

... Levy has been a major influence in charting American oil policies for the past 30 years. He is currently hard at work advising the U.S. and other industrial powers on the present energy power play. In 1968 he was awarded a medal by Dean Rusk for "grateful appreciation for your invaluable contribution to the welfare of the United States"; ...

Mr. Speaker, "He was, for instance, in Iran in 1951 when the C.I.A. and the cartel overthrew the troublesome Mossadegh, and he also served in the Middle East, in Venezuela and other strategic locations." Mr. Speaker, Mr. Pratt goes on and reviews the record of

Mr. Levy which is, by all standards, a record of being an extremely capable consultant, a man who knows his business.

But, Mr. Speaker, however capable he may be and however knowledgeable he may be, the fact of the matter is that the two central propositions in the Levy Report are similar to the objectives of the United States government. I don't blame the United States government for having these objectives. If I were Mr. Simon I would have precisely the same objectives. No American in his right mind can have anything other than, as an objective, the synchronization of the energy resources of North America. That has to be their policy. There is no point in being, you know, anti-American, but the fact of the matter is that, while that policy makes a great deal of sense for them, it doesn't necessarily follow that it makes sense for us.

So, Mr. Speaker, I think we have to take a pretty close look at what's happening in the tar sands. It's my view that the recommendation made in the civil servants' report that the control and development should remain in Canadian hands, is in my judgment the most important single energy decision that this country can make. The responsibility for making it falls upon, in large measure, the Province of Alberta.

I want to say just a very few words before closing, Mr. Speaker, about how we spend the extra funds that we will be receiving. I can argue that more money should be collected from the multi-nationals. If one takes the Saskatchewan formula and applies it to the present production in Alberta, the government of this province would collect an extra \$954 million over and above the \$900 million that we have heard so much about in the last few days. Mr. Speaker, even setting that argument aside for a moment, I would like to submit that, with the extra funds that we do have coming into the provincial treasury, while it's important to use the umbrella of higher crude oil prices and higher natural gas prices to develop viable secondary industries - and everybody in this House regardless of which side of the House they sit on agree with that point - the fact of the matter is that equally important in our physical development objectives must be a commitment to human resource development. Mr. Speaker, that is the one thing which concerns me as I read over the budget. The commitment to human resource programs is really pretty limited.

We have a great deal of poverty. I was rather amused the other day listening to one of the hon. members across the way saying that there weren't any poor people in Alberta. I am sure that if this hon. member had an opportunity to go through parts of the Lesser Slave Lake constituency, or to travel through many parts of this province, or the inner-city areas of both our major cities, he would see all the evidence of poverty that you need to realize that there is a great deal of social inequality which still exists in this province.

We just had, Mr. Speaker, the report of the Edmonton Social Planning Council regarding the inequality that women face in the labour report. I want to quote from it, Mr. Speaker, because I think it's important that we take a moment and understand some of the inequalities which women in Alberta face in the labour marketplace of our province. And I quote,

For the period of August 1971-1972, of those earning less than \$5,000 per year; 97% were women. For the period of August 1972-1973, ...

another period of a year

... this percentage increased to 98%. The effects of this pay division hit hardest the women who are the sole-support for their families.

Despite the passage of The "Individual Rights Protection Act" on November 22, 1972, the rate of "equal pay for equal work" decreased to 12% from 13% for the period of August 1971-1972.

That women have "come a long way" in entering a wide range of occupations is a myth ...

Mr. Speaker, the social planning council did a great deal of research. It seems to me that the research they have provided must cause us all some pause for thought too.

Mr. Speaker, I close by saying again that the emphasis has to be on putting human resource programs at least on a par with physical resource programs. The real problem of so many of the low income groups is that they aren't able to articulate their needs on an ongoing basis. The inequality of being able to voice your requirements and state your objectives is one of the major problems and one of the reasons social inequality is perpetuated in this province and, indeed, right across Canada. I think that in many ways, Mr. Speaker, the test of this budget will not be on the huge sums of money we have coming in, but will be how we can use that budget to improve the quality of life and not only provide opportunities for the able, the skilled and the articulate, but to also open up new avenues for the voiceless minority, for the have-nots, for those people who are not as

able to share in the great prospects which we all, regardless of where we sit, recognize lie ahead for the province of Alberta.

MR. SPEAKER:

I had already previously recognized the hon. Member for Hanna-Oyen followed by the hon. Member for Calgary Buffalo.

MR. FRENCH:

Mr. Speaker, in rising to take part in this budget debate, I would like to take this opportunity to congratulate the hon. Provincial Treasurer on the presentation of his mammoth budget. It is a record \$1.9 billion with an estimated surplus of \$19 million. This is over \$1,000 for every man, woman and child in the province. Then, when we add the \$900 million of additional revenue which was announced on Friday, we are looking at a total budget of some \$2.8 billion which represents \$1,750 for every man, woman and child in the province.

Even before the announcement of the increase in the royalties it is evident that the major increases in this budget will come from the dramatic increase in the revenue of oil and gas, which is up about 5 per cent in the past year.

To give you an indication of what I am referring to, Mr. Speaker, if we look at page 49 of the Budget Address and refer to table B(2), it is quite evident that the petroleum and natural gas revenue will amount to 40.5 per cent. Then we find the personal income tax will represent 16.8 per cent, miscellaneous 16.9 per cent and transfers from the federal government 16.1 per cent. Then we have the other two items of corporate income tax of 5.6 per cent and the gasoline fuel oil tax at 4 per cent. This means, Mr. Speaker, we are certainly very dependent on our depleting resources for the financial operation of this province, when we find that 40.5 per cent of our revenue will come from petroleum and natural gas.

