

LEGISLATIVE ASSEMBLY OF ALBERTA

Friday, April 5, 1974

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF BILLS

Bill No. 213 An Act to amend The Individual's Rights Protection Act

MR. WILSON:

Mr. Speaker, I would like to introduce a bill, An Act to amend The Individual's Rights Protection Act. The main purpose of the bill is to prevent employment discrimination because of pregnancy.

AN HON. MEMBER:

Because of what?

MR. LOUGHEED:

What?

MR. WILSON:

Pregnancy.

MR. CLARK:

You know, having a baby.

AN HON. MEMBER:

He doesn't know what pregnancy is.

AN HON. MEMBER:

Even I know what that means.

[Leave being granted, Bill No. 213 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. LOUGHEED:

Mr. Speaker, I have the privilege to introduce to you sir and through you to the members of the Legislative Assembly, the new Provincial Auditor for Alberta who was appointed on January 1, 1974, Mr. D. W. (Bill) Rogers.

I would like to take just a moment, Mr. Speaker, to give some background with regard to Mr. Rogers. He was born in England, came to Alberta in 1948 where he married Miss

Beatrice MacLean of Edmonton. He joined the staff of the Provincial Auditor's office in 1948. Since 1948 he has worked his way from promotion to promotion, exhibiting at all times integrity, thoroughness and great dedication to his work. He is an example of the approach of the public service of Alberta, and I believe it goes without saying that we here today are all pleased to render our respects and to ask Mr. Rogers to stand and be welcomed by the Assembly.

MR. CLARK:

Mr. Speaker, might I, on behalf of the members on this side of the House, say to the new Provincial Auditor, good luck in the very heavy responsibilities that you carry out. You already have made a significant contribution to public life in this province and we wish you good luck in your very heavy responsibilities in the future as Provincial Auditor.

MR. GETTY:

Mr. Speaker, I would like to introduce from the famous Edmonton Whitemud constituency 90 students from the Greenfield Elementary School, Mr. Speaker. They are all in the members gallery. They are accompanied by Mr. Morrow, Mr. Tindall and Miss Nekolaichuk. I would ask them to stand and be recognized by the Assembly.

MR. WYSE:

Mr. Speaker, I would like to introduce to you and through you to the members of the Assembly some 30 students from my constituency of Medicine Hat-Redcliff. I believe they all attend the Medicine Hat High School. They are accompanied by Mr. Bill Chapman and Mr. and Mrs. George Block. They are seated in the public gallery and I would ask them to stand and be recognized at this time.

MR. JAMISON:

Mr. Speaker, I would like to introduce to you and through you to the members of the Assembly, 20 junior high school students from Lorne Atkins Junior High in St. Albert. A couple of weeks ago, Mr. Speaker, I was able to show them the film, Orders of the Day, and I am sure they are looking forward to seeing it in live action today. They are seated in the public gallery. I would ask that they stand, along with Mr. Gould, their teacher, and be recognized.

MR. HO LEM:

Mr. Speaker, I take pleasure in introducing to you and through you to this Assembly, 12 enthusiastic young Socreds ...

AN HON. MEMBER:

Are you sure?

MR. HO LEM:

... consisting of high school and university students from my constituency. May I, Mr. Speaker, on your behalf, extend to them and their leaders, Cliff and Don Ayres, a welcome to this Legislature and commend them for their interest in coming to see the proceedings of this Legislature this morning. They are seated in the public gallery and I would ask them to rise and be recognized.

TABLING RETURNS AND REPORTS

MR. DICKIE:

Mr. Speaker, I'd like to file a press release I issued this morning covering the cabinet's review of the report of the Energy Resources Conservation Board dealing with an application of Pan-Alberta Gas under The Gas Resources Preservation Act to remove slightly under 1 trillion cubic feet of natural gas over a six-year period.

MR. HYNDMAN:

Mr. Speaker, I'd like to file, for distribution to each of the members in the Assembly, financial statements showing the estimated revenue from the government for each of the school districts, divisions and counties within the constituencies represented by hon. members. The document, which I would underline, contains estimates, sets forth the

number of eligible pupils and the moneys to be expected under the foundation fund for transportation, administration, special education and other such matters.

DR. HORNER:

Mr. Speaker, I'd like to table the Annual Report of Alberta Agriculture; in addition, the Annual Report of the office of the Farmer's Advocate of Alberta.

MR. CRAWFORD:

Mr. Speaker, I'd like to table the Annual Report of the Department of Health and Social Development for the period ending March, 1973 and as well, a statistical report prepared by the Alberta Alcoholism and Drug Abuse Commission for 1973.

MR. LUDWIG:

Is it still in existence?

MR. COPITHORNE:

Mr. Speaker, I'd like to table the answer to Question No. 130.

MR. PEACOCK:

Mr. Speaker, I would like to file for distribution to each member of the Assembly an executive report entitled The 1974 Survey Public Opinion of over 300 Executives. The report's objective is to assist Alberta executives in planning for 1974 and beyond.

MINISTERIAL STATEMENT

Department of Agriculture

DR. HORNER:

Mr. Speaker, I'd like to advise the House of important developments with regard to the rapeseed crushing plant at Sexsmith. I am now able to advise that the president of the co-op is announcing today a new arrangement with regard to that plant at Sexsmith.

Agreement has now been reached for the release of all assets of the development group to Northern Alberta Rapeseed Producer's Co-op and N.A.R.P. Co-op has reached an agreement with Euro-Can Trade Limited of Germany, which will be supplying some of the financing and management.

E.C.A. will supply \$4 million in financing, construct the plant and operate it in cooperation with the N.A.R.P. Co-op for a period of two years. N.A.R.P. Co-op has the option of buying out the German investment group at the end of that two-year period or retaining it on a gradual reducing basis, depending on the advisability at the time.

The balance of the financing will be raised through the sale of shares and production units to residents of the Alberta and British Columbia Peace River country from mortgage financing.

The cooperative activities branch of the Alberta Department of Agriculture will guarantee loans to Alberta farmers to participate in the investment in the plant.

The shares and production units will go on sale April 11, and all information concerning the sale of these, the gathering system, the transportation of the rapeseed to the plant, the payment policies with regard to rapeseed and the profit potential of the plant will be available to the public on that date.

Initial construction stages are expected to start April 15 of this year with the delivery of equipment for the plant expected in early June and completion will be in November, 1974, in time to process the 1974 rapeseed crop.

Mr. Speaker, in concluding that statement, I would like to pay tribute to all those who have been involved in the development and, indeed, the work that was required to put all these factors together to establish this major agricultural processing plant in the Peace River country of our province.

ORAL QUESTION PERIOD

Crude Oil Prices

MR. CLARK:

Mr. Speaker, I'd like to direct the first question to the Premier. The question arises out of the agreement that was reached a week ago in Ottawa. I'd like to ask if it's the position of the Government of Alberta that the \$6.50 per barrel applies to synthetic crudes and pentanes plus?

MR. LOUGHEED:

Mr. Speaker, my understanding is that the average of \$6.50 a barrel is at the wellhead and includes synthetics and pentanes plus. It also includes the total of conventional crude oil production throughout all of Canada, in short, Saskatchewan's production as well as Alberta's. So the base that we have worked on as far as our government is concerned has always been, and I think is accurately so, reflected at \$3.80 a barrel.

MR. DIXON:

Supplementary question to the hon. Premier. I wonder if the Premier could tell the Legislature, Mr. Speaker, why the federal government is so concerned? They say that no agreement has been reached really on that matter, and they look for another \$40 million cost per year. So in other words, are we going to lose money then?

MR. LOUGHEED:

Mr. Speaker, the answer to the second part of the question is no. The answer to the first part of the question I refer to the federal Department of Energy, Mines and Resources which has some difficulty in making calculations from time to time.

Education Tax Reduction

MR. CLARK:

Mr. Speaker, a second question, to the Minister of Municipal Affairs. Perhaps I might be permitted a very short preamble by saying yesterday I referred to public housing in a question I posed to the minister. I more properly should have referred to limited dividend housing.

The question to the Minister of Municipal Affairs is, has the government arrived at a position now on the question of legislation or regulation which will guarantee to renters in the province that the benefit of the reduction of the education tax will be passed on to the renters?

MR. RUSSELL:

Mr. Speaker, I hope the hon. leader isn't advocating rent control, because certainly that is not being considered. I think the message is pretty well widespread that the landlords are receiving the benefit and it's up to them to pass that benefit on to the tenants. It's a tenant-landlord relationship.

MR. CLARK:

Mr. Speaker, a supplementary question. Has the Minister of Municipal Affairs received complaints from any areas across the province indicating that there have been increases in rental since he made the announcement last Thursday night in the House?

MR. RUSSELL:

Mr. Speaker, I believe that my office got some telephone calls yesterday from some tenants in the limited dividend project to which the hon. member refers, but of course the limited dividend projects are administered through Central Mortgage and Housing Corporation. As for rent increases or decreases throughout the rest of the province by private landlords and their tenants, that's a matter between the landlord and the tenant.

MR. CLARK:

Supplementary question, then, Mr. Speaker. In light of the minister's answer, is the minister telling us the government has now decided it will take no steps in the area of guaranteeing the reduction is passed on to the renter?

MR. RUSSELL:

No, I didn't say that, Mr. Speaker. I said that is a matter that is under that is under consideration. It will be at least June before the landlords receive their tax notices and have any idea of what their saving might be. I think we said, quite clearly, that there can be no guarantee that rents will be reduced across the board as a result of this because there are other market factors which I'm sure all hon. members can identify.

MR. SPEAKER:

The hon. Member for Drumheller followed by the hon. Member for Wetaskiwin-Leduc.

Data Centre

MR. TAYLOR:

Thank you, Mr. Speaker. My question is to the hon. the Provincial Treasurer. What is the schedule of operation of the Alberta data processing plant?

MR. MINIELY:

Mr. Speaker, I'm not sure what type of schedule the hon. member is referring to - a schedule in terms of the work that is produced, or a schedule in terms of operations ... ?

MR. TAYLOR:

Mr. Speaker, what I'm trying to get at is, is the Alberta data processing plant operating full time on government business?

MR. MINIELY:

Mr. Speaker, the answer is yes. There are three eight-hour shifts going twenty-four hours a day in the data processing centre.

MR. TAYLOR:

Does it also operate on Sundays?

MR. MINIELY:

I could check that specifically but I believe it is seven days a week, twenty-four hours a day.

MR. TAYLOR:

Do we send any work out to other data processing plants?

MR. MINIELY:

Mr. Speaker, I'd have to check whether there is some work that goes out; there may be some. I'm not aware of the exact answer.

MR. TAYLOR:

One further supplementary. Do we do any work for the university, or other than government departments and Crown companies?

MR. MINIELY:

Mr. Speaker, I would also have to check that specifically. The university has, of course, its own data centre but it might be that we do some work for it.

MR. SPEAKER:

The hon. Member for Wetaskiwin-Leduc followed by the hon. Member for Highwood.

Energy Hearings

MR. HENDERSON:

Mr. Speaker, I would like to address a question to the Premier. I wonder if the Premier could advise the House as to whether the submission made earlier this week in Calgary by the Alberta Energy Resources Conservation Board to the National Energy Board hearings represents the official position of the Province of Alberta, or has been officially endorsed by the government?

MR. LOUGHEED:

Mr. Speaker, the answer to that is that it does not. I believe the chairman had made that clear during his testimony. What it does do is present, with the endorsement of the government, the views expressed by the Energy Resources Conservation Board as to the nature of a formula that might be desirably developed by the National Energy Board to determine whether or not there is surplus by way of export.

We felt that this should be an exceptional case for the government to take in terms of our general position that we do not appear as a government before regulatory bodies of the federal government. We felt it was exceptional because of its significance in possibly establishing a formula that we, as the major producing province, would have to live with for some considerable period of time.

So in consultation with the Energy Resources Conservation Board, we concurred in the view that an expression should be made to the National Energy Board at these hearings in Calgary as to the desirable parameters and approach relative to how it should be determined - whether or not there is sufficient production for export - having been somewhat concerned with the formula arrangements which have developed in the past out of the gas export question.

MR. SPEAKER:

The hon. Member for Highwood followed by the hon. Member for Pincher Creek-Crowsnest.

Fish Farms

MR. BENOIT:

My question, Mr. Speaker, is to the hon. Minister of Agriculture. I wonder if the minister, in his many financial assistance programs in the Department of Agriculture, has available any grants or loans for new fish farms or fish ranches?

DR. HORNER:

Not at the present time, Mr. Speaker. I might say that either the Alberta Opportunity Company or the Alberta Agricultural Development Corporation could have a look at proposals that might be put forward in that regard.

MR. SPEAKER:

The hon. Member for Pincher Creek-Crowsnest followed by the hon. Member for Calgary McCall.

Steel Industry - Burmis Area

MR. DRAIN:

Mr. Speaker, this question is to the hon. Minister of Mines and Minerals. It has to do with the remarks of the Minister of Industry and Commerce in which he indicated the desirability of a steel development as a building block for industry in the province of Alberta.

My question is, has his department given consideration to investigating the feasibility of utilizing the large iron ore deposits that exist in the Burmis area where other ingredients for the development of steel such as limestone and high-grade metallurgical coal as well as transportation is readily available?

MR. DICKIE:

Mr. Speaker, prior to the hon. member bringing it to my attention, our department hadn't, but he was good enough to provide us with a memorandum. I have asked for an extensive report on it both from our department as well as the Research Council of Alberta so that we can adequately assess the reserves that are located in southern Alberta.

MR. SPEAKER:

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

AGT - Headquarters

MR. HO LEM:

Thank you, Mr. Speaker. My question today is directed to the Minister of Telephones and Utilities. Could the hon. minister indicate if it is true that the government is considering moving the headquarters of Alberta Government Telephones from Edmonton to Calgary?

MR. FARRAN:

Mr. Speaker, we have a very famous mover of buildings in the Calgary area called York Shaw of Midnapore but he has never moved one the size of the AGT Tower.

MR. HO LEM:

Has the hon. minister given any consideration to moving various functions or departments of AGT to Calgary as part of the program of decentralization?

MR. FARRAN:

Mr. Speaker, it has already been announced that we have moved Altel Data, which is the business system division of AGT, to Calgary.

MR. HO LEM:

A supplementary, Mr. Speaker. Will the hon. minister advise whether such a move would involve certain transfers of personnel, and what consideration is given to those who wish not to go to Calgary? I don't know why, but there may be some reason why.

AN HON. MEMBER:

We know why.

MR. FARRAN:

Mr. Speaker, AGT has quite enlightened policies, like many large corporations, in looking after staff - a good personnel department. Nobody is laid off in such a transfer. If they are moved, efforts are made to try to make sure that they don't suffer, from having to buy a new house when they let one go here that was on a low-interest mortgage, and so on.

MR. SPEAKER:

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

Calgary Court House

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Minister of Public Works. Has he been advised of the dispute between the City of Calgary and his department concerning the construction permit of the addition to the main courthouse in Calgary?

DR. BACKUS:

Mr. Speaker, in answer to the hon. Member for Calgary Mountain View, I must say that I thought other Calgarians checked their facts before they made public statements.

The Department of Public Works has a building permit. It has a development permit, and it has two years of correspondence with the City of Calgary with regard to this particular development.

I am having copies of these sent up to me from Calgary. When they arrive I'll be happy to file them in the Legislature.

MR. LUDWIG:

Mr. Speaker, my supplementary is with reference to expressions of opinion by the officials of the City of Calgary. Is the hon. minister telling us that there is no substance to those remarks?

MR. SPEAKER:

Order please. Clearly the hon. member is trying to entice the minister into a debate with the officials of Calgary.

MR. LUDWIG:

Mr. Speaker, it's a most proper question.

[Interjections]

The minister can duck but you are running interference for him.

MR. SPEAKER:

The hon. Member for Taber-Warner followed by the hon. Member for Sedgewick-Coronation.

Unemployment

MR. D. MILLER:

Thank you, Mr. Speaker. My question is to the hon. Minister of Manpower and Labour. Could the minister indicate if he has plans for experimental employment programs for Alberta towns and cities to deal with chronic unemployment?

DR. HOHOL:

Mr. Speaker, the total question of unemployment is a constant and continuing problem and concern for the department and for the Departments of Advanced Education, Industry and Commerce and indeed the whole government. The answer has to be yes, we're looking at areas which are those of chronic and continuing unemployment.

MR. D. MILLER:

A supplementary question, Mr. Speaker. Would such a plan or plans and programs be in conjunction with the federal minister of manpower?

DR. HOHOL:

I think, sir, the hon. member is anticipating some of the possible liaison between the hon. Minister of Manpower and Immigration in the federal government and their own people. There has been a communication from Mr. Andras which attempts to address itself to the problem of continuing unemployment in particular regions. There will be working committees of provincial and federal administration staff to take a look at this and advise the ministries.

MR. D. MILLER:

Supplementary question, Mr. Speaker, to the hon. Minister of Health and Social Development. Will the hon. minister be involved in these discussions in view of the department's responsibility for welfare - that's for chronic unemployment?

MR. CRAWFORD:

Very much so, Mr. Speaker. The Minister of Manpower and Labour and I, through officials and through official policy and programs, have a very close liaison in respect to developing employment programs with special reference to the ones the hon. member mentioned.

MR. COOKSON:

Mr. Speaker, a supplementary in view of the question to the Minister of Manpower and Labour. I wonder whether he could advise of the chronic shortage of labour vis-a-vis unemployment in the province?

MR. SPEAKER:

It is a subject of some considerable scope which perhaps the hon. minister might wish to make an announcement about on a suitable occasion.

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

Private Campgrounds - Signs

MR. SORENSON:

Mr. Speaker, this question is directed to the minister responsible for tourism. Has the hon. minister approached the Department of Highways regarding an upgrading and standardization of signs indicating private campgrounds and resorts?

MR. DOWLING:

Mr. Speaker, yes, the Department of Highways was in touch with Travel Alberta some months ago. Between the Department of Highways and Travel Alberta we have arranged an in-depth study of the signing of Alberta highways throughout Alberta. That study should be completed, if I'm not mistaken, in mid-summer or in the fall. The whole matter of signing for both private campgrounds and government campgrounds is being taken into consideration.

MR. SORENSON:

A supplementary to the minister. Will listings and information of private resorts and campgrounds be included in the brochure of Travel Alberta?

MR. DOWLING:

Yes, Mr. Speaker. Part of the program is to design a new sign which will in fact be something of a larger nature than normal. It will indicate the various services that are available in the vicinity and how many miles [it is] to those services from the sign. That would include eating establishments, campgrounds, motels, hotels, fishing, et cetera.

MR. SORENSON:

A supplementary to the minister, Mr. Speaker. Would the hon. minister consider providing free or subsidized student labour to the operators of private tourist facilities who wish to upgrade them? This could be similar to the programs carried out by the Department of Agriculture.

MR. DOWLING:

Mr. Speaker, I believe that any program of upgrading of any tourist facility or otherwise, if it receives the approval of the municipality or the city involved, can then apply to the STEP program or the PEP program and perhaps will receive some funding.

MR. SORENSON:

One last question to the minister, Mr. Speaker. Would the minister consider making a request to the Department of Highways to add symbols to official Alberta road maps indicating the location of private resorts and campgrounds throughout the province?

MR. DOWLING:

Mr. Speaker, as I hope I had indicated, that is really, truly part of the entire signing program. All those matters will be taken into account.

MR. TAYLOR:

A supplementary, Mr. Speaker, to the hon. minister. Who is conducting the study to which you referred?

MR. DOWLING:

The Travel Alberta organization - the people involved specifically, I couldn't say. It is done under the auspices of Travel Alberta.

MR. SPEAKER:

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

Provincial Library Study

MR. ANDERSON:

Mr. Speaker, my question is directed to the Minister of Culture, Youth and Recreation. When will the report of the provincial library study group be tabled?

MR. SCHMID:

Mr. Speaker, we expect the report to be submitted by Downey Research Associates sometime in September.

MR. SPEAKER:

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

Rural Gas Co-ops

MR. R. SPEAKER:

Mr. Speaker, my question is to the Minister of Telephones and Utilities. Does a rural gas co-op qualify for the \$1,300 provincial grant for the residents of small rural hamlets, towns or villages who become rural co-op members?

MR. FARRAN:

Well, Mr. Speaker, the practice has been for a co-op to tie on hamlets and small centres of population for a much lesser fee than the per-farm costs. It is a benefit to the co-op. The amount they charge, of course, is up to the directors of the co-op but it has varied from \$350 to about \$500. This is because you can disperse the other costs over a number of concentrated dwellings. It is not as costly as delivering to scattered farms.

MR. R. SPEAKER:

Mr. Speaker, a supplementary to the minister. Under special circumstances where the cost is greater than that outlined by the minister, would the minister or the government consider larger grants, or grants?

MR. FARRAN:

Mr. Speaker, there is a provision for special grants to meet special conditions for lengthy high-pressure transmission lines or where they have to clear a lot of brush or any other special conditions. So if there was a special case, they could apply for a special grant.

DR. BOUVIER:

A supplementary, Mr. Speaker. Last spring the minister announced, in answer to a question in the House, that rural gas co-ops could purchase their gas from any source. Has there been any change in that policy?

MR. FARRAN:

Mr. Speaker, no, the rural gas co-ops have to buy their gas through Gas Alberta.

DR. BOUVIER:

A supplementary. Could the minister outline the reasoning or the reasons they are being forced to buy their gas from Gas Alberta rather than from private sources which could be cheaper?

MR. FARRAN:

Mr. Speaker, the answer would perhaps take too long for the question period but I'll make it as short as I can. The reason is that first of all there is a natural gas rebate plan coming along and this requires some degree of control. The other is that it is to the benefit of the co-ops for the price to be averaged as far as possible at the most reasonable price across the province. Gas Alberta is able to make arrangements with Alberta Gas Trunk Line to move blocks of gas about, around the province.

MR. TAYLOR:

A supplementary to the hon. minister. With reference to hamlets, villages and towns, has the government decided on a definite percentage of the costs of putting in gas?

MR. FARRAN:

No, Mr. Speaker. As I explained, towns, hamlets and so on are handled by the co-op on the co-op's own decision - the decision of its board of directors. The per-consumer cost for a concentrated population like that is low enough for the people to handle themselves. They don't need the grant. The grant is to cover the difficulties of reaching scattered farmsteads.

MR. R. SPEAKER:

Mr. Speaker, a final supplementary to the minister. Since 25 to 30 per cent of the residents in the small hamlets, towns and villages are senior citizens, are there any special considerations that the government is giving to those people?

MR. FARRAN:

Well, not at the present time, Mr. Speaker. I might point out to those senior citizens paying for heating in the form of propane at the moment, if it only costs them some \$400 to switch to natural gas, they have money in pocket, money in hand.

MR. SPEAKER:

The final supplementary by the hon. Member for Highwood followed by the hon. Member for Medicine Hat-Redcliff.

MR. BENOIT:

Mr. Speaker, further with regard to the grants for extensions other than to farms. Is it possible for private and public campgrounds and parks to receive grant assistance for extensions to those areas too?

MR. FARRAN:

Well, Mr. Speaker, in my department we don't make grants to other departments. If a municipal authority that runs a park wants gas from a co-op then it can make a straight bilateral arrangement with the co-op. So far as government land is concerned, Crown property, I would say that the Alberta Housing Corporation, for the property it owns, has been prepared to pay its share to the co-op.

MR. SPEAKER:

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

Rail Abandonment - Freeze

MR. WYSE:

My question, Mr. Speaker, is to the hon. Minister of Industry and Commerce. It is regarding the present freeze on rail abandonment in southern Alberta that will be lifted, I believe, at the end of 1974. My question is, Mr. Speaker, has the provincial government completed its study regarding this at this time?

MR. PEACOCK:

Mr. Speaker, as all hon. members know, we have on many occasions discussed rail abandonment and have identified that it's frozen until January 1, 1975. There has been a technical group working on the costs of what this will mean to the areas that have made application for abandonment. That study should have some reasonable ability to be reviewed and looked at by the fall.

We are also carrying on meetings continuously with the federal government as to what stance and position it might take. However there is no clear indication yet as to what part or share the federal government might take in regard to some of these recommended abandonments and applications that the rails have had to the CTC.

I might point out, Mr. Speaker, that it's rather interesting, for the information of this House, to know that this government has been instrumental in effecting a major movement of grain by truck to Lethbridge and Edmonton. Within a period of one week the facilities that we now have in place in regard to that truck capacity has the capability of moving about a million bushels ...

MR. CLARK:

On a point of order, Mr. Speaker. The question is, are the studies finished? We don't object to the information at some other time, but during question period we'd just like to know if the studies are finished.

AN HON. MEMBER:

Well of course.

MR. WYSE:

A supplementary question then, Mr. Speaker.

MR. SPEAKER:

Perhaps the hon. member might just see whether the hon. minister wishes to deal with the clarification added by the Leader of the Opposition.

MR. PEACOCK:

Mr. Speaker, as I suggested, the studies will be ready for review sometime in the fall.

MR. LUDWIG:

They're not complete, then.

MR. WYSE:

A supplementary question then, Mr. Speaker. I'm sure the minister is aware that at the end of 1974 some ...

SOME HON. MEMBERS:

Question. Question.

MR. WYSE:

... 375 miles could be closed.

MR. SPEAKER:

Would the hon. member come directly to the question.

AN HON. MEMBER:

The information is correct.

MR. SPEAKER:

If the hon. member is seeking information, then would he come to the question please.

MR. WYSE:

My question is, Mr. Speaker, is the government asking that the freeze be extended at this time? Is the provincial government asking the federal government to extend the freeze to the end of 1975?

MR. PEACOCK:

Mr. Speaker, if the studies and the resultant negotiations with the federal government are not satisfactory in regard to the abandonment as we come to the conclusion of the 1974 period we'll ask for an extension.

MR. WYSE:

A supplementary question then, Mr. Speaker, to the hon. Minister of Agriculture. Has the provincial government had any discussion with the federal government regarding the possible closure of some 1,000 elevators in western Canada, and no doubt, many of these in Alberta?

DR. HORNER:

Mr. Speaker, our government, through the various departments, has continued to keep on top of the situation with regard to both rail line abandonment and indeed the question of utilization of the elevators in the province of Alberta. We've already notified all the grain companies in the province that if they have any desire to close any of the elevators, we would like to know about it because we would use them in a storage program inside the province for our producers here.

MR. WYSE:

One last supplementary question then, Mr. Speaker. Is the provincial government supporting the views of the federal government to, in fact, close these elevators for more efficiency?

DR. HORNER:

Mr. Speaker, I could take some time and outline for the honourable gentleman again the policies of the Department of Agriculture in the province of Alberta. But I won't do that, other than to say that we are doing everything possible to improve the income position of farmers in Alberta - and that includes the transportation systems they have to deal with.

MR. BUCKWELL:

A supplementary question, Mr. Speaker, to the Minister of Industry and Commerce. If the rail lines are not yet abandoned, would not using trucking to haul grain almost force their abandonment?

MR. SPEAKER:

The hon. member is really making a representation and he may assume that the hon. minister has taken note of it.

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

MR. WYSE:

One last supplementary question ...

MR. SPEAKER:

The hon. member announced his previous supplementary as the last one.

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

Lie-Detectors

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of Consumer Affairs. Does the Department of Consumer Affairs license commercial lie-detector operations?

MR. DOWLING:

I am not sure I caught the last part of the question but I think it had to do with, do we do something with lie-detector apparatuses? Of course not, Mr. Speaker.

MR. WILSON:

A supplementary, Mr. Speaker. Is it the intention of the Department of Consumer Affairs to develop regulations regarding the use of lie-detectors in Alberta?

MR. DOWLING:

No, Mr. Speaker, it is not.

MR. WILSON:

A supplementary, Mr. Speaker, to the hon. Premier. Is it the intention of the government to introduce a privacy act in Alberta?

MR. LOUGHEED:

Mr. Speaker, my recollection is that that exact question, or the tenor of it, was directed to the hon. Attorney General yesterday and adequately answered.

MR. SPEAKER:

The hon. Member for Calgary Millican followed by the hon. Member for Clover Bar.

Crude Oil Prices (Cont.)

MR. DIXON:

Mr. Speaker, I would like to direct a question to the hon. the Premier. It is regarding an announcement made in Ottawa yesterday by the Minister of Energy, Mr. Macdonald, that his officials plan to have a meeting with Alberta officials regarding the misunderstanding over the crude oil price.

My question, Mr. Speaker, to the Premier is, is there a meeting planned between the federal and provincial government officials to investigate whether a compromise can be worked out on the price, or is Alberta going to remain adamant on its set price?

MR. LOUGHEED:

Mr. Speaker, there is no meeting being developed as far as I'm aware.

MR. DIXON:

A supplementary question to the hon. the Premier. Mr. Premier, why is the Alberta government not interested in taking advantage of a better price for the premium qualities of pentanes plus and synthetic crude before the new oil prices come in on May 15?