When we take into account the additional \$900 million from increased royalties, which is not reflected in the Budget Speech, we are going to be even more dependent on our non-renewable resources. This means, as we look into the future, I can see vast sums of money pouring into the treasury, knowing the Provincial Treasurer will receive all kinds of ideas and advice from a multitude of organizations as to the best ways of spending this money. So when we're patting ourselves on the back for being such jolly good fellows, we should be reminded that our production from conventional wells in this province will start to decline in the next three or four years ...

AN HON. MEMBER:

They are already.

MR. FRENCH:

... depending on the supply and demand for this product. This means, Mr. Speaker, that it is essential every dollar spent in this budget must be in the best interests of our people and not for political expediency.

If we will accept the figure of 8 to 10 per cent as the increase in the cost of living, which seems to be the acceptable figure for the Canadian average, or if we accept the figure of 6.5 per cent as quoted by the Provincial Treasurer, and take into consideration the 14 per cent growth in personal incomes, I find it most difficult to justify a 21.3 per cent increase in government spending. Thus, Mr. Speaker, my first reaction to this observation is that the budget is inflationary.

It also must be stated that when runaway inflation and the ever-increasing costs of goods and services are running rampant, it is difficult to justify such an increase in government spending which will keep the flames of inflation burning at an all-time high. I would like to remind all hon. members to be aware of the devastating effects of inflation. Maybe they should open up their history books and have a look at what has happened in the past and what could happen in the future.

At one time, Mr. Speaker, the economists advocated an increase in government spending to give the economy a boost during a period when the economy seemed to be lagging in momentum. But, Mr. Speaker, what is the status of our economy? According to statistics, our economy has never been better - more employment, higher prices for farm products, and a large gain in personal income. So, Mr. Speaker, I question very much the reason for this large increase in government spending when maybe this is not the time to be adding to our inflation when our economy is at a high level.

SOME HON. MEMBERS:

Hear, hear.

MR. FRENCH:

Thus, Mr. Speaker, I have mixed feelings when I examine the budget as I am of the opinion we are caught in the grips of galloping inflation which can have serious consequences for the people in the low income bracket as well as those of our senior citizens who are also in the fixed income bracket.

Yes, Mr. Speaker, we have started a number of programs including a few giveaway schemes which have been launched with a great deal of trumpet blowing, but some of these programs may come to haunt us when our depleting resources start their downward trend.

It's a nice thing, Mr. Speaker, to pay \$2,000 or \$3,000 to people who drive Cadillacs and only \$100 to those people who drive compact cars ...

AN HON. MEMBER:

Hear, hear.

MR. FRENCH:

... on the pretext we are removing the education tax from property. Nevertheless this kind of program will further divide our people into two categories, so the rich will get richer and the poor will get poorer.

Mr. Speaker, I think it's time we started to do something for the ordinary wage-earner. I'm thinking of the young man, just above the minimum wage, married with two or three children, a mortgage on everything he owns - little chance of ever getting anything paid for - and finding interest rates running as high as 18 per cent.

Mr. Speaker, these are the people who are hardest hit by inflation. These are the people who have seen the price of housing triple in the past ten years. What we need to do is to get more purchasing power into the hands of these people.

Mr. Speaker, although I consider this budget inflationary in many aspects, I do not consider expenditures for highway construction as being inflationary. These are capital expenditures and, as such, are an investment in the future, and these are even listed on pages 4 and 5 of the capital account for highways and transport. Highway improvement will improve the quality of life. It will also provide the roads so the farmers will be able to get their goods to market.

When I look at east-central Alberta, I know we are still waiting for the construction of the undeveloped portion of Highway 41 between New Brigid and Czar. And, Mr. Speaker, there are still many miles of oil surface on Highway 36 and Highway 41 which are badly pitted and should be brought up to the paved standard we expect on our main highways. This would provide an alternate north-south route which would remove part of the congestion on Highway 2. This would also provide a more direct route from north to south saving many miles, which could conserve our dwindling supplies of gasoline. Thus, I welcome the vote of \$67 million in Appropriation 1584 and trust that part of this money will be allocated to Highways 36 and 41.

I know the Minister of Highways and Transport is well aware of the importance of these two main highways and I hope the time has come when these two highways will receive an equitable share of the highway vote. I should also say, Mr. Speaker, that these two highways have been forgotten for a good many years, and the people in the area that I represent - I intend to continue to remind the minister of the importance of these roads and I'm sure the minister, as soon as money is available, will improve these two roads. This is the reason I appreciate the increase in the appropriation.

I also welcome the five cents per gallon reduction in the gasoline tax and the five cents allowance in the price of farm fuel. But, Mr. Speaker, I'm sure we all realize this benefit will be short-lived and will in fact be virtually wiped out when the gasoline prices rise by ten cents a gallon when we come to the increase in the price of wellhead oil. This means we will all be paying more money for gasoline and related products.

And now, Mr. Speaker, there is no major reduction in the personal income tax except what is known as the indexing of personal income tax. This will take into account a rise in the price of consumer goods. One would have thought, with the dramatic increase in revenue from natural resources, we should have expected a reduction in income tax. It is most difficult to comprehend the reason the basic tax was not reduced to 30.5 per cent, which is the current rate in British Columbia and Ontario. As a matter of fact, Mr. Speaker, there are only four provinces in Canada listed in the 1973 tax return that have a higher basic rate than that of Alberta - and Quebec is not listed. I refer to Manitoba at 42.5 per cent, New Brunswick at 41.5 per cent, Saskatchewan at 40 per cent and Nova Scotia at 38.5 per cent. All other provinces are either equal to Alberta or lower. This means we are at the same level as Newfoundland and Prince Edward Island, I'm sure these two particular provinces would really appreciate a share of the natural resources that we

have in Alberta. It seems to me we should be able to do much better if we are to be the envy of every other province in Canada.