MR. LOUGHEED:

Mr. Speaker, there must be some confusion in the hon. member's mind.

SOME HON. MEMBERS:

Agreed.

MR. LOUGHEED:

What is involved here is an issue over whether or not the wellhead price was based in terms of the discussion on an average wellhead price of \$3.80 a barrel or \$3.85 a barrel. We take the position, and I have previously answered this in this Legislature, that it was \$3.80 a barrel and that in that calculation is included on a double basis the pentanes plus and also the synthetic crude. But in addition to that, we were talking about a base wellhead price for oil production involving Alberta and Saskatchewan or, if you like, Canada in total.

I think the position of the Alberta Government is clear. It has always been clear. It is \$3.80 a barrel. And if the federal government and this particular department are having some difficulty doing their arithmetic and want to discuss it with us we will be happy to talk to them.

MR. SPEAKER:

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

CFL Status

DR. BUCK:

Mr. Speaker, my question is to the Minister of Federal and Intergovernmental Affairs and it is apropos - it's a football question directed to an ex-football player.

Mr. Speaker, I would like to know if the government has a position either supporting or not supporting the Minister of Health on the question of Canadian football remaining Canadian?

MR. GETTY:

Mr. Speaker, the hon. member may recall that the Minister of Culture, Youth and Recreation, earlier in the session, mentioned that the culture, youth and recreation ministers of the west had jointly signed a telegram which they sent to Mr. Lalonde, endorsing his position at the time the telegram had been sent. The matter has continued to progress and the provincial government has not found it necessary to become involved in the matter, except that I would express what I consider to be my feelings, and those I think of most Albertans, that we would very much like to support the Canadian Football League in Canada.

MR. SPEAKER:

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

Unemployment (Cont.)

MR. COOKSON:

Mr. Speaker, my question is to the Minister of Manpower and Labour. It is with reference to a follow-up of questioning from the Member for Lethbridge East, and others. I would like to have clarified whether, in fact, there is a chronic problem of unemployment in the province?

DR. HOHOL:

Mr. Speaker, I appreciate the opportunity. I had some slight difficulty with the question, and I took it to mean chronic unemployment in a particular region, in contrast to some other regions in a relative way and responded in that way. I take it now the question was with respect to chronic unemployment in Alberta.

Clearly, Mr. Speaker, with Alberta having the lowest unemployment rate three months in a row, in all the provinces of Canada, that isn't the question. For Albertans the question will be the opposite one and that will be the question of having enough employment. In other words, we are in a position of underemployment, particularly in the trades, the metal trades, equipment workers in the South, in the sugar beet and potato industries, the service industries, the trades industries, all 14 of them, in developing the North. So I want to underscore the fact that it's not a matter of chronic unemployment at all. It's not even a matter of unemployment. The question is one of being short of people, not unemployment.

MR. SPEAKER:

The hon. Member for Drumheller, followed by the hon. Member for Edmonton Jasper Place.

Rural Gas Co-ops (Cont.)

MR. TAYLOR:

Thank you, Mr. Speaker. My question is to the hon. Minister of Telephones and Utilities. Did I understand the hon. minister to say that, in the rural gas program, residents living in hamlets, towns and villages would receive no government assistance?

MR. FARRAN:

Mr. Speaker, I think what I said was that they receive no direct government assistance. Of course, they receive assistance through the organization of the co-op itself. I did say the co-op could qualify for a special grant if they had to build a lengthy line to service a hamlet. But the practice across the province, with all the co-ops, has been that they charge hamlet customers approximately \$400 to \$500 a head for tying-on. Because once they have delivered the gas there for \$3,000 - which is what the plan envisages - they are able to spread the costs between a large number of houses that are clustered together. This is very beneficial for the hamlet, because it no longer has to pay the current high prices for propane, and it has an assured supply of gas in the long term. They benefit also, indirectly, by the government's purchase of gas through Gas Alberta, at the lowest possible, reasonable price, and shelter through the natural gas rebate plan, which will be introduced into the House later in the session.

MR. TAYLOR:

Supplementary to the hon. minister. Where hamlets, villages or towns put in their own system, not under the rural co-op, is there any direct assistance then, from the government?

MR. FARRAN:

No, Mr. Speaker, there is not. It certainly is a benefit to both the co-op and the hamlet or the small town for them to arrange for the gas at the same time, when the system is being built. If you are thinking of the towns of Gleichen and Cluny, I have already referred back the design of that plan to the engineer to have those towns included, because it was not wise to go ahead with a rural gas co-op without the inclusion of those two centres of population.

DR. BOUVIER:

Mr. Speaker, to the minister, does the department or the government have any plans to increase the subsidy from \$1,300 to keep pace with the rapidly escalating cost of construction?

MR. FARRAN:

Mr. Speaker, I answered the same question a few days ago. The answer was no, that the economic conversion point, which was formerly \$1,700, is now \$2,500 in light of the increased cost of propane. So the inflationary increase in the cost of supplies for the gas system can probably be covered by the farmer himself. But at the present time we don't intend to increase the \$1,300 grant.

MR. SPEAKER:

The hon. Member for Cypress with a final supplementary followed by the hon. Member for Edmonton Jasper Place.

MR. STROM:

I believe the hon. minister said that if they were a certain distance away they would then receive help. Can he outline to the House, Mr. Speaker, if the guidelines have been established, what is the distance that he is referring to?

MR. FARRAN:

If the per capita cost of the system is in excess of \$3,000 by reason of the need for a lengthy and expensive line, the co-op can apply for a special grant which will be considered on its merit.

MR. STROM:

Mr. Speaker, I'm sorry. The hon. minister missed the question. I am referring to villages, hamlets and towns, because in your reply to the hon. Member for Drumheller you suggested that if a town was a certain distance away it might receive help, and I am wondering what the guidelines are for it.

MR. FARRAN:

Well, Mr. Speaker, this is exactly what I am saying. If the hamlet is so far away that it causes the per capita cost of a gas co-op to exceed \$3,000 because of a lengthy line, they can apply for a special grant which will help them to tie in that hamlet or small town into their system.

MR. SPEAKER:

The hon. Member for Edmonton Jasper Place followed by the hon. Member for Lac La Biche-McMurray.

Farm Labour

MR. YOUNG:

Mr. Speaker, my question is to the hon. Minister of Agriculture. Concerning the close balance this winter between the demand and supply of labour in the province, or the relatively low unemployment rate, does the Department of Agriculture have any statistics or indicators of an increasing shortage of farm labour this year, especially in southern Alberta?

DR. HORNER:

Mr. Speaker, the answer very briefly is that we anticipate a major problem in the supply of labour to all agricultural endeavours in the province. We are attempting, through cooperation with my colleague the Minister of Manpower and Labour and the federal government, to set up emergency labour pools in certain areas of the province. In addition, we would expect to continue our student help program, and indeed our young people are going to be very necessary and all most urgently required to assist us in agriculture this year.

MR. HENDERSON:

A supplementary to the Minister of Health and Social Development. I wonder if the minister can advise the House as to what action the Minister of Health and Social Development contemplates taking to encourage those 'unemployed employables' on welfare to seek employment?

MR. SPEAKER:

If the hon. minister is able to answer a question of such broad scope briefly, perhaps we might have it now.

MR. HENDERSON:

A point of order. The answer is very brief. The Speaker is reading something into the question that doesn't exist and I think, in light of the earlier questions on the employment situation, the surplus of labour, the question is quite relevant.

MR. CRAWFORD:

Mr. Speaker, I think in view of the number of times that I have answered that question, I can summarize those previous answers again today in just this way. There is the Employment Opportunity Program. It has worked very well, and the number of people who are classified as employable and who are actually on welfare is very small indeed - in the province, going from memory, something in the neighbourhood of just over 3,000 out of a population of one and three-quarter million.

MR. LUDWIG:

Mr. Speaker, a supplementary. Will the hon. minister be considering cutting off aid to the 'unemployed employables' in the event of a demand for labour where it cannot be filled?

MR. SPEAKER:

The member's question is hypothetical or very close to it.

MR. STROMBERG:

A supplementary, Mr. Speaker, to the Minister of Agriculture. Has he given consideration to bringing in migrant labour from other countries?

DR. HORNER:

Mr. Speaker, the question of immigration into Alberta, of course, is a federal responsibility. I might say that we are interested in qualified people coming into Alberta to help with the labour and agricultural needs of this province.

MR. LUDWIG:

A supplementary to the hon. minister. If transportation is a problem in dealing with supplying labour to the farm areas, would consideration be given to providing transportation costs to 'unemployed employables' so that they can get the work?

MR. SPEAKER:

The hon. member's question is more clearly hypothetical than its predecessor.

MR. LUDWIG:

Mr. Speaker, I am well aware of the fact that the Speaker can rule any question out that he wishes to.

[Interjections]

MR. SPEAKER:

Order please. The hon. member is certainly transgressing the bounds. The question was clearly hypothetical.

If the hon. member wishes to rephrase the question so that it isn't hypothetical, he'll have permission to do it now.

The hon. Member for Lac La Biche-McMurray followed by the hon. Member for Sedgewick-Coronation.

DR. BOUVIER:

Mr. Speaker, I asked my question as a supplementary.

MR. SPEAKER:

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

Federal-Provincial Talks - French Language

MR. SORENSON:

Mr. Speaker, my question is to the hon. Premier. In the hon. Premier's recent discussions with the Prime Minister, were any of the conversations conducted in the French language?

AN HON. MEMBER:

Say yes.

MR. LOUGHEED:

Despite the advice that I have received to the left, Mr. Speaker, the answer I would have to say is, they were not.

The Premier - Parlez-vous?

MR. SORENSON:

A supplementary to the hon. Premier. Does the hon. Premier speak other than the English language at the present time?

MR. SPEAKER:

Possibly there might be another occasion for exploring the linguistic abilities of the Premier.

MR. SORENSON:

Another supplementary. Is the hon. Premier receiving French lessons at the present time, in anticipation of bigger things to come?

AN HON. MEMBER:

Talk about no-confidence ...

[Interjections]

MR. SPEAKER:

The hon. member must assume that his representation has been taken note of.

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

Funeral Home Advertising

MR. HO LEM:

Thank you, Mr. Speaker. I have what I consider a very serious and important question directed to the hon. Premier regarding funeral home and cemetery advertising brochures being mailed to nursing home residents, which is, of course, very disturbing to these patients.

My question is, Mr. Speaker, will the hon. Premier advise what can be done in this area, particularly in the area of enacting legislation or regulations to prevent this practice?

MR. LOUGHEED:

Mr. Speaker, I would have to take that question as notice and either myself or an appropriate minister will respond as soon as we can give an answer.

MR. HO LEM:

A supplementary, Mr. Speaker. In view of the answer that the Premier will be looking into this further, I wonder if perhaps he might investigate some of the companies - their credibility - because there have been reports that there have been some questionable dealings going on in this area.

MR. LOUGHEED:

Mr. Speaker, I'm happy to do that, but I do believe it is also incumbent upon the hon. member, having raised the question in that way, to provide the information to me.

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The hon. Member for Calgary Bow.

ALCB Strike

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Solicitor General. Would the hon. minister briefly advise as to the current status of the Alberta Liquor Control Board employees' grievance negotiations?

AN HON. MEMBER:

Which ones are open?

MISS HUNLEY:

Mr. Speaker, really at this moment - unless something has happened in the last hour - I don't think there are any negotiations. The Alberta Liquor Control Board people have advised that they are willing and ready to sit down to discuss the matter with the Civil Service Association of Alberta. That's the status as far as I know. I do not know whether the Civil Service Association of Alberta has accepted that invitation.

Data Centre (Cont.)

MR. MINIELY:

Mr. Speaker, I wonder if I could answer the question from the hon. Member for Drumheller relative to the data centre.

The first part of the question that he asked, I believe, was whether or not any data processing jobs were sent outside rather than using the in-house computer. The answer to that Mr. Speaker, is that some small jobs are. For the information of the hon. member I think it would be important to note that the reason for this is the fact that there is a very substantial investment, as you know, in data processing facilities. In order to keep

the per-hour costs down, it is necessary to have the data processing centre going at 100 per cent capacity, thus, of course, seven days a week twenty-four hours a day.

The second part of his question, I believe, was related to whether or not universities or other institutions were using the data centre. The answer is that we do have situations - a good example is the University Hospital using the data centre, but this is done on request.

ORDERS OF THE DAY

1. Moved by hon. Mr. Miniely:

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

Adjourned debate: Dr. Buck.

DR. BUCK:

Mr. Speaker, on such a fine morning with a daffodil in my lapel sold to me by the charming - young - yes, young wife ...

[Laughter]

... of the Minister of Federal and Intergovernmental Affairs, it is only appropriate that I say a few good things about the government to begin with.

The first thing I would like to mention, Mr. Speaker, is one of the good things that the hon. Deputy Premier is doing. But he will also get told a few of the bad things that he is doing. I would like to endorse his program of the agricultural societies.

The hon. minister of rural development, Mr. Topolnisky, and I had the opportunity to open a complex in Bruderheim last week. I think the urban members should be aware of the economic impact that facilities such as this have upon small communities. I can readily endorse this program, Mr. Speaker, because I have always felt very strongly about this same philosophy. I think that government has a responsibility to small communities to infuse what I like to call 'seed' funds and that is to give the communities the opportunity to have a portion of their facilities given to them by government so that they can further go ahead and increase the local input - the community involvement is there, and you get these facilities built.

In speaking to businessmen in these small communities they will readily tell you that they can see the increase in business. As the father and mother drop the kids off at the rink, they go downtown and they buy some groceries, they pick up some fuel oil - they do things that they would not be doing in a small community were it not for the facility.

But at the same time, Mr. Speaker, I would like to see the hon. Deputy Premier add swimming pools to this program. I've already made the suggestion to him and I'd suggest that it would be an excellent election platform. So, if it comes out as an election platform, I'll be willing to take some of the plaudits for the Deputy Premier. It is important to these communities.

At the same time that the Deputy Premier tabled the cucumber, I would like to say that in my constituency we have an industry that has been financed entirely by the owner's own or bank capital. In this procedure we see, under glass, tomatoes, peppers and bedding plants and varieties such as this. I would like to say to the hon. Deputy Premier I appreciate that he is trying to get capital infused into some of these projects - it is a worth-while project, but also make use of some of the funds that are available in the private sector of the economy.

I am rather disappointed in the government's program on senior citizens' housing. Even though the hon. Member for St. Albert announced there would be a senior citizens' lodge built in Fort Saskatchewan - I would like to say to the member that I appreciated his announcement - but it would be appreciated by the town council and the senior citizens' group if they were also informed, because at the same time the hon. member was picking up Brownie points by announcing the home, he was also losing Brownie points from the town council and the senior citizens' action group.