I know that some of the government members have scoffed at the idea of a reduction in income tax, but let me say to those members that if Ontario and British Columbia can operate on a basic rate of 30.5 per cent maybe we should send a task force down to Ontario or to British Columbia and ascertain their magic formula ...

AN HON. MEMBER:

Hear, hear.

MR. FRENCH:

... so that we will be able to receive some of the benefits that the people of those two provinces enjoy.

In the final analysis, if we require 36 per cent - which is 18 per cent higher than that levied in Ontario and British Columbia - I find that when I examine it, I notice that in the Budget Speech, the indication is that personal income tax this year is up 12.7 per cent which will amount to \$325 million. Thus a reduction of 18 per cent would amount to \$58.5 million which would go a long way to help the ordinary wage-earner who seems to be the person forgotten in this budget.

Mr. Speaker, I am pleased that the government has continued to recognize the valuable contribution our senior citizens have made to our society and will continue the \$10 paid to recipients of guaranteed income supplements. It seems to me this amount is a little niggardly and could have been doubled to \$20. This would at least have offset the increase in the monthly rates in our senior citizens' lodges - these rates have gone up by \$20 a month. It would appear to me, Mr. Speaker, that we have handed our senior citizens \$10 to the right hand and we have extracted \$20 from their left hands. So I realize that the senior citizens still have a problem in making all ends meet, even with this addition of \$10 a month.

Mr. Speaker, I am sure we all welcome the removal of the \$15 provision in the Blue Cross program for all senior citizens 65 years of age and over and their dependants. I am sure members on both sides of the House are very pleased with this decision because many of us have advocated this for a long time. I am also pleased that the government has recognized the representation we have been making. I certainly concur in the removal of the premium for health care for Alberta residents with no taxable income. These two measures certainly go a long way to helping some of the people whom we do have in the brackets that I have been referring to.

Mr. Speaker, when we look at the ever-increasing cost of goods and services, the one redeeming feature of an inflationary budget is to provide some special programs for low-income people and people on fixed incomes, such as our senior citizens. So I certainly welcome this new program for the deductible provision in our Blue Cross program and also for the removal of the premium for our low-income people with respect to Alberta Health Care Insurance.

Mr. Speaker, I would like to take this opportunity of expressing my appreciation to the Department of Lands and Forests for continuing with the policy of stocking small dams with fish. In this connection, I am pleased to be advised the Blood Indian Dam, a few miles south of Youngstown, will again have its quota of 185,000 rainbow trout. This popular location has attracted many people from distant points including Edmonton and Calgary. In the centre of my constituency, which is east-central Alberta, we are regarded as the sportsmen's paradise. Where else can you find rainbow trout, wild ducks and geese all in one area?

AN HON. MEMBER:

How about a tree?

AN HON. MEMBER:

No, a restaurant.

MR. FRENCH:

We also have people in this Legislature who proudly proclaim they have been able to fulfill a life-long ambition in really participating in a good hunting trip in east-central Alberta when they have been able to take their quota of Canadian geese. At one time we had an abundance of sharp-tailed grouse. However, this bird is almost extinct which is the reason I have been advocating the season should be closed in east-central Alberta for sharp-tailed grouse.

With some of the best hunting and fishing, there is certainly a need for a full-time game officer in Hanna. At the present time we have offices at Drumheller, Stettler, Provost, Oyen and Brooks. All these offices are located on the perimeter of this large hunting area. What we need is a full-time officer in the centre of this popular hunting area. This would make it possible for the department to monitor all aspects of the situation with respect to hunting and fishing. Therefore, Mr. Speaker, I trust that it will not be long before the department will be able to locate a full-time officer in Hanna. I appreciate the fact that they have a part-time officer during the fall months, but this is certainly not adequate for monitoring the problems in the hunting season which occur.

In closing, Mr. Speaker, I would like to take this opportunity of expressing my appreciation to the various ministers who have been able to bring to a successful conclusion some of the problems brought to their attention. I don't feel that I should name the various ministers because I might happen to forget one and it would be difficult. So in closing, Mr. Speaker, I appreciate the reception that I have enjoyed this afternoon, and I thank you.

MR. GHITTER:

Mr. Speaker, as I rise to enter this debate and look at the open newspapers across the way among the members of the opposition ...

SOME HON. MEMBERS:

We're here!

MR. GHITTER:

... I do so in full recognition of the very fine budgetary presentation that was made by the hon. the Provincial Treasurer. I do so also, Mr. Speaker, in full recognition that the most intriguing part of the budget probably, from the point of view of the announcements that have been made over the past few weeks in this Legislature, is really that which is not in the budget, but what we can look forward to receive or deal with in future years in this Legislature as a result of the announcements which we are all familiar with that have taken place during the past few weeks as I mentioned.

I think that the announcements within the past week relating to oil royalties, relating to the price of crude oil and relating to the new taxation policy to be followed by this government clearly established that this province has now entered into a new era. It's an era, I believe, Mr. Speaker, in which all Albertans will be allowed and encouraged to achieve their fullest potential no matter what their station in life. It is an era, Mr. Speaker, in which our province shall, for the first time in our history, be able to stand as an equal partner in Confederation, hopefully free of the discriminatory controls of the more populous areas of Canada. And it is an era, Mr. Speaker, in which the true benefits that should be forthcoming from the development of our resources will accrue to the citizens of this province within the grander concept of the viability and maintenance of our Canadian heritage.

I think, Mr. Speaker, that 1973 and 1974 up to this point may be characterized as a period of crisis for Canada and a period during which this province achieved a manhood and a stature within the framework of Confederation by men across this nation who responsibly assumed their leadership roles with fairness, with understanding and with both the concerns for their region and the Canadian concept as a whole.

I think, Mr. Speaker, that is indeed a credit to our political process in this country that this balance was, in fact, achieved. For, Mr. Speaker, many would say this nation came close to a confrontation that would have verily rocked the foundation of our Confederation so that the very survival of Canada as we knew it in the past would have been severely threatened. Mr. Speaker, in my humble judgment, the individuals who are basically instrumental in not only saving our Confederation, but achieving an equitable and sound arrangement for the citizens of this province were the men who sit in this very row in front of me, Mr. Speaker, and we owe them our gratitude.

Why do I suggest that this country was on the verge of a frightening confrontation, Mr. Speaker? I do so on the basis that had a settlement not been reached in Ottawa, a legal battle would have resulted, the battleground for which would not have only been fought in the courts of this land, but a battle which would have pitted province against province, region against region and Canadian against Canadian. A polarization would have occurred which would have fed the fires of secession in this very province and others in an aura of animosity that this nation could not have overcome no matter what decision the courts of our land would have inevitably arrived at.

Indeed, Mr. Speaker, the short-term understanding negotiated by our Premier was equitable and it was sound from the point of view of the citizens of this province. This, I fear, is an understatement, Mr. Speaker, \$900 million was apparently obtained for the

treasury of this province in one year. Frankly I have no idea, even as a lawyer speaking, just how much money \$900 million really is. But I would ask you, Mr. Speaker, is that really a bad arrangement, as some would submit in this House? I ask you, is this not in line with this government's responsibility as trustee of this God-given resource of this province? What more, in fact, can we ask for?

If we received any more immediate riches in this province we would be wealthier than the Government of Canada, and if we received any more we would probably wreak havoc to the financial structure of this nation. If we received any more funds, Mr. Speaker, this province could become - and it may in any event become - the resting place for every freeloader in North America whose lazy indolent eyes look fondly upon the riches and benefits that accrue to our citizens.

This, Mr. Speaker, is a time for happiness ...

[Applause]

MR. GHITTER:

... Thank you. It's a time for thankfulness - I knew you'd like the word indolent.

MR. LUDWIG:

Would the hon. member permit a question?

MR. GHITTER:

Yes, certainly.

MR. LUDWIG:

After that remark about all the indolents who are coming to Alberta, is he anticipating an influx of Conservatives to this province?

[Interjections]

MR. GHITTER:

Mr. Speaker, as usual, I've heard the questions from the hon. Member for Calgary Mountain View ...

MR. LUDWIG:

Answer it, never mind being smart.

MR. GHITTER:

... and as usual the questions are not only naive, facetious and inconsequential, but they do not recognize the thoughts that we should have in this House, which are in good keeping with the spirit and the understanding which should prevail between us.

MR. LUDWIG:

Just like a lot of the claptrap coming from the hon. member.

AN HON. MEMBER:

Keep going, Ron.

MR. GHITTER:

May I continue, Mr. Speaker?

Before that unnecessary interruption, I was suggesting that really this is a time for happiness, Mr. Speaker. I think it is a time to be thankful. I think it is a time for contemplation of our responsibilities which are now before us. Mr. Speaker, I think it's a time for relief that the crisis is at an end, for the time being at least.

What disturbs me, Mr. Speaker, more than anything, I think, is the position, or possibly the lack of position from some of the members opposite. What have they had to say during this momentous, historical time in our history?

AN HON. MEMBER:

Nothing.

MR. GHITTER:

The Leader of the Opposition, who it seems says more outside the House than in the House - the Leader of the Opposition whom I see on TV saying certain things that I never hear in here and who is not here again today for a budget debate which I understand he requested - when he has talked in terms and criticized the policy of the government, he has stated in this House, Mr. Speaker, and I quote, that we sold out to Ottawa, that we didn't get a "bloody concession", that the decision has serious long-term consequences and that we are not in a bed of roses. Thus spake the Leader of the Opposition. It reminds me, Mr. Speaker, of the old grade school little verse about the bed of roses that goes something like:

Roses are red,
Violets are blue,
Rain on the roof
Reminds me of you - drip - drip - drip.

What an assortment of statements, Mr. Speaker. Let me examine each of these statements.

First, with respect to the export tax that we have heard so much about, and those who would suggest that we should have grabbed on to it. I would submit, Mr. Speaker, after listening to the honourable socialist member of this House this afternoon, that he refuses to accept five very valid reasons why we should not have hung our star, as he says, on the export tax. First of all, it is entirely predictable that Canada may no longer be an exporting nation of crude oil. If that is the case, who cares for export tax then, Mr. Speaker, and why should we hang our star on export tax when we should be hanging our star on price?

When the pipeline to Montreal is completed, as was admitted by the hon. Member for Spirit River-Fairview, indeed at that time it is unlikely there will be any oil exported from this country, for we're importing as much oil into this country as we are exporting.

Also, what about the problem of United States self-sufficiency in oil, as the President of the United States so often decries? If that happens, will there be any export of our product?

More important, what of the whims of the federal government as they bounce from policy to policy, changing tax from time to time, not knowing what they are going to do from month to month, when, in fact, we now have a firm commitment as to the price of our crude and we know where we are heading?