I realize that the 'now' government doesn't miss very many opportunities to be politically astute. They do fumble the ball every once in a while, the same as they fumble the ball, Mr. Speaker, when they announce, with great arm waving, the 5-cent-

reduction in gasoline. I think that is a bad political blunder, because they should have announced the 5 cents after the gasoline was going to be raised 5 or 10 cents. That's the time, honourable fellows, to bring in your plan to tell the people of the province just how great you are.

In speaking on accommodation for senior citizens, Mr. Speaker, in all the contacts I have had with people, it seems that people want lodge accommodation more than they want self-contained units. I just have a little bit of trouble agreeing with the statistics from the office of the hon. Minister of Municipal Affairs saying that people want self-contained units. I would be quite pleased to find out just what his statistics do indicate and where he got them, because in speaking to my senior citizens and many others, they want lodge accommodation.

At the same time, Mr. Speaker, I would like to suggest to the government, because I think it is our responsibility not only to criticize, but to provide alternatives, I think we should look at going back to a plan where we use these 'seed' funds, the same as the Deputy Premier is using, and give a grant to a community of say, \$200,000 or \$300,000. Say to that community, you come up with \$50,000, \$60,000 or \$100,000, have the churches come up with \$50,000, \$60,000 or \$70,000 and you people build the type of home you want for the amount of money you have. Because under the present scheme, there is just no way that we are going to be able to look after all the needs of the senior citizens of this province.

I know there are some shortcomings to that. I have discussed this, back of the Legislature, with members from both sides of the House. There are some shortcomings but I think we just have to go back to allowing people more input because we are depending too much on government involvement. We get on this big list and you know, when you take a delegation in, Mr. Speaker, everybody is always at the top of that list. But then the homes don't seem to get built in that order. I realize the government has that decision and I'm sure it's a decision that is fully discussed. But let's get back to a little bit more local input because I think we can not only provide more homes for senior citizens, we can do it at a more economical rate than we are at present. When we start looking at a figure of \$800,000 for 50 units, I think we are a little too much in the Cadillac class whereas we should be driving Chevs and Fords.

AN HON. MEMBER:

Discrimination.

DR. BUCK:

Mr. Speaker, there is something else that bothers me in the way governments finance. The hon. Member for Cardston touched upon this when he talked about leaving money on the table when you are tendering.

Mr. Speaker, I think all the hon. members here have had dealings in which they have been building homes or commercial buildings. How do you do it in the private sector of the economy? You have \$100,000 with which you want to build a building. So you go to an architect and you say, I have \$100,000, I would like a building of a certain size built for me, can you do it? So what happens is, the first time he comes in, he has a building designed that is going to run approximately \$110,000. But you say, sir, I didn't say \$110,000, I said around \$100,000. So, sir, will you go back and sharpen up your pen and come back with a building that is worth \$100,000. This is what happens in the private sector. You build a building or a facility for the amount of money you can afford to spend.

That is not the way governments operate. They say the reverse, we want a building, X number of feet, so you hire an architect. The architect, being the good businessman that he is, knows that he is going to get a percentage of the top cost so he designs the building and it goes out to public tender. So the lowest tender for this building you build in the private sector comes to \$125,000. So that is what the bid comes to and that's what we build the building for, for \$125,000. So that building, which I am sure you could have built in the private sector for \$100,000, cost \$125,000. Now when you multiply this across the municipalities, the provincial level and the federal level, Mr. Speaker, there are millions and millions and millions of dollars spent that I don't think have to be spent. This is something that has always bothered me and I just wanted to get that off my chest.

While I'm in a good mood, Mr. Speaker, speaking on loans to small businesses, I find it a little hard to understand how Neonex is a small business when we see that it has been loaned a half million dollars. I really pine for the poor corporation of Neonex with their hundreds of millions of dollars. It makes me feel good as a taxpayer of Alberta to help out the poor struggling Neonex corporation. I agree with the philosophy that we are trying to help small businesses, but I just don't believe in the philosophy that large corporations such as this, even though they are going to employ people - because they have sources of funds available to them. I think the small business sector should be

getting most of this money. So I would like to say to the hon. minister responsible that I think he should maybe look at the development corporation, because it is publicly funded, to get down to the small businessman because he is the man who needs the help.

Another thing that bothers me, Mr. Speaker, is, when is the government going to balance the books on the Medicare program? Now I know it is politically unpalatable to go to the premium payer and say, we need more money because we are \$10 million in debt - I believe the pot gets a little drier by the time we get around to July because that is when the largest volume of premiums comes in.

A responsible government has to be responsible to try to balance the budget. Even though the hundreds of millions of dollars are flowing into the coffers of the hon. Provincial Treasurer, there is still a responsibility because I don't think we can just go on in this manner. There is a responsibility so I would like to see the hon. minister grab the bull by the horns - I'm sure after the next election and do something about balancing the books - because I assure you, Mr. Speaker, it won't happen before the election.

In speaking to the argument about people-service, I would like to relate to hon. members a story about what happens to people who have multiple handicaps. I know I have bent the ear of the former minister, my colleague to my right, Mr. [R.] Speaker, and I would like the hon. members on the government side to listen to my plea in that it will not only save the taxpayers money, it will do something to families who are affected. This is in a home where a person may have a loved one who has multiple sclerosis or is a quadraplegic. Now our policy says, we can put you in a nursing home or we can put you into an auxiliary hospital. But, Mr. Speaker, these people do not want to go into a nursing home or an auxiliary hospital. What they want to do is stay home. So we can put them in a nursing home at \$30, \$40 per day. But would it not be more compassionate, would it not be an advantage to the taxpayer to leave these people in their homes and provide an assistance program of \$5 or \$10 per day to have some one come in and look after these people, especially the very handicapped, physically handicapped people.

I think, Mr. Speaker, that as a government that prides itself on feeling for people, I think this is a program that will not cost that many dollars, but will provide a very, very [much] needed service, Mr. Speaker.

Mr. Speaker, I have concerns for the future. I have concerns about the grave responsibility the government has for our resources. Mr. Speaker, I think the government members sitting to your right have a more grave responsibility now that they have this largess of funds than we did when we were struggling to balance the budget, because it is more difficult to say to the people of this province, sorry, we can't give you a senior citizens home, we can't give you a nursing home, when they have all that money coming in. The responsibility is there and the responsibility is very grave, Mr. Speaker, and the responsibility for having something for the future is there.

Now in my wild-eyed enthusiasm the other day, Mr. Speaker, I was taking swipes at the hon. members on the other side ...

AN HON. MEMBER:

Only the nasty ones.

DR. BUCK:

... but the swipes, of course, Mr. Speaker, to the hon. Member for Calgary Buffalo, and the hon. Member for Vegreville were meant to be in jest and only in that vein. But we all have a grave responsibility. We have a very grave responsibility, and you members who are the government members have this responsibility of protecting something for the future, for our children.

Mr. Speaker, I would like to read into the record a very, very interesting letter which I am sure the members will enjoy. It comes out of a newspaper and it's entitled, An open letter to two premiers. I'm going to read it verbatim because I think it's got a lot of philosophy in it.

[Interjections]

Did you read that last night? Well just in case you didn't like it, I'm going to read it because I'm sure the opposition members have the feeling, and I'm sure the government members should not only read it, they should take to heart what this letter says. It's entitled:

Dear Pete and Al,

In the current oil controversy, I note with some fascination the great emphasis both of you two Western premiers are placing on "the need to industrialize the West."

Why, pray? Here we poor Easterners are, trying to control the pollution emitted from these tall chimneys which dot our urban landscapes, trying to find more interesting work for those unfortunates who toil daily on the dreary assembly lines of our factories, trying to cope with the problems arising from the growth of our ever-expanding ...

MR. SPEAKER:

Order please. The hon. member's eminence in this Assembly as being entitled to debate, far exceeds that of the authority which he is now quoting. Lest there result a debate between the hon. member's authority indirectly in the House, and the other point of view, I wonder if he might just [include] in his debate those points which he wishes to adopt as his own.

DR. BUCK:

Mr. Speaker, I'll abide by your ruling.

MR. JAMISON:

Summarize.

DR. BUCK:

The only reason I am bringing this article up, Mr. Speaker, is because it indicates to us, to the westerners, that maybe we are going too quickly and too far in our search for secondary industry. I know, Mr. Speaker, that I stated publicly at the beginning of my short speech that I welcomed the development in my own home town of Fort Saskatchewan, but at the same time, the people in our community do not want to become a second Hamilton, do not want to become a second Sarnia. Because I think we in Alberta are very fortunate in that we can have our cake and eat it too. In this article, Mr. Speaker, I think the hon. members on the government side should look at people-oriented secondary industries, look at service industries, look at the insurance business, look at all these types of things because it certainly rankles me, Mr. Speaker, that we have to go to Toronto, we have to go to Montreal for investment capital. Let's bring some of these people out here, not just the secondary industries involved in the oil or in the oil industry. I think we can have these things at the same time that we can have clean air and wide-open spaces.

Mr. Speaker, I am concerned about our future reserves. I always take with a great grain of salt what the experts tell me. Because I always feel that the engineer with his slide rule has X number of square feet, X number of square miles of tar sands that he computes on a slide rule. And the stuff, the material, the natural gas, the oil, is supposed to be there according to their calculated guesses.

Mr. Speaker, I think they are only that. They are calculated guesses. I feel confident that we have possibly a 25 to 30-year reserve of natural gas in this province. But, Mr. Speaker, why do we not set a policy whereby we assure ourselves of a 50-year supply of natural gas before we are so ready to export it, before we are so ready to set up a new anhydrous ammonia plant in southern Alberta that is going to be using millions of cubic feet of natural gas per day? And some of that product may be exported across the line.

These concerns, Mr. Speaker, I am sure all members feel. But, Mr. Speaker, in conclusion I would like to say this. The responsibility for the policies lies over there to your right, Mr. Speaker. But the responsibility lies on this side of the House to make sure that the responsibility of governing is being properly carried out by the members on the government side.

Thank you, Mr. Speaker.

MR. CHAMBERS:

Mr. Speaker, to use a popular cliché in this House - I hadn't intended to participate in this debate but - when I listened, I think it was last Friday, to the Member for Wetaskiwin-Leduc, whose views by the way I usually find myself in general agreement with, I felt I had to respond. Because after all, the Member for Wetaskiwin-Leduc has a lot stature in this province. He is a former cabinet minister, an excellent House Leader of the Opposition, an able and experienced petroleum engineer, so a lot of people in Alberta listen to what he says, and quite properly so. Therefore, as the only other petroleum engineer in the House, I feel that it is incumbent upon me to at least try to show the other side of the question.

Mr. Speaker, at first I was somewhat surprised by what the Member for Wetaskiwin-Leduc was saying the other day. Then it occurred to me he was probably not completely serious, that he was speaking tongue-in-cheek, likely in order to provoke some debate on the subject. You know, Mr. Speaker, I have listened to a lot of debate over the last two and

a half years, and I have a faint suspicion that the Member for Wetaskiwin-Leduc, like our Deputy Premier, is perfectly capable of debating either side of the question quite convincingly - in fact, he can probably come up with a very credible argument and do it with a straight face.

Mr. Speaker, the Member for Wetaskiwin-Leduc advocates that Alberta production be chopped by 30 per cent. If I understood him correctly, there were essentially four reasons that he put forth for this: first, to prevent reservoir waste resulting from possibly pulling wells too hard; second, to conserve oil for future generations of Albertans and Canadians; third, - and this I think was probably his major point - to minimize or virtually eliminate the export of oil and therefore cut the federal government out of the export tax; fourth, that we would have too many dollars coming in and we might have great difficulty in resisting the spending of them.

I'd like to deal with each of these arguments, Mr. Speaker, and look at the validity of them and look at the implications of a 30 per cent cut in production in Alberta, which the hon. member proposed.

First of all, it's a fair question to ask, is it true that Alberta wells are being pulled too hard? And my answer to that would be that for most fields in Alberta, far and away the largest number of fields in Alberta, no, they are not being pulled too hard. The Energy Resources Conservation Board put out a submission on January 31 of this year concerning maximum rate limitation which, in essence, derives an arbitrary formula which, if applied, would, according to my calculations, reduce production in Alberta by at least 300,000 barrels a day. I don't intend to get into details here of that report, but the report does discuss a number of reservoir parameters and their effect on ultimate recovery from wells. Then it comes up with an empirical formula for limiting withdrawal, which is supposed to cover all types of reservoirs in the province.

I think at this point I should say that I feel our Energy Resources Conservation Board is a very good board. It has done a very good job over the years for the people of Alberta ...

AN HON. MEMBER:

Hear, hear.

MR. CHAMBERS:

... The board's staff is a very competent and very responsible group of people. As a matter of fact, just this past summer I had occasion to meet with a group of young engineers and geologists from Kuwait who were the nucleus of a conservation board that their government is in the process of setting up. These people were here primarily to study our conservation board, since our board, along with the Texas Railroad Commission, is recognized as a world model.

Nevertheless, Mr. Speaker, no one, no group, no board, or even no engineer for that matter, is infallible. So in my view, the submission of January 31 was not a particularly good one. As I see it, the technical evidence offered in the board's submission in no way justifies the need for the assigning of maximum rate limitation to all reserves in Alberta. In my view, it is completely illogical to think that any single formula can be either practical or equitable.

Mr. Speaker, hearings were held on this subject last week. I have read a number of the submissions. Most people in industry argue - and I tend to agree with these arguments - that there are indeed very few fields in this province which can be pulled too hard. In fact, there is some pretty good evidence to suggest that the higher withdrawal rates will actually result in increased ultimate recovery from quite a number of pools.

I know of specific cases in the Pembina field, for example, and in the Swan Hills area, where wells suffered well-bore damage through being shut in during periods of low allowables in the past. The cross-flow of water from wet streaks perhaps shoved the oil back somewhere and it took a long time to get the oil production back. Some of those wells never did regain their original productivity.

Now there undoubtedly is the occasional pool which should be rate limited. I wouldn't argue against that, Mr. Speaker, nor would any industry engineer. But I think the answer, Mr. Speaker, should be operational flexibility - that's what is needed - or in other words, good production practice. I firmly believe that that's what should be employed, not some arbitrary formula. And by "good production practice", Mr. Speaker, I mean that one should be able to produce a well or a pool however much one wants, provided no damage is being done either to the well or the reservoir, and that the ultimate recovery from that reservoir is maximized.