And lastly, what of the difficulties of foreign oil pricing, Mr. Speaker, when the price of foreign oil is bouncing around at the whims again of the OPEC countries? Should we indeed look to the financial stability of this province by depending upon what foreign producers will be doing in the Arab parts of this world?

Mr. Speaker, these are five valid, strong reasons this government decided not to hang its star on the export tax as submitted by our socialist friend in this House, and why we were much better off increasing the offer of the federal government from \$5.60 a barrel to \$6.50 a barrel. Mr. Speaker, that is a very good arrangement.

The suggestion of the hon. Leader of the Opposition that we didn't get a, quote, "bloody concession", Mr. Speaker, is an interesting one. I've already suggested one concession when the price moved up from \$5.60 offered to \$6.50 offered, but nevertheless that's just part of negotiations. But certainly, due to the fine work of the hon. Minister of Highways and Transport, we have in fact opened up the transportation difficulties of this country. When the honourable socialist member talks about that legal expression quid pro quo which we hear so much about and don't really understand, certainly the fact of the energy of this government in dealing with the federal government and demanding things at the Western Economic Opportunities Conference and elsewhere has caused great accomplishment from the point of view of overcoming some of these disparities. Why should we put them on a time limit and say, you must do this or you must do that? Because surely if we do that, we would have just ended up in the Supreme Court of Canada with a legal confrontation that none of us really wanted.

The Leader of the Opposition has suggested that this is no bed of roses. Mr. Speaker, are we to believe that \$900 million per year is no bed of roses? I certainly like those kinds of flowers, Mr. Speaker. Are we to believe that a bed of even a few of those little greenbacks that come home to roost in this province is to be ridiculed as being no bed of roses? I'm afraid that that expression certainly doesn't bear out any examination.

I fear at times that politics may change the common sense of some hon. members of this House, Mr. Speaker. I wonder as I listen, more outside the House than in, to the hon. Leader of the Opposition, if he is the same man who was quoted in Hansard, for example, on December 5, on page 4168, when he says, and I quote:

Initially we have a responsibility to obtain the highest possible return for the people of Alberta who are the owners of our non-renewable resources, but adding to that also without unfair penalty to our fellow Canadians or our traditional United States export market.

My, how his tune has changed, Mr. Speaker.

Or is this the same member, Mr. Speaker, who on the same day said in this very House:

We look at the whole energy question as it applies to Canada. We must be Canadians first. We must be prepared to share the resource which we have in this province with our fellow Canadians.

And then he goes on to say, Mr. Speaker, on page 4169:

We have a responsibility to guarantee to the rest of the people of Canada, on the basis of a fair return for this resource, that they have first call on the supply of the energy we have.

Mr. Speaker, this is what was said but a few months back by the Leader of the Opposition - the same man who now goes before the TV cameras of this province saying, it's no bed of roses, that we sold the ship, and let's go fight Ottawa and get into the courts. Mr. Speaker, Albertans can't come to believe comments like that, because they lack credibility.

One thing we do know, Mr. Speaker, is that the Leader of the Opposition is the same man who leads a political party and who managed in 24 years to increase the price of Alberta crude a whopping 19 cents at a royalty structure of 16 per cent - while this government was instrumental in two and one-half years in raising the price by \$3.52 at the royalty rates which averaged 65 cents a barrel on old oil. That we know, Mr. Speaker.

Now it wouldn't be fair for me to suggest ...

MR. LUDWIG:

Point of order ...

MR. GHITTER:

... it wouldn't be fair for me to suggest that this government created the world conditions that allowed ...

MR. LUDWIG:

On a point of order ...

MR. GHITTER:

Mr. Speaker, when I'm done.

MR. LUDWIG:

Mr. Speaker, it's on a point of order that I'm rising. I believe the hon. member is entirely misleading - the comparison ...

[Interjections]

... and he forgot to tell us that when we were in office we didn't have the Arab ...

MR. SPEAKER:

Order please. Order please.

Would the hon. member resume his place.

I must express regret about the hon. member's persistence in holding the floor when the Speaker arises, which is contrary to parliamentary procedure in introducing debating points under the guise of points of order. A certain touch of humour and lightness in the debate is certainly appropriate but there have to be limits.

MR. GHITTER:

Thank you, Mr. Speaker. I do hope, when you are taking into consideration the time limits that are allowed hon. members, that you will take into consideration interruptions like this that restrict our time to debate. We don't do that to the hon. member.

MR. LUDWIG:

A point of order. I rise on a point of order, Mr. Speaker. I recall that I spoke here a couple of days ago and this was established practice. Interruptions were an established practice in my ...

MR. SPEAKER:

Order please. Would the hon. member please resume the debate and perhaps there won't be any need to refer to past points of order.

MR. GHITTER:

Thank you, Mr. Speaker.

Mr. Speaker, I was referring, at the time of my third interruption from the hon. member, to the great increase in the price of oil and the royalty structure in this province, which will bring great benefits to the citizens of this province. I don't think it would be fair for me to suggest that it was the great wisdom entirely of this government that created world conditions which allowed us to do so.

AN HON. MEMBER:

Good.

[Applause]

MR. GHITTER:

However, while they are applauding so vigorously, Mr. Speaker, I wonder where we would be today had not the citizens of the province of Alberta displayed the good sense to elect a new government in August of 1971? I will leave that to the imagination of all hon. members.

Most intriguing of all, Mr. Speaker, is the performance of the socialist member of this House who cries for us to grab on to the export tax. I note his colleague, the Premier of the Province of Saskatchewan also yelled for the export tax and what portion did he get, Mr. Speaker? And why, may I suggest, should we commit our position to the export tax for the reasons I have already expressed? Mr. Speaker, maybe it should also be recognized that not only does the Leader of the Opposition win an award today for a change in position since the recent announcements, but also it seems that a few months have made a great difference in the point of view expressed by the honourable socialist member as he speaks here this afternoon.