I might add, Mr. Speaker, that the oil companies also have very capable reservoir engineers. These fellows are professionals. For the most part they are Canadians and are just as concerned about maximum ultimate recovery from our pools as the board engineers are, or, for that matter, as the members in this House are.

Mr. Speaker, I think the people most distrustful of industry employees are academic socialists who have never worked in industry or earned a free-enterprise dollar. And I think the problem is mainly one of communication. These people often view industry people as just being out to make a profit at no matter what cost to society. That's just not true. Industry people, you will find, are generally most active in their communities. They are most concerned about preserving the environment and they are most concerned about conserving the resources for the benefit of this generation and future generations of Albertans.

Mr. Speaker, I am quite enthusiastic about the rural-urban youth exchange program, where our young people can see the other way of life in the province. This just has to inspire better understanding and communication. It occurs to me that maybe this idea could be extended. Maybe we could achieve improved communication between industry and academic socialists by having them change places for awhile. For example, maybe the Member for Spirit River-Fairview would consider a sabbatical at some time and go to work for awhile with a major oil company ...

AN HON. MEMBER:

Who's he going to work for?

MR. CHAMBERS:

... although, when I come to think of it, I am not sure what department he might work in. I don't think it would be public relations, at least not for a few months until he came to understand the industry better and got a little more enthusiastic about the free enterprise system.

But getting back to either limiting or not limiting reservoir withdrawal, Mr. Speaker, an arbitrary formula such as the one proposed could actually result in high grading in certain pools. I'm sure that members know what I mean by high grading. It's the same thing as occurred in the old days in gold mines where you could actually go in and mine out in a brief period of time a few pockets of high grade, high value ore and then perhaps a large volume of ore would be left in the ground which would be uneconomic to produce. Whereas if you apportioned the high grade with the low grade, you could perhaps mine all the ore and the whole thing would be economic. Today, of course, good conservation practice requires that all mining operations do this.

The same is true in many oil fields where you have a few good wells which contain the more permeable rock, and often large areas of the field where the rock is much 'tighter' and where the wells are capable of producing much less oil. If anything, the poor wells should always be produced at capacity, since it takes so much longer to drain the oil from these areas. I think the Pembina field is a good example of this.

During those years when the pools were heavily pro-rated, the poorer wells completed in the 'tighter' areas of the fields were often those shut-in and the more permeable areas were produced. That made economic sense, because there wasn't much market for the operator and obviously his operating costs were less to produce more oil out of fewer and better wells.

Today almost all wells are being produced, including a lot of low productivity wells where it's going to take maybe 50 years to drain the oil. There are also many pools, and again I would include Pembina in this, Mr. Speaker, where infill drilling should actually be encouraged. This would result in increased oil recovery because reservoirs aren't, of course, homogeneous throughout, and the more wells you have drilled on a quarter section, the better the sweep efficiency and therefore the higher the ultimate recovery. Infill drilling also keeps drilling rigs active and would prevent their drift to the U.S.A. Once we lose these rigs, Mr. Speaker, it's going to be pretty difficult to get them back.

Let's not forget that the drilling industry is highly labour-intensive. Each rig employs, directly and indirectly, about 120 people. The payroll is about \$5,000 a day. Also, for the benefit of the rural members, a questionnaire recently, last year, distributed by the Canadian Association of Oilwell Drilling Contractors was returned by its membership. The postmarks on those returns came from 102 communities in Alberta. So I think the members can judge the beneficial impact that drilling rigs have on rural Alberta.

The formula suggested by the Energy Resources Conservation Board in its January 31 submission in my view definitely discourages infill drilling. So to conclude that point, Mr. Speaker, I would just say that good production practice should be the rule, not some illogical and arbitrary formula.

Mr. Speaker, what about the need to conserve oil for future generations? Of course, the thing to remember is that the oil in this province is not contained in a tank which can be emptied immediately or at will. It's contained, for the most part, in relatively low-permeability reservoirs, at least by Middle East standards. It's going to take many years to produce this oil. A reserve life index of 13 years doesn't mean that you produce flat for 13 years and then it's all gone. Rather from some time in 1978, the production capacity will peak out and then the pools will decline gradually over the next 30 or 50 years, or a considerable period of time at any rate.

It's interesting also, Mr. Speaker, to note that the National Energy Board report of December, 1972, showed that it didn't make much difference in the overall scheme of things whether you curtailed exports or not, insofar as meeting Canadian needs in the future.

Mr. Speaker, I'm not that pessimistic about being able to maintain our reserve life index. I think that with the right climate, when an operator can see the chance of making a profit, if the cash flow is available, that our oil explorers, particularly the independents, will get out and discover the remaining 8 to 10 billion barrels, and I think they'll probably also come up with a few major oil fields as well.

I think the surest way not to prolong our reserve life index is to be negative and curtail production. After all, it's going to be a lot harder to attract foreign investment capital now that the Americans are offering some real incentives to explore in their own country. Most of the capital that's going to be required to explore and develop new fields in Alberta will have to be developed internally, and for the little guy, the Canadian independent, this means from cash flow generated by his producing operations. If you curtail production you will, in my view, damage a lot of exploration in this province. The major companies will still be able to operate if they want to because they have large sources of capital, if not here in other places of the world, but the Canadian independents cannot.

I think we shouldn't forget that a majority of the oil that's been found in recent years in the U.S.A. has been found by the independents. The same will be true here. You only need to look at a map of Texas or Oklahoma and compare the density of drilling there to the density here. They are still drilling a lot of wells there, and an awful lot of those reserves down there are contained in small pools and they were discovered by independent operators. There's lots of room remaining for conventional oil finds in Alberta in the stratigraphic traps that seismic didn't pick up perhaps, and in deeper horizons. Also, our seismic techniques have improved significantly in recent years so that seismic surveys that were run years ago may not have picked up fields that new surveys run today would find.

Mr. Speaker, negative dog in the manger approaches rarely ever result in progress. North America has not achieved the highest standard of living in the world through restrictive practices. Personally, I am confident, if we continue to produce flat out, bearing in mind good production practice, the incentive will be there to go out and develop the remaining undiscovered one-half of our conventional oil reserves. Our reserve life index will be maintained, or maybe even increased, over the years to come.

Unlike the Member for Spirit River-Fairview who would like the government to take all the increase in crude price as Saskatchewan did - in other words, kill the goose, take the eggs now and forget about the future - I don't believe in that policy. I think the need to produce at high rates is particularly necessary now that we have higher royalty rates.

Personally I'll have to admit that I felt the 65 per cent royalty was too high, that the amount should have been in the order of 50 per cent on the increment in order to encourage more exploration. However, I have great faith in our Premier's judgment and if he feels that the new scheme will achieve the right balance between maximizing income to Albertans and still providing adequate industry incentives, then I have to go along with him because I've found that he is usually right. And I feel that provided production is not curtailed, industry can live with these royalties and still have incentive.

It's obvious, Mr. Speaker, from the contribution to the Budget debate by the Member for Spirit River-Fairview that he heartily endorses Saskatchewan's approach of keeping all that increased revenue and allowing the oil operators barely enough return to cover their operating costs, despite the fact that this policy literally means an end to exploration in Saskatchewan.

It's interesting to note that of some 130 service and supply companies in the southeastern area of Saskatchewan, in a period of only 60 days, 194 of the 760 employees have been lost by these companies. The Estevan Oilfield Technical Society says that this represents a payroll of \$1.5 million a year, and that with a conservative multiplier effect of four, that loss jumps to \$6.4 million a year. Since Bill No. 42 became law, drilling contractors over there have reduced their staff from 108 to 37. The last I heard was that there were only two rigs operating in Saskatchewan and these were on obligation holes. So much for that policy.

Regarding the third point made by the hon. Member for Wetaskiwin-Leduc concerning eliminating exports and therefore the export tax, you know, I think this approach borders almost on being unethical. After all, our Premier made a deal, and a good one for Albertans for \$6.50 per barrel wellhead price, complete jurisdiction remaining in Alberta, and a review after a year or so, \$900 million annually into the Alberta coffers. How could our Premier go back to a first ministers' conference a year or so from now, after having cut off exports and expect to get a better price next year?

AN HON. MEMBER:

See Jim, you're way out.

MR. CHAMBERS:

The Member for Wetaskiwin-Leduc stated that our oil is analagous to top soil ...

MR. HENDERSON:

I'd like to ask the hon. member a question, Mr. Speaker.

MR. CHAMBERS:

Certainly.

MR. HENDERSON:

Did he just bite his tongue?

MR. CHAMBERS:

I'll answer his next question, Mr. Speaker.

The member stated that oil is analagous to top soil - when it's gone, it's gone - and of course, that's true. We are in effect trading an irreplaceable asset - oil - for dollars and this money should, in large part, be considered a capital asset and retained in a capital fund. But I cannot buy the argument that is going to be easier to resist demands on it because it is \$600 million rather than \$900 million. To me that makes about as much sense as saying that a woman is a little bit pregnant. I think, Mr. Speaker, in this Legislature that we have to recognize our fiscal responsibility - and that means every one of us in this House - and not yield to irresponsible demands to spend fcolishly, regardless of the number of dollars that we have obtained in exchange for our barrels of oil.

Mr. Speaker, supposing that we followed the advice of the Member for Wetaskiwin-Leduc and cut production in Alberta by 30 per cent. What would be the effect? In my view we would lose a large part of our technology group in Calgary and the effect on Calgary would be serious. Aside from the impact on Calgary, Alberta would suffer immensely, in my view, from the loss of the finest petroleum engineering group in the world today. We have about 8,000 engineers in this province, the third largest such group in Canada. The majority of these people are petroleum oriented. And it has been said, Mr. Speaker, that you can judge the economic health of a state by the number of engineers in it.

AN HON. MEMBER:

Agreed.

MR. CHAMBERS:

... I thought the Member for Wetaskiwin-Leduc would agree with me on that point.

AN HON. MEMBER:

It didn't take him long.

MR. CHAMBERS:

I think this certainly holds true in Canada, in my view. In an expanding economy when you are trying to get every barrel of oil, a lot of engineering work is required for infill drilling programs, for plant expansion and maintenance, for flow line and pipeline construction, and for overall producing well optimization. But, cut production by any significant amount, and the pressure is then off. There is no incentive to spend any more field capital, there is no incentive to optimize production. In short, you don't need many engineers. The result would be that our engineers would leave Alberta en masse for the U.S.A. and other areas of the world where Canadians are in demand. It is doubtful in my view that you would get them back - at least during their working careers.

We are in a critical era where, if we can keep our technical group more or less intact for the next few years - through expanding the conventional oil industry - then they can gradually be phased into the in situ tar sands work, as this type of work is, of course, compatible with conventional oil engineering experience. As members know, the in situ work involves deep-seated heavy oil sands, somewhere from beneath the depth of mining practicality, say [300] feet down to 2,000 feet or more. These operators will utilize conventionally drilled wells on close spacing patterns. The drilling, the completions, the coring, the testing, the logging and all the completion work has been in the province of conventional petroleum engineering and geology, and the advanced oil displacement and recovery technology is also within the province of the petroleum engineer.

When you consider our vast in situ oil deposits, it is easy to see that in the future we will be able to use not only our existing petroleum engineering group but also many more engineers. But, Mr. Speaker, there is a lag time before we get into large scale in situ oil sands development where we need to keep our technical group occupied with conventional oil work. A different type of engineer is required for the tar sands mining plants - these are mining engineers. These plants will utilize few, if any, of Alberta's petroleum engineers and geologists.

Aside from the adverse effect on Calgary, and I would think that some Calgary members would want to express their views on this subject, think of the effect on rural Alberta of such a drastic cut. Swan Hills, Drayton Valley, Castor, Coronation - all these places would suffer economically if production were to be curtailed. For example, a few years ago, when production was heavily pro-rated, an operator in the Swan Hills area was able to exercise well surveillance over his pumping wells by using a helicopter and a battery operator. Roads were not used, they were neither gravelled nor graded nor maintained. If a well went down for mechanical reasons it could be left shut-in until the next winter when you could move a service rig in on the frost and you could start another well up. Today in that field all roads are open and maintained, all pumping units are being operated and serviced. The field is a beehive of activity - service rigs, graders, snowploughs and in fact many small contractors are working continually to keep those wells pumping.

Mr. Speaker, service rigs are like drilling rigs, they are labour intensive. They create many good, paying jobs for Albertans. Like the drilling industry the service rig industry is primarily owned by Albertans. The beneficial effect upon the town of Swan Hills, the town of Slave Lake, in fact in that entire area, is just tremendous. You know there is a large multiplier or spin-off effect from the direct work as well.

Let's take another example. There is a field in east-central Alberta where the operator has invested several millions of dollars in capital over the past two or three years in equipment and infill drilling to boost production from 3,500 to about 9,000 barrels per day. My calculations show that if the board's formula were applied, production would be chopped by some 3,000 barrels per day. Think of the adverse effect that would have on the economics of the whole project. Look also at the effect it would have on the communities in that area. It is not one of the more healthy areas to begin with. That operator employs a lot of local contract labour, he spends hundreds of thousands of dollars annually. In a cut-back situation, Mr. Speaker, companies, of course, can operate with skeleton crews. Large numbers of contract people are not required and in effect would be laid off.

The same principle applies in other fields. If you restrict production, Mr. Speaker, it is the little guy who suffers, the small contractors and the thousands of people who work for them. It is all right for an academic to say, well, we're going to need a lot more people in the tar sands, let them go there. Maybe you could uproot them from their communities, say Swan Hills, Coronation and what have you, and send them to Fort McMurray, but in most cases they would be out of their area of expertise. The oil business is a specialized business and the man who is an expert in say servicing pumping oil wells, probably has not much expertise to offer in the area of tar sands mining in Fort McMurray - aside from the fact that you would be turning many now healthy communities into semi-depressed areas as I mentioned previously.

One other point I'd like to mention, Mr. Speaker, has to do with our good oil customers in the U.S.A. - the mid-west refineries which, in many cases, were built to use our crude exclusively. This market was developed at a time when eastern Canadians didn't want our oil. I think we should feel some loyalty here and a sense of obligation to continue to supply that market as long as they need it.

It may also be, Mr. Speaker, that with any kind of luck, [especially] in view of the increased crude price, our conventional oil exploration may become more successful than it has been in the past few years, and that the large-scale in situ tar sands or oil sands production will develop more quickly than has been foreseen, and that in a very few years we will be darn glad that we retained that Chicago-mid-west market.