Hon. members may find it interesting to read what the Member for Spirit River-Fairview says in Hansard on page 4457 when he says:

The caution I would utter in closing my comments, Mr. Speaker, is that it would be extremely unfortunate if we continue this game of confrontation with Ottawa.

And he concludes, Mr. Speaker, as follows on page 4458:

... Mr. Speaker, by saying that the confrontation of the last three or four months has been unfortunate and I regret it. I hope that it can be replaced with a spirit of cooperation, a recognition that while we as a producing province have clear-cut rights, at the same time we are part of Canada and the Canadian government also has rights; that it is not some sort of nefarious plot simply because they exercise their powers under the BNA Act.

Now, Mr. Speaker, the very member who advises us to stay away from the confrontation, the very member who says beware, you are Canadians first; when we make a Canadian transaction, when we make an agreement to the benefit of Canada and this province, then he stands up and says we should have grabbed the export tax. So to quote him today, he states that the Premier made a bad deal. The Premier sold us down the river was the implication. And yet I ask what would he have done, Mr. Speaker, in the spirit of good will and Canadianism if the federal government had said no export tax, would he have taken us to court? Would he have gotten right into the confrontation that he pleadingly says we shouldn't bother about and should avoid?

Mr. Speaker, this is not credible either. Mr. Speaker, may I suggest that the hon. Member for Spirit River-Fairview; the other day, when the hon. Premier made reference to comments made by the Member for Spirit River-Fairview and his view, apparently, that the federal government should take over our industry; forgot the statement in The Edmonton Journal on September 7, 1973, where the hon. Member for Spirit River-Fairview is quoted as saying that federal legislation should be included to establish a gas-oil price control agency. Possibly the hon. Member for Spirit River-Fairview forgets the comments he has

made that were quoted in The Calgary Herald on October 15, 1973 when he accused Premier Loughheed as trying to lead Albertans into a confrontation with Ottawa where the only winner will be the international oil companies, Mr. Speaker.

For those members in this House who happened to have the opportunity of listening to the hon. Member for Spirit River-Fairview when he talked on CFRN radio just last September, I understand that at that time he accused this government of adopting a dog in the manger attitude with Ottawa, and that we should help the underprivileged provinces and we should assist them by allowing some of our vast sources of revenue to go to their provinces. Yet today we hear the speech we heard which is entirely contradictory to the position he took not only in December, as quoted in Hansard, but in September when he talked on CFRN radio in this very city.

Mr. Speaker, I believe at this juncture of Canadian history that credibility, from the point of view of policies of political parties, credibility from the point of view of policies of government is so vital if we are to maintain our relationship with our people who elect us and our people who look to us for leadership. When we have political parties that say one thing in December and say another thing in May then I wonder, Mr. Speaker, just how they can achieve any aspect of credibility out in the community at large. And I would hope, that in fairness, all hon. members will remember what they said but a few times ago - for they wanted Hansard, and sometimes it may just turn around and be the very thing that bites you in the ear.

[Interjections]

Mr. Speaker, in conclusion I wish to compliment the Provincial Treasurer. I think his budget has shown delicacy. It has been a budget that has shown sensitivity. It has been a budget that has recognized not only the inflationary factors in our economy, but has also recognized that policies submitted, like tax cuts and other policies that would expand the outflow of money in this province would only be more inflationary. I think the budget should be highly recommended for the reading of all members. And we can all be very proud of a budget of that nature.

Thank you, Mr. Speaker.

MR. LUDWIG:

What about the Premier's credibility ... [Inaudible] ...

SOME HON. MEMBERS:

Question.

MR. WYSE:

Mr. Speaker, I am very happy to participate in the budget this afternoon.

AN HON. MEMBER:

So are we.

MR. WYSE:

As the other members have already stated, I would also like to congratulate the hon. Provincial Treasurer for bringing down what I call a reasonable, a generous and a very 'prosperity' budget. I am happy to stand in my place and represent the fine constituency of Medicine Hat-Redcliff, the constituency we have all been hearing so much about regarding the development and the tremendous amount of natural gas we have.

I would also like to make a few comments, Mr. Speaker, on what I guess would be the largest budget in the history of Alberta. I doubt if anyone in the Legislature ever imagined two years ago that in 1974 the budget would reach this amount, this magnitude. But of course, Mr. Speaker, it's through no works of an individual provincial government, but I think it is through the changing times we have in the world today.

I might say, Mr. Speaker, that we are living in a changing world. Certainly things aren't the same today as they were two years ago or one year ago. It seems to me that things are changing so fast it is pretty hard to keep up. Yet sometimes, with the development that is taking place, it makes me wonder if we are really going ahead or going backwards. Because with all these wonderful things - and checking through the budget, Mr. Speaker, and listening to the hon. members and the hon. Provincial Treasurer, one gets the impression that all is fine here in the province of Alberta, that we don't have any worries and that we have made it, so to speak. We don't have any problems. But in checking the records, Mr. Speaker, and in spite of the wonderful words regarding all is fine, we notice that we do have some financial and social problems. In fact, last year I understand we had the highest rate of bankruptcy in the history of Alberta. Another

problem we have is last year we had the highest rate of suicides in Alberta of any province. I think this is pretty startling and unbelievable, but I am glad the provincial government is studying this problem.

Mr. Speaker, I would like to discuss for a few moments, in light of the budget, some topics very relevant and very important to my constituency. Now on Friday, February 22, the hon. Minister of National Defence, the Hon. James Richardson, announced that the defence research establishment at Suffield would be phased out over the next three years. Most of the 185 employees would be transferred to Winnipeg. Some, I understand, would be transferred to Ottawa. And, Mr. Speaker, it's not just a coincidence that this happens to be the home constituency of the hon. Minister of National Defence. The federal government also announced the capital expenditure at the Winnipeg facilities would be something like \$11.5 million. The capital facilities that would be left at Suffield are worth some \$40 million.

Mr. Speaker, over the past two years, much publicity has been generated about Suffield and the estimated 4 trillion cubic feet of gas in the Block. Because of the interest, I'm sure of all members, I would like to briefly review the history and background of the Suffield research station.

These facilities were created during the Second World War as an army base. The station was formed through acquisition of about 1,000 square miles of farm and ranchland along the west side of the South Saskatchewan River. The headquarters are located some 25 miles northwest of the city of Medicine Hat, just north of the village of Suffield. The base was taken over in 1946 and headquarters facilities occupy an area in excess of 120,000 square feet of building. The Suffield research station library contains some 20,000 volumes. At the present time the Suffield payroll amounts to \$2.5 million a year, nearly all of which is spent in the communities of Medicine Hat and Redcliff. This generates a tremendous amount of activity, business, social and otherwise.

Mr. Speaker, I would like to read to the hon. members this afternoon a small portion of a brief that was presented to Mr. James MacNichol who is special advisor to the Minister of National Defence. This was presented to him on Thursday, March 7, 1974:

One objective of the Minister's announcement was "decentralization" of Federal Government activities. The movement of staff and programs from the Ottawa area to a Manitoba laboratory, we agree, is decentralization. DRES, located in a relatively uncrowded area is to be phased out over the next three years with movement of staff and programs to Winnipeg and Ottawa. This movement certainly must be in direct conflict with the objective of decentralization. We submit that DRES already is an outstanding example of a decentralized activity and that its development should be encouraged for this reason.

We are all aware of the present day concern over the uncontrolled growth of our major cities and the serious social problems arising from this. All levels of government are making concerted efforts to encourage growth in less populous growth centres, while discouraging excess growth in the major cities. The efforts of the Department of Regional Economic Expansion (DREE) are notable in this respect. The Medicine Hat area was deemed an area eligible to receive DREE grants to aid in industrial development. The gains of this program to this area are now to be reduced by a three-year phase out by the Department of National Defence.

One hundred and eighty-four people contribute to this area in many ways. Thirty-two of these are scientific and professional people while an additional eighty-five form a competent technical staff. ...

It has been stated that DRES is isolated from industry and university. This is incorrect. DRES has a long history of involvement with Canadian universities, in fact our co-operative research programs in which work and facilities are shared by DRES and a university has perhaps been the most active of any DRB establishment. We have warm and close working ties with the University of Calgary, University of Saskatchewan and the University of Alberta. The Departments of Mechanical and Civil Engineering of the U of C use DRES facilities for conducting engineering programs.

Then they go on to say, Mr. Speaker, that:

We too work with and co-operate with industry and other government agencies in this region in varying degrees. In some cases, it has been a direct buy from industry, in others a loan of expertise and equipment or the running of a complete program by DRES to assist people who lack proper test facilities.

Mr. Speaker, also at the present time the British army tank training is in the third year program of a ten-year agreement. In summer months the army uses one-third of the Block. They have approximately 200 permanent employees and also the Canadian Armed Forces has approximately 200 permanent men at the base. Each day I believe there are something like seven bus loads of men who travel from Medicine Hat and Redcliff out to the Suffield

Block. This includes the three divisions which would be DRES, the Canadian Armed Forces and the British army training.

We are asking the provincial government to get involved to the extent of doing all they can to persuade the hon. Minister of National Defence to reverse his announcement. I believe that the provincial government can play a big role in this regard. It is not only a poor political move but it will create hardships in hundreds of lives. The programs useful to the defence of Canada and to the society of western Canada will disappear.

Most of the members are aware at this time that the federal government holds the surface rights to the 1,000 square mile Suffield Block. But the mineral rights are owned by the provincial government, at least I believe the provincial government owns something like 94 or 96 per cent.

We in the southeastern part of the province feel the development of natural gas and the army manoeuvres are compatible and that both should and can continue. We hope the gas will not be developed to export out of the province but rather used to entice industry in locating in our area of the province.

AN HON. MEMBER:

Ship it out, don't worry about the people.

MR. WYSE:

No doubt some of the gas should be earmarked just for that purpose.

Mr. Speaker, I was utterly shocked when I found out a few days ago that this government is allowing enormous amounts of natural gas to flow into Saskatchewan at unbelievably low rates. I have asked the hon. Minister of Mines and Minerals the question relating to this and he hasn't provided us with the information at this time. But this is the information that has been fed back to me over the last few days. So we're looking forward to the reply to these concerns in the next few days.

The sad point about this arrangement, Mr. Speaker, is that gas is going to the Saskatchewan Power Company to turn power turbines. If I remember correctly, the Premier himself deplored this situation a few weeks ago. I think that this government has a responsibility to step in and stop this draining of our natural gas. It is a deplorable situation as far as I'm concerned and shouldn't be allowed to continue.

AN HON. MEMBER:

Hear, hear.

MR. WYSE:

Now, Mr. Speaker, in closing I would just like to again try to impress upon the Minister of Federal and Intergovernmental Affairs to meet with the hon. Minister of National Defence and do all he can to persuade him to reverse his announcement. As I have already stated, it's pretty important to the people of Medicine Hat and Redcliff that this decision is changed. We think it's a political move and we see no reason why these people should be transferred out of Suffield to Winnipeg.