Mr. Speaker, the idea of curtailing production is a drastic proposal. It would have serious, far-reaching effects on many Albertans, not just the people directly employed in

the oil fields, but the multiplier effect is huge. I think that the economic health of every one of our constituencies depends, at least indirectly, on a healthy oil industry in this province. Like most members in this House, I want jobs for my constituents in Edmonton, Calgary and I want jobs for their children who are entering the labour force. In my view the surest way to achieve this goal is to encourage a healthy, expanding, conventional oil industry in Alberta.

Mr. Speaker, I would be remiss in concluding if I did not congratulate the Provincial Treasurer on his budget. I think that it is a splendid, far-sighted document for Albertans and a budget we can all be proud of.

MR. TAYLOR:

Mr. Speaker, I would like to say a few words on the budget. I would first of all like to congratulate the hon. Provincial Treasurer on his very excellent presentation. I think we are very fortunate indeed in the Province of Alberta to have a man of his calibre, his training, and his expertise as the Provincial Treasurer at this time.

I would like to say a word or two in connection with some general topics on the budget.

I am very happy that we have been able to get beyond the billion dollars and that more money than was anticipated, some windfall money, is coming into the province. I believe people in Alberta should be very happy about this. When we look upon Alberta as growing bigger and better, I think we are looking upon Canada as growing bigger and better too. A country is as strong as its weakest link, and one province becoming stronger certainly doesn't weaken the nation as a whole, it strengthens the nation as a whole. I think we have an even greater responsibility to make sure that other Canadians have a reasonable standard of living, and that other people in the world have a reasonable standard of living too.

I was delighted to hear the program announced the other day by the hon. Minister of Culture, Youth and Recreation in response to the question from the hon. member, Mr. Wilson, in which he advised that the province was matching donations to the underdeveloped countries of the world and people who were living in dire poverty. I don't adhere to the suggestion that, because there is some poverty in Alberta and some poverty in Canada we have no responsibility for the rest of the world. I think we do. I believe in the theory that we are our brother's keeper. If we are to avoid another world war in the next few years, there has to be some display and some actual demonstration of the fact that we are our brother's keeper.

When people get hungry it doesn't matter whether their skin is yellow, black, red, white or blue. The stomach still cries out for food. Human beings will only stand so much, as has been shown by the French Revolution and practically every other revolution in the history of the world.

In connection with industrialization, I would like to say that in my view we need more industrialization in the province. I don't adhere, with all respect - while I respect the position of those who say they don't want heavy industry in the province, and they don't want a Sarnia or Hamilton in the province - I really don't support that view. I would be delighted if Drumheller could become another Sarnia or another Hamilton with the industrialization. The representations from my people are that they want industry. They want heavy industry. With modern technology we can protect our environment. We don't have to destroy the environment to have heavy industry. We can have heavy industry today with a minimum of damage.

Certainly nobody was complaining in Drumheller when 21 or 25 mines were working full time and the whistle was blowing 'one' every night, meaning the men would go to work. Times were buoyant. We look forward to that day again, when mines will reopen in the Drumheller Valley and other industry will make use of our coal. So I want to say that as far as my people are concerned, they want me to make representations for more industry in this province, and I do so at this time.

In connection with the oil policy, I think that the agreement entered into by the hon. Premier and the hon. Prime Minister of this country, and the other premiers regarding the oil settlement for the next 15 months really demonstrates two things, or illustrates or exemplifies two very definite items.

One is that the province does have control of its natural resources. This was fought back in the days, as I have mentioned in this House once before, of the Rowell-Sirois Report, when the late Premier Abernethy and two other premiers of other provinces walked out of a conference because the suggestion was that they should get a portion of the natural resources from a province. So, that point has been demonstrated and, I think now, accepted by every province in Canada and more so by the Canadian government.

The second principle established through this deal is that the Canadian government has authority to act on behalf of all Canadians with regard to export tax. I felt that part

of the export tax should properly come to Alberta, largely because of the way it was applied. In principle, the Canadian government, under the BNA Act, does have authority to deal with export. The fact that the Canadian government offered a portion to the producing provinces, I don't think, would change that item in the BNA Act. I am very happy the Alberta government has accepted 50 per cent. Remember, originally the offer was one-third per cent of the export tax.

I went to Ottawa last October prior to the December session and had an audience with the Minister of Energy, Mines and Resources. I wanted to know why he was taking the stand he was. At that time he said, we are offering Alberta one-third, and we are offering the other third for research in this country and in Alberta. That didn't exactly satisfy, but it was his stand. Well that has gone up to 50 per cent. The hon. Provincial Treasurer informs me that we will get 50 per cent of the export tax right up until the end of March. So it has proved the second point: that the export tax is a matter for the federal government.

In connection with the comments made the other day by the hon. Member for Spirit River-Fairview, I don't think this precludes at all the Canadian government's doing with other products in Canada what they did with oil. The prerogative will rest with the Canadian government if it wants to make use of that particular device.

When we come to the oil production in the province, Mr. Speaker, I feel I have to say that, generally speaking, I oppose cutting production. We cut production on our farms a few years ago because we thought there was too much wheat in the world. We asked, and even paid, our farmers not to grow wheat. Then we suddenly found there was hunger for wheat not only here but in many, many places of the world. Cutting production is a dangerous precedent.

AN HON. MEMBER:

Hear, hear.

MR. TAYLOR:

Cutting production in oil, in my view, is going to be a dangerous precedent. If there is a demand for the oil, let's produce it. In the next few years who knows what's going to come? Atomic power and many other types of power might come in and fill its place.

When I was a boy I heard people say, let's not produce too much of our coal, we have to keep our coal for a long time. Mr. Speaker, the coal will be there for thousands and thousands and millions of years if we don't start using some of it. I would like to get a program where we use the tremendous resource that an omnipotent God has given to us, and not keep it in the ground.

I supported that program when a strong Liberal opposition on this side of the House opposed sending oil to the United States. I see the hon. Minister of Mines and Minerals smiling. I don't think he was in the House at the time.

[Interjections]

Pardon?

AN HON. MEMBER:

Natural gas.

MR. TAYLOR:

Yeah.

The Legislature as a whole supported the export of oil and gas at that time, certainly looking after our own needs. I support that too. Let's be very careful, Mr. Speaker, about cutting production now and cutting off our markets. I don't want to burn all the bridges behind me in connection with this particular project. Who knows what is going to happen to the Montreal pipeline in the next ten years? Who knows what's going to happen to international oil in the next ten years? If the oil comes from the Arabic countries at a greatly reduced price, who will stand up and say Canadians in Newfoundland, Prince Edward Island, Nova Scotia and even east of the Ottawa Valley line shouldn't buy that oil? So I don't think we should be cutting off our markets at this time. Let's do the best we can to fill the markets, at the same time making sure we look after the Canadian needs at home, because charity does begin at home.

Now, Mr. Speaker, I want to deal with two or three items that were raised at my presessional public meetings.

The first one is around the word "abortions". This was not started by me in the preessional meetings but at the first meeting. A man arose and he said, I think there should be more investigations carried out by the Alberta Health Care Commission. I asked him his reasons for this and he referred to this matter of abortions. He said that in his view, Medicare was paying for abortions that were illegal in Canada, that were being done contrary to the Canadian criminal code.

Following the meeting I phoned personnel in the Alberta Health Care Commission. You might as well go right to the horse's mouth and get the information - and I wanted to know, was the Alberta Health Care Commission paying for abortions that were carried out contrary to the Criminal Code of Canada? He said, I don't know. As a matter of fact, a lady came on first and I was very happy when she called a man over to the telephone - it was easier to talk to him about this particular matter. He said, I really don't know. He said, we depend on the doctors and the hospitals to carry out the investigations, and if they send in their bills then we pay them.

Well, Mr. Speaker, if that is the general policy I don't think it's good enough. Surely there should be some checking at the Alberta Health Care Commission level as well.

I put a question on the Order Paper the other day. The hon. minister brought back an answer very readily, which I appreciate. It showed that in 1972 there were 3,271 abortions in Alberta, and in 1973 there were 3,618 abortions in Alberta. The bill to the Alberta Health Care Commission, that's to the people of Alberta, in 1972 was \$210,000 leaving off the other figures, and in 1973 it was \$239,000. Well, it's a lot of money.

And so at the rest of the meetings in the Drumheller constituency this matter was discussed to find out how the people felt about it. The people generally felt abortions should come under Medicare. A hundred per cent felt abortions should come under Medicare if they were being carried out according to the law of the land. But 92 per cent of the people at the meeting, and this is a cross section of people right across the whole constituency, people of every political faith, every religious faith - I wouldn't say every colour, but of even quite a few colours and creeds, and 92 per cent of those people, by voting, 92 per cent said that they opposed Medicare paying for illegal abortions.

In one of the meetings a nurse stood up and she said, in my view the checks being made by some of the boards that are set up are nothing short of a mockery. She said that they go through there like the market place. As a matter of fact, she said, in one of the hospitals in Calgary they have a '\$1.49 day' for abortions, once a week, and I think she said it was Thursday when they have the '\$1.49 day' for abortions and the women came there, she said, in droves. I don't know how many that is, but apparently there a lot of them come and go through in a routine fashion. I don't know; I haven't been to the hospital board. I don't know whether that's so or not. But, Mr. Speaker, the criminal code, as I understand it, says that an abortion is legal in Canada if it's done to save the life of the mother, and I suppose if it's done to save the life of the child. But if the life of the mother is not endangered or the health of the mother is not endangered then an abortion is illegal.

When we look at this number of abortions, 3,618 in Alberta this last fiscal year, 1973, that meant that there were 14 abortions carried out every working day of that whole year. Now you have to be a little naive to think that many people were being operated on because of the health of the mother. Maybe it's so, but I would suggest to the hon. minister that this needs looking into. It needs checking. If we can even cut that figure in half - and one of the things I think we have to be very careful about - and I'm not going to deal with the morality of abortion at this time, or abortions on demand, I don't think that's a subject that comes under the purview of this Legislature. It's a federal matter. But I do think that the people of Alberta are concerned about the extent that this thing is reaching and if they're paying the bill they want to make sure it's being done according to the Criminal Code of Canada.

One of the things that I am afraid of in this whole thing, and I imagine it's also an item that gives the hon. minister a great deal of concern, is that we don't want girls or women who happen to get into trouble going to butchers because they want to have an abortion carried out. When I was teaching Grade 10 in Drumheller several years ago there was a very excellent girl who, the following year, got into trouble. The man who got her into trouble decided to carry out the operation. She died under the knife. He didn't know what he was doing. He was actually a butcher. That girl died unnecessarily. I think we have to make sure that where abortions are going to be carried out on demand, we don't drive these girls to butchers. They should go to qualified people and surely it's not beyond our capacity in this day and age to set up proper boards and proper ways by which a girl who finds herself in that position will be able to have the operation. But again I don't think we should encourage at all this matter as a matter of convenience. It shouldn't be a matter of convenience because the life of a human being is involved in many cases.

I simply suggest to the hon. minister that we carry out some very careful investigations before we actually condone these payments, particularly if there is any

indication that they're being done contrary to the Criminal Code of Canada, simply for convenience and almost as a fad.

The next point I'd like to raise that was brought up at the preessional public meetings was the matter of compensation and all these are items in the Budget. Compensation for farmers - I have written to the Workers' Compensation Board in connection with this and I've sent the hon. minister a copy of the letter, and I think that here's a field that we have to take another look at. The farmers of Alberta today are hiring workmen on an annual basis and it's getting more and more difficult to get people to go out to work on the farms. One of the reasons, only one - there are many others, but one of them is that they are not covered by workers' compensation. There are very, very few in the province who are covered by workers' compensation. As a matter of fact in 1973 there were only 173 accounts in the entire province where the workmen on farms were covered by workers' compensation.

When I look at the record, the fees, the current rate of assessment, I can see one reason why many farmers do not take out workers' compensation for themselves or their employees. In British Columbia the assessment is \$3.50 per \$100 payroll. In Saskatchewan it is \$3.25 per \$100 payroll. In Manitoba it's \$2.75 per \$100 payroll and in Alberta it's \$5.25 per \$100 payroll.

I've gone to the Workers' Compensation Board in connection with this. The Workers' Compensation Board feels that it has to charge this amount in cases of fatality that might happen, and that maybe a fatality would bring in a heavy charge of \$100,000 or \$70,000 in one accident. And this is always a possibility. I do think that we should be more realistic in building up our accounts in connection with farm compensation for workers. The workers should be covered. Today the farmers are concerned about the accidents that happen on farms. They are dealing with machinery, they are dealing with knives, they're dealing with implements and there is always a danger of accident. When these people go on accident many farmers pay the compensation themselves, or at least they look after them. Some pay actual wages while they are recuperating, and so on.

Surely we should put on a campaign in this province that will get a large number of our farmers who employ workers under workers' compensation. This is one of the modern benefits that came from the concern of people for those who are injured. I know of workmen who have been injured on farms who became charity cases, who had to go on welfare, and this isn't right. It isn't right. They were injured in industry. Surely we can set up a more reasonable assessment roll. If Saskatchewan can carry its farms at \$3.25 - I have to say I don't know how many farms it covered - but if they can do it at \$3.25 I think our Workers' Compensation Board can do something comparable too.

But my main concern is that we put on a campaign, get our farmers interested in getting on workers' compensation and then get the rate to a point where they can make it an economic feature of their operations. It's a very important item and I think we have to deal with it.

Now, Mr. Speaker, I would like to deal with the matter that I've already referred to the hon. Minister of Youth, Culture and Recreation, and I want to deal with it here because I feel it has wide impact across the entire province. That is the definition that was given in the regulations dealing with municipality under the new recreation grants. I think the new recreation grants are quite excellent. I think the department did an excellent thing when it made them retroactive for the year it missed, if the application was in, I think, by the end of February, the end of March, one or the other.

The definition, however, gives me some concern. The definition of municipality says: "... a city, town, village, summer village, new town, municipal district, improvement district, special area or county". The only one left out was a hamlet. This is what worries me a great deal, because under this program where the department is providing \$500 for administration, in my own idea of No. 7, \$500 will go to that district if it can show that it meets the requirements of the Act. But there they have the hamlet of East Coulee, the hamlet of Wayne, the hamlet of Rosedale, the hamlet of Nacmine - four hamlets - and to divide the \$500 among four hamlets, all with a fairly reasonable population, makes it completely ineffective. On the other hand, they look up at the top of the hill to the village of Munson - I'm not begrudging this to Munson, they need a recreational program too - but Munson, with maybe 60 or under 100 people, well under 100 people, is able to get the \$500 under the Act, but hamlets the size of Rosedale with 300 people, Nacmine with 300 or 400 people, East Coulee with 200 or 300 people, don't get their \$500. Then when we go into the County of Wheatland you have situations where Rosebud and Carseland, well-populated settlements of people, are not getting their \$500. If the County of Wheatland is going to get that and then have to split it among the number of hamlets, it makes it completely not worth while.

I would suggest that the hamlets should secure this if they can meet the requirements of the program, the same as any of the other definitions. I would also suggest that in the program of the government to build up our towns and to keep our people working at home

and so on it is important that the unincorporated areas of hamlets be able to secure this. Otherwise, it will simply mean that hamlets like Hesketh, Rosebud, Carseland, East Coulee, Rosedale and Nacmine will miss that part of the recreational program and, if that continues, they will then have to go to the bigger centres for their recreational program.

One of the finest things that has happened in the Department of Culture, Youth and Recreation over the years was decentralization, where everybody didn't have to go to the city of Drumheller, in the Drumheller Valley, for their recreation. They could have it in their own hamlets and carry it out in the way which they chose, so they don't all have to go to the big centre. The more we can decentralize that program, the better it is. The hon. minister advised me they are looking into this, and I appreciate that very much indeed because I think hamlets have a place in the recreational program and a place that should qualify them. If they have a reasonable population at least and if they meet the requirements of the program, then they should be able to get that grant the same as any other village or town.

Now, I would like to deal with one or two other items too. One of the points that came up at the meeting - not at every meeting, but at several - was this matter of the \$150 for chiropractors. Again, I have referred this to the hon. minister in charge of health care. In the question period the other day the hon. minister advised there were no immediate plans to raise this. I would like to emphasize that the \$150 maximum per year per patient is not enough in chiropractic work. I would say it was enough for me because I don't expect to use it at all - maybe I'll have to, but I don't expect to. But in a family where the father has back trouble, where the mother has back trouble, where a youngster has some difficulties and requires chiropractic treatment, the \$150 disappears before they have even got going on a good program.

Chiropractors aren't quacks. I don't think anybody looks upon them as quacks any more. They are highly trained people. They have a place in the medical fraternity. I would suggest that \$150 is far too low an amount for any chiropractor to do an effective job on any real problem on the back or the muscles of the legs, et cetera. Even with the sciatica that might develop, \$150 could well disappear before even that was looked after by a chiropractor. So I would urge the hon. minister that this is one of the areas in which there should be a much higher maximum. As a matter of fact, I would think that with some control the maximum should be eliminated for families where it can be shown that the chiropractic treatment is necessary.

I would also like to deal with this matter of senior citizens and the pharmacist or the druggist. A great number of senior citizens have come to me, not only from my own constituency but elsewhere, with regard to the fact that they have to pay for their drugs and then get their reimbursement of 80 per cent later on.

They like the old plan that was once in vogue where they paid the druggist 20 per cent and the druggist did the bookkeeping. The druggist then collected from the fund. I don't suppose the druggists are keen about it. I haven't discussed it with my honourable friend for Hanna-Oyen, but druggists are far more able to do the bookkeeping than scores of our senior citizens. Scores of our senior citizens, in the first place, are afraid of forms and they don't like filling in forms. Scores of them also don't have the ready cash to pay for the many pills and drugs that they require. So I would like to urge the government to consider going back to the other plan of having the druggist do the bookkeeping and applying for the 80 per cent, and the person involved only paying the 20 per cent at the time of purchase. It's as broad as it is long, except that this gives the benefit to the senior citizens, the people who are least able to do the bookkeeping and to do the applying and who can ill afford to spent that money.

Now, two other points I want to mention. One I would like to bring to the attention of the hon. Minister of Manpower and Labour. I am not going to suggest ways and means of spending additional moneys that may come in to the province, not at all, certainly not at this time. But I would like to suggest that one of the places that needs some attention is the lower bracket wages of our workmen. When I look upon the wages of those who are out of our buildings shovelling snow, those who are doing a menial task, those who are out in the 20, 30 and 40 below zero weather, and look at their wages, I am almost ashamed of what they are getting. When we apply the percentage to the entire civil service as has been done, not only by this government but by the previous government as well, I think it is wrong because it gives the people who are in the high brackets a very large increase and it gives the people in the low brackets a minimum increase, sometimes a very menial increase. I think that it should be done the other way so that the people in the lower brackets who probably need it the most should get the greater amount, and it should be progressively reduced as it goes into the higher brackets. I think that's a sound way of doing it. Maybe those in the high brackets won't like it, but they can better afford it than those in the lower brackets. I would like to see this government start a program where those in the lower brackets, those who need it the most, will be able to get the most in any salary or wage increase.

Thank you, Mr. Speaker.

MR. DOWLING:

Mr. Speaker, I beg leave to adjourn debate.

MR. SPEAKER:

May the hon. minister adjourn the debate?

HON. MEMBERS:

Agreed.

GOVERNMENT BILLS AND ORDERS
(Second Reading)

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

MR. MINIELY:

Mr. Speaker, I move second reading of Bill No. 10, The Fuel Oil Tax Amendment Act, 1974.

Mr. Speaker, the amendments in the bill are primarily two. One is administrative, to tie into an amendment that is either introduced, or will be introduced in The Highway Traffic Amendment Act, relative to the name of the enforcement division.

The second is an administrative matter and correction, relating to the identification of the colouring process on fuel oil.

MR. CLARK:

Mr. Speaker, in speaking to second reading of Bill No. 10, might I say that we certainly had expected that in this legislation we would see the reduction in the tax on gasoline. Upon checking this particular matter I find, Mr. Speaker, that rather than do this through The Fuel Oil Tax Act, which has been the practice in the past, on this particular occasion a reduction in gasoline tax has been done through an order in council under the guise of The Financial Administration Act.

It seems to me, Mr. Speaker, that if we are going to have a fuel oil tax act in this province, if we have the tax itself set out in The Fuel Oil Tax Act, and then, if we're going to change the tax included in the legislation, and if we're going to change it by regulation, then the least we had better do is make the appropriate changes in the Act here. If the government wants to have all sorts of flexibility so it can change this whenever it wants, then let's do it in The Fuel Oil Tax Act. It may be well and good for the government and perhaps for members of the Assembly to recognize that in The Fuel Oil Tax Act you don't really find out at all what the fuel oil tax is, you go and look in orders in council. But to the average citizen of this province, when he sees The Fuel Oil Tax Act set out the tax as far as gasoline is concerned, certainly that is where the people of the province expect to have the matter finalized.

I can appreciate, Mr. Speaker, that given the present situation as far as petroleum products are concerned, given the agreement arrived at in Ottawa of \$6.50 a barrel and the government's saying it doesn't know what the exact price is going to be - whether it's going to be an 8 cents a gallon, 9 cents a gallon or 10 cents a gallon increase - I can see why the government would want some flexibility. But, Mr. Speaker, if you want that flexibility then let's provide for that flexibility in the legislation itself. Let's not go around through the back door and reduce the tax or change the tax through The Financial Administration Act.

I should make the point very clear that I don't question the legality of using The Financial Administration Act in this manner, although I should point out that The Financial Administration Act, to the best of my knowledge, certainly was never designed in such a manner [so as] to be used in this way rather than make the change in The Fuel Oil Tax Act. To use The Financial Administration Act - that portion in the Act that deals with the refunds of fines and so on - [to] use that section to, in fact, reduce or increase taxes across the province is a rather strange approach.

Mr. Speaker, the reason I raise this point at this particular time is that I would hope that the Provincial Treasurer would give some consideration to this comment. Whether he does it in concluding the debate on second reading, or whether he does it during committee work, I would respectfully request the Provincial Treasurer to bring forward

some amendments that deal with the question of the tax itself so we remove this kind of fuzzy approach to the whole question.

I would further say, Mr. Speaker, that if the government wants to come forward and say, we need flexibility within The Fuel Oil Tax Amendment Act, 1974, so we can set that price, so the price is going to prevent an increase at the pumps for Albertans, certainly we on this side of the House would be prepared to agree to that kind of legislation at this particular time.

I think, Mr. Speaker, it's essential that the government have flexibility - in this act though - that the government have flexibility so that a sufficiently large reduction can be made in the fuel oil tax so Alberta consumers don't have an increase around May 1 when these prices are expected to filter down to the consumer.

MR. LUDWIG:

Mr. Speaker, I wish to make a few comments concerning Bill No. 10. I commend the hon. Leader of the Opposition for having brought attention to the most important aspect of our responsibilities in this House, that is, the matter of taxation. I think when we deal with fuel oil taxation, that perhaps the government can, if it has a free hand in adjusting taxation, probably do away, without taking recourse through the input of the legislators as to what our taxes ought to be. If this can be done then this can be done between sessions. We can have a taxation situation in this province without the MLAs who are elected to speak for the public. I'm not saying just the opposition MLAs, I'm saying all MLAs. Then we could have an interesting situation in this province, that the power to tax will be strictly within the hands of the Executive Council. I could go one step further and say it would be within those very few members who have indicated quite clearly who are the influential members of the Executive Council. The rest will merely say, yes and go along with what may be expedient. I'm not saying that it isn't convenient to the government to do this, but I'm saying, what do the MLAs stand for in this House, Mr. Speaker, if the government can tax, or not tax, as it sees fit?

When I look at what is in Bill No. 10 I would have much less objection to the minister dealing with these matters by way of regulation, although he may not have power and this is what he is leading to, I suppose. Then the actual matter of adjusting taxation, the level of taxation, although he may have legal authority in the past given to him - but I'm saying that if we have done that, we want to bring it back to the Legislature where we will have the decision. It's well and good for the minister to say that we will reduce gasoline taxes by 5 cents a gallon. The MLAs may feel that that is hollow comfort when it appears the taxes may go up, the cost of fuel to the consumer may go up by much more.

I believe the responsibility for juggling this thing, or for raising it up or down, ought to be with the elected representatives. If the fuel oil tax is at the discretion of cabinet, the Executive Council by order in council, the next step is to deal the same way with income tax. Those are the two major revenue sources in this province. After that, as far as the people are concerned, they may as well not call a session, Mr. Speaker, because the power to tax was always something jealously guarded by Members of Parliament in Ottawa. It was parliament that decided the levels of taxation. And if we go back further in history, the power to tax without representation has caused near revolutions in other countries - in Boston, with the Boston Tea Party. We all know the incident where there was no taxation without representation. Well, what does it mean here? The representation of the member of the Legislative Assembly isn't worth a damn in this Legislature, Mr. Speaker.

DR. HORNER:

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

MR. LUDWIG:

Yes.

DR. HORNER:

Is he aware that he was a member of the Executive Council the last time the gasoline tax was changed, and it was done in a similar manner in which it is being done now?

MR. LUDWIG:

Mr. Speaker, that's probably the most telling point the hon. Deputy Premier can make in this House. If we did it, then I'm against it, Mr. Speaker. I am standing up now and saying we shouldn't have. Mr. Speaker, we probably did some things in the past - we had a pretty backward opposition that didn't point these things out and they should have. Where were they when this was done? It's all right for them to hide, like the hon. Solicitor General saying, well, I started building a Remand Centre so if there is anything in the next ten years, it is my fault.

The Deputy Premier gets up here and makes one of his most brilliant remarks, well, you people did it.

Well, the people defeated us, Mr. Speaker. They put me in the opposition to tell this government that I don't agree with their having the powers to tax. Let them oppose me on the principle, Mr. Speaker. But all the Deputy Premier - a lot of the cabinet ministers, in spite of their ability - they are quite content to say, ha, ha, you did it. So you were wrong, but it justifies us doing it. Now that is logic, Mr. Speaker.

I suppose the Deputy Premier can get up and say this is justifiable because we did it. There are a lot of things the previous government did that I, as a back-bencher, opposed, Mr. Speaker. I will continue to oppose this government. They rejoice at the fact that they have a flimsy excuse because somebody else did it. I tell them that in Britain there was a revolution and a war fought over the right of certain people to determine taxation. I suppose most hon. members as professional people know that this is so.

I am saying now, Mr. Speaker, that if this is what they want, if this is the principle, then let them pass a bill that states taxation will no longer be debated in this House. We will have a bill that will give us few - because I am well aware and everybody else is aware that even in the cabinet there are only three or four, five of them calling the shots and the rest of them are department heads, they are not ministers, Mr. Speaker. Let the hon. Minister of Agriculture rejoice that we did something so now they are justified.

I can point out a few things that, if the people knew, he would probably restrict his travelling in this province, Mr. Speaker - blowing money on travelling as if that were a test of performance, Mr. Speaker. He had \$500,000 last year to romp around the province and he blew that. Now he wants twice as much and thinks he is a manager. Now he is going to tell me what we did. If we are going to debate that in this bill, Mr. Speaker, we'll have a nice, interesting and long debate. But governments have done many things, Mr. Speaker, that all of us did not agree with. I am amused at the fact that some minister, when I tell him how ridiculous what is being done is, says, well, you started that three years ago so I have no more responsibility towards it, Mr. Speaker.

Now I expect a lot more intelligence and responsibility from ministers in this House, Mr. Speaker, than to tell me that eight years ago I did something wrong. I suppose if we are going to review what other people, other governments, did wrong, then we can start with the ministers individually. Maybe we would have an interesting debate.

Mr. Speaker, I stand here and I oppose the sort of creeping extension of taxing powers by this government. It's obvious. Let the minister come back and say that isn't a factor. We should be dealing with fuel oil tax and the taxation on our resources which are the greatest source of revenue in this province - we should be dealing with it by decisions of the Legislature and not the decisions of one man who can persuade a few more ministers that what they know, what they do, is best.

That may sound like it is not an important part of this bill, but it is an important principle, Mr. Speaker, the principle of whether this government should decide levels of taxation. That by a stroke of the pen the Provincial Treasurer can increase the revenues of the government, increase the revenues of the government by \$100 million without letting any MLA know that he has done it. Maybe we need this kind of flexibility, but I for one want to be able to speak on behalf of the people I represent. I would like to have some say in whether our taxes go up or down.

When we singled out fuel oil tax, this is the most important tax we got. There are a lot of small taxes, lesser revenues that don't affect the public generally. But this one does. Why doesn't the Minister of Highways and Transport determine that we don't need any more say as to whether he can double or treble the charges for licence plates? Why did we ever raise that as an issue if the government can do it - not only can do it, but is not prepared to listen to the views of the hon. members in the House? After all, the previous government charged for licence plates. So why shouldn't this government charge what it likes?

This is interesting now. I am rather amused at the Deputy Premier because it is more important to him to make himself look good than to look proper. I would like to urge hon. members on both sides of the House to determine the important principle under this bill, whether the government should have a free hand in levying such taxes as it sees fit.