DR. BUCK:

Mr. Speaker, I take great pleasure in entering into the debate on the budget. I must apologize to the hon. Provincial Treasurer that I did not have the pleasure of sitting in and listening to his report, but I was looking after 250 of those fine people in the constituency of Clover Bar that night at their annual fish and game dinner. Seeing the hon. Provincial Treasurer is not in a position to vote for me, I thought it was more important that I be out there because I am quite able to read the report.

Mr. Speaker, I would like to say to you in all humility and all modesty that I think this is an ad hoc government. Any time you want something, if you bring enough pressure and it makes enough headlines, you are going to get a grant. Now, Mr. Speaker, I don't think that this is the way you should run a government. It is a government of ad hocery and it is a matter of plugging dollar bills into holes just like the little fellow who's got all the fingers in the dike. Mr. Speaker, very fortunately they have been supplied with many more fingers, because at the rate that the Deputy Premier is going, had the Arab-Israeli conflict not been started by the hon. Member for Calgary Buffalo, there would not have been enough fingers left to poke the holes full of dollars.

AN HON. MEMBER:

I'm sure he didn't want those grants ...

DR. BUCK:

Mr. Speaker, I am pleased to see that the hon. Deputy Premier has turned that green thumb of his into growing cucumbers. Because if there is anything we need, we need cucumbers. We need lots of cucumbers because they remind the Deputy Premier that when the Social Credit government was in power, green was the colour for the money and for the fine job that they did in this province. And it was on that foundation that the present government took over. I would like to remind the hon. members of the government that there were things - and if the hon. Member for Vegreville is not careful I may tell a few people about his sex life. But I wouldn't do that, Mr. Speaker. But I would like to say that we forget that when the former government was nurturing the oil industry ...

SOME HON. MEMBERS:

Oh, oh.

DR. BUCK:

... nurturing, Mr. Speaker, I say nurturing the oil industry, because the hon. members on that side of the House well know that just three and four years ago we were begging people to buy our oil, begging people to buy our oil, begging people to buy our natural gas and all of a sudden, all of a sudden, Mr. Speaker, just by the accident of history, they are now in the position where they have got all those dollars.

AN HON. MEMBER:

An accident?

DR. BUCK:

It was an accident, Mr. Speaker. And at the same we are telling everybody about what great fellows we are, let's just have a look at what they are doing for the little man. Let's just have a look at what they are doing for the jail guards.

I would like to bring to the attention of the House, Mr. Speaker, the record of the benevolence of this government to their own people, the people who work for them. A man whom I know, after 14 years of work in a correctional institution, as a correctional officer - and I will take some blame for this as a member of the former government ...

SOME HON. MEMBERS:

Agreed.

DR. BUCK:

... this man is taking home under \$600 a month, after 14 years of service. Mr. Speaker, I think that is despicable, I think that is deplorable, and I would like to say to the hon. members on the other side that I think that this contract with the correctional officers should be renegotiated. Never mind this token, fellows, here is this little \$25 a month present just get out of our hair, we've got big things to do in this province, we got millions to look after, don't bother us with these little things. Or tell the man or tell the lady who is in a nursing home, who is on complete assistance, tell her that she should have more than \$30 a month ...

AN HON. MEMBER:

We pay the overpayments.

DR. BUCK:

... that's, of course, after the \$20 has been added on. But I mean, in the benevolence that the government shows to these people ...

AN HON. MEMBER:

It's inflationary.

DR. BUCK:

... it's inflationary, the hon. Member for Drayton Valley says. Well, Mr. Speaker, this budget is the most inflationary device that has ever been inflicted upon this province. Because how can we tell people to exercise restraint when we raise the budget 22 per cent approximately ...

AN HON. MEMBER:

16 per cent.

DR. BUCK:

... 16 per cent? I stand to be corrected, in some areas. Anyway, Mr. Speaker, when you raise a budget to \$1.9 billion - this government can spend it, we know that, but can they manage it? This is the important thing, can they manage it? Can they manage the resources?

AN HON. MEMBER:

No.

DR. BUCK:

Are we killing the goose that lays the golden egg? And I would like the hon. Premier - and I'm sure he is concerned - do we have sufficient reserves to carry on at the present rate? I humbly submit that we do not. What are we saving for future generations? Are we spending it all now? What is there going to be left for my children ...

AN HON. MEMBER:

Strawberries.

DR. BUCK:

... and their children? Are we going to have to look at \$15 to \$20 a barrel gasification for our fuels, for our petroleums? I think that we are taking a very short-sighted approach. And, Mr. Speaker, we talk about long-term contracts, I would like somebody on the other side of the House to inform me just how long is the contract for Gaz Metropolitan in Montreal? Will it be long-term? Are we past the stage where we can go to such long-term contracts?

Because I think, Mr. Speaker, in our hurry to exploit our resources I think maybe we are in too big a hurry. I'm pleased to see that there is going to be a large petrochemical plant in Fort Saskatchewan. But at the same time, Mr. Speaker, I do not want to see Fort Saskatchewan become another Sarnia. I do not want to see it become another Sarnia. And at the same time, Mr. Speaker, ...

[Interjections]

... at the same time we must look at - are we are jeopardizing these small plants that have been in this province for a long time, by a large project such as is proposed for southern Alberta?

I think, Mr. Speaker, that we must look at all these things and we must balance them out. And looking at the clock, Mr. Speaker, I beg leave to adjourn the debate.

MR. SPEAKER:

May the hon. member adjourn the debate?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

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

[The House rose at 5:30 o'clock.]