AN HON. MEMBER:

Not levy, adjust.

MR. LUDWIG:

Yes, or adjust them, levying or increasing. For instance, if the hon. minister can reduce a tax by 5 cents, he can increase it by 5 cents. If that isn't a levy of taxation, I have never seen one.

AN HON. MEMBER:

What's the difference between levy ... [Inaudible] ...

MR. LUDWIG:

So, Mr. Speaker, in dealing with a fuel oil tax, I would like the hon. minister, the Provincial Treasurer, to explain to us in detail what taxes we are going to have, what taxes have been reduced, what tax is contemplated being reduced, and what is the situation with diesel fuel? What protection have the people of this province got to ensure that, if the prices do go up, we can, as a Legislature, bring those taxes down to the level we want, and not with the minister deciding?

Because I believe, notwithstanding the fact that perhaps they have a lot of professional help in the front line on the other side, they do have a responsibility to see every hon. member has some input to deal with the fiscal policies and the monetary policies of this government.

Thank you, Mr. Speaker.

MR. TRYNCHY:

Mr. Speaker, just a few comments on Bill No. 10. As I sit here and listen to the hon. members on the other side arguing and ranting and raving that a tax reduction is not good, it has me a little puzzled. You would think we were increasing the tax by 5 cents instead of lowering it.

Mr. Speaker, when you look at the total 5 cent reduction, what it means to Albertans as a whole, you can really appreciate what the hon. Provincial Treasurer is doing in this bill. A \$35 million reduction to all Albertans, with the 5 cent reduction, plus \$11 million of tax reduction to farmers, really, I can't understand what they are talking about.

AN HON. MEMBER:

They don't either.

MR. TRYNCHY:

Is it that they are afraid that we might lower it again and they might not know about it? Is this the problem they seem to have or - it behooves me to figure out what they are really debating.

MR. LUDWIG:

Would the hon. member permit a question, please?

AN HON. MEMBER:

Sit down. You had your chance.

MR. TRYNCHY:

Mr. Speaker, I'll answer the question and all questions right after I am done. Yes. Thank you.

Mr. Speaker, the present Act states that the tax is 12 cents, and yet we find on the gas pumps throughout Alberta it is 15 cents. What happened? How did they raise it? Were they afraid to do it through legislation, so they hung around on a corner and raised it 3 cents and nobody would know? Is that what they did? Is this what they are arguing?

AN HON. MEMBER:

Agreed.

MR. TRYNCHY:

Well. I say to the hon. members we are lowering it 5 cents. We will continue to lower it, possibly. So what is wrong with that?

DR. BUCK:

Wrong time.

MR. TRYNCHY:

You know, when you have a tax reduction as mentioned of \$46 million to Albertans, is this wrong? Is this what they are arguing that we shouldn't do? Don't you agree with it? I think they should be standing up on that side and say we all agree with the reduction. But still we have them say you shouldn't do it this way because it is not good. I didn't have any input. Well, he had his chance for input for the last how many years he has been in the House, I don't know. But he has had his chance for input ...

MR. LUDWIG:

I still have a chance and you haven't.

MR. TRYNCHY:

... and today he should say I applaud the government for bringing it down. We made a mistake. We should all stand up and congratulate the Provincial Treasurer on bringing this bill in.

Mr. Speaker, with those few comments - I can't go on any further because there is no conviction to their speeches. I don't really know what they are after. It is amazing that they would stand up and say a decrease in taxation is wrong. Do it our way or don't do it our way. They had their chance, as I said before. Mr. Speaker, I can see nothing wrong with this bill. I want to congratulate the Provincial Treasurer on bringing down this bill and bringing in a 5 cent reduction straight across the board for all Albertans.

MR. LUDWIG:

Mr. Speaker, I rise on a point of order. I hate to attempt to de-confuse the hon. member who just spoke, but I never under any circumstances alluded even remotely that reduction of a tax was wrong.

[Laughter]

And let the donkeys laugh all they like, Mr. Speaker, I didn't say it. I said that the principle of taxation is a responsibility of the hon. members here. The reason I raise the point is to see whether we can reduce it more. Because I have been kicking the Deputy Premier to reduce it.

MR. LEE:

Point of order, Mr. Speaker. I believe we've already been subjected to the comments from this speaker in his comments on this bill.

MR. TRYNCHY:

Point of order, Mr. Speaker. I thought the hon. member had a question for me and I failed to recognize it.

MR. LUDWIG:

The question is, where in this bill, as the hon. member has spoken, is there any indication that the fuel tax will be raised or lowered?

MR. TRYNCHY:

Well, Mr. Speaker, it's not in the bill but is the hon. member saying that the 5 cent reduction we have done is no good?

MR. LUDWIG:

I'm not going to ... [Inaudible] ...

MR. DRAIN:

I submit that the last two members who spoke on this particular bill are completely out of order, Mr. Speaker. In no particular section does this particular amendment refer to any reductions whatsoever. Therefore I submit that the debate should be carried along in the direction of the intent of Bill No. 10 and any remarks that do not refer to it should be ruled on by yourself.

MR. SPEAKER:

Following that, we might perhaps, if the House agrees, revert to Introduction of Visitors by the hon. Member for Athabasca.

[Laughter]

INTRODUCTION OF VISITORS (CONT.)

MR. APPLEBY:

Thank you very much, Mr. Speaker. It's my pleasure this morning, on behalf of myself and also the hon. Member for Lesser Slave Lake, to introduce to you and to the members of the Legislature a group of Junior High students from the Smith School. They are 51 in number, seated in the members gallery, and they are accompanied by teachers Mr. Johnston, Mrs. Hurlburt and Mr. Ottosen. I would ask them to stand up now and be recognized by the Assembly.

GOVERNMENT BILLS AND ORDERS (CONT.)
(Second Reading)

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

MR. DIXON:

Mr. Speaker, I wonder if I could ask a question of the hon. Member for Whitecourt. I'm asking it as an urban member. I wonder how he can give somebody who isn't paying any tax a tax reduction?

MR. SPEAKER:

The hon. member is really arguing.

MR. DIXON:

No, no I'm not.

[Interjections]

MR. ZANDER:

It's a transportation allowance.

[The motion was carried. Bill No. 10 was read a second time.]

MR. LUDWIG:

Mr. Speaker, on a point of privilege. It should be brought to the attention of the hon. members here that the hon. Premier said no, and I saw him.

MR. LOUGHEED:

Mr. Speaker, just to make sure that the record is clear, I was just looking in complete amazement, as usual, at the hon. Member for Calgary Mountain View.

MR. LUDWIG:

Your mind slipped, Mr. Premier.

AN HON. MEMBER:

Agreed.

Bill No. 20 The Interprovincial Lottery Act, 1974

MR. SCHMID:

Mr. Speaker, I would like to move second reading of Bill No. 20, The Interprovincial Lottery Act.

Mr. Speaker, it would allow the Edmonton Exhibition Association, the Calgary Exhibition and Stampede Association and the Commonwealth Games Foundation to join the three other western provinces in a lottery scheme. We all know the many volunteer hours that are spent by these organizations who indirectly also help groups like the Edmonton Five-Pin Bowling [association], the Paralympic Sports Association, the Quarter Horse Association, the Ukrainian Greek Orthodox Parish of St. John and many others by having the tickets sold through those organizations. The interprovincial lottery in this case proposes a 30 per cent commission to be paid to the sellers of the tickets and thereby indirectly we will help these volunteer groups to do their type of work for which Albertans are known across Canada, in fact, to be the highest per capita in raising moneys beneficial to the people not only of Alberta but even internationally.

Mr. Speaker, the first prize of this lottery would be \$250,000 with total prizes of \$750,000. Both exhibition associations are considering phasing out their own lotteries should this western lottery be successful.

MR. LUDWIG:

Mr. Speaker, I believe in dealing with the principle of The Interprovincial Lottery Act that it would be in order to mention other means of raising funds in this province by perhaps gambling and semi-gambling. I believe we've had a lot of input, a lot of concern, and although I'm not saying that some of the means of raising funds are in the form of gambling, nevertheless, the means for raising funds for charitable associations is a concern to the public, the people of this province. People have different schemes, different ways of raising funds, and I would like to take a strong stand on behalf of all the associations, churches and all others, that raise funds by some communal means, that the government keep its hands off.

[What] I'm referring to [is] that someone on that other side better get together and see if they can straighten out that bingo mess they created in this province and let the people who raise the money keep it all. I think if these people couldn't raise funds, the government would be moving in with its own money and its own staff to do many of the things these people are doing. I'd like some hon. minister to get up and announce that he's prepared to stand up and support the view that, outside of the minimum licensing fees or correspondence charges or whatever they are, that all institutions - particularly those that do charitable work, and I believe that includes most churches - if they want to have a bingo game, let's not indirectly take money from them, no matter how much they raise. I feel a lot safer when some of these charitable institutions get into doing work for the people and serve the people than when we have government agencies getting into it and setting up staffs and spending taxpayers' money. I believe there ought to be a response from someone on the other side, Mr. Speaker, to this request.

MR. KOZIAK:

Mr. Speaker, on that particular point, and speaking to the bill, I might add that the people I know who are involved in raising funds through bingos are much more pleased with the licensing system that has been developed and enacted by this government when compared to the exorbitant and high tax rate which was developed by the former government.

SOME HON. MEMBERS:

Agreed.

AN HON. MEMBER:

You didn't know that did you?

MR. LUDWIG:

Is that a fact?

MR. CLARK:

Mr. Speaker, I'd like to ask the minister when he is closing the debate or during the committee work if he would give us some indication how he plans to handle Section 3 of this act. It says, "The Minister may issue a licence to any person authorizing that person, as agent of the Government ..." and then going on from there. I'd like to ask him

frankly how he expects to administer this portion of the act. It's another area where I think the terms and conditions might well have been set out in the legislation rather than being left like this.

MR. LOUGHEED:

Committee stage.

SOME HON. MEMBERS:

Question. Question.

MR. CLARK:

Just so he'll be ready.

MR. LOUGHEED:

Yes.

SOME HON. MEMBERS:

Question. Question.

MR. SCHMID:

Mr. Speaker, may I first of all, of course, reply to the hon. member who ...

MR. SPEAKER:

May the hon. minister conclude the debate?

HON. MEMBERS:

Agreed.

MR. SCHMID:

Thank you, Mr. Speaker.

May I first of all reply to the hon. member who proposed that the government reduce the licence fees as much as possible for the church groups and others who are really running the lotteries or bingos to raise funds for their endeavours. May I inform the hon. member that a bill that was assented to by the last government on April 27, 1971, instituted the lottery tax which was then subsequently rescinded by this government and assented to on May 10, 1973. This provides for a minimal payment of licence fees for smaller lotteries and, of course, a fee of probably a larger nature to the large lotteries which are run by the exhibition associations and the larger service clubs.

Mr. Speaker, on the request of the hon. Leader of the Opposition I would suggest that item 3 will be dealt with in committee stage, and I therefore now move second reading of Bill No. 20, The Interprovincial Lottery Act.

MR. LUDWIG:

Will the hon. minister permit a question please, with regard to a remark he made?

AN HON. MEMBER:

Committee.

MR. LUDWIG:

Oh, we can have it here.

AN HON. MEMBER:

Maybe he doesn't want to answer it.

MR. LUDWIG:

I'd like to ask the minister if he can advise the House or get us information as to what was the total amount of revenue by any means received in Alberta last year from operations of bingos throughout the whole province - the total amount.

SOME HON. MEMBERS:

Order, order.

AN HON. MEMBER:

Put it on the Order Paper.

MR. APPLEBY:

On a point of order, Mr. Speaker.

It appears to me that that question strictly belongs in the committee stage, and I think the hon. member should be reminded of that.

MR. SCHMID:

Mr. Speaker, I have here a sheet of about 50 names each. There are about 10 sheets alone, a Canadian Derby sweepstake, of people who sold those tickets in order to get their [commissions]. I think it should be put on the Order Paper. In fact, it might be quite impossible to find out the total amounts of moneys raised through bingos and lotteries in the province of Alberta.

[The motion was carried. Bill No. 20 was read a second time.]

Crude Oil Prices (Cont.)

MR. LOUGHEED:

Mr. Speaker, on a point of privilege, I have just checked the record in Hansard of an answer that I gave this morning to the Member for Calgary Millican. I would like to clear it up. I used the word "included" when I intended to use the word "excluded". I would be happy to make the clarification now or, if notice is required, to do it on Monday.

HON. MEMBERS:

Agreed.

MR. SPEAKER:

It would appear to be the unanimous wish of the House that the Premier proceed to do so now.

MR. LOUGHEED:

Mr. Speaker, the question is the matter of the base upon which Alberta reached the conclusion that we were dealing with an average crude oil production price of \$3.80 a barrel in determining the agreed interim accord of \$6.50 a barrel. It was without doubt, in our minds, and in my view in the minds of all involved, that we were talking not about Alberta crude oil production but about crude oil production across Canada and hence would be including the Saskatchewan production. So for that reason, quite clearly the average crude oil production is at least less than \$3.80 per barrel.

It was never present in my mind, nor did I think in the minds of anybody who was involved in these discussions, to include pentanes plus, which come from a different source, or the synthetic crude oil either, which comes from a different source. In any event, I think it's clear that if Saskatchewan crude production is involved, even if these pentanes plus are included, which they were not, the base price is \$3.80 per barrel at the wellhead or less.

MR. HYNDMAN:

Mr. Speaker, as to House business early next week, on Monday afternoon we would see continuing the second reading of bills beginning with Bill No. 38, The Agricultural Pests Act, 1974, adjourned by the hon. member Mr. Buckwell, and then proceeding after completion with those on the Order Paper, excluding The Alberta Energy Company Act, then proceeding to Committee of the Whole study in the order as they are seen on the Order Paper.

Monday evening, the Estimates subcommittees will continue their work. Subcommittee A beginning the Department of Health and Social Development; Subcommittee B Department of

the Environment; Subcommittee C Department of Telephones and Utilities; and Subcommittee D Department of Consumer Affairs.

I would remind hon. members that the House will adjourn for the Easter break on Tuesday at 5:30 until the following Wednesday at 2:30.

I move we call it 1:00 o'clock, Mr. Speaker.

MR. RUSTE:

Just on a point of clarification. The House Leader mentioned Subcommittee B on the environment. I believe we still have agriculture to finish.

MR. HYNDMAN:

Yes, Mr. Speaker. I believe we have agriculture to finish first.

MR. SPEAKER:

It being now substantially 1:00 o'clock, the House stands adjourned until Monday afternoon at 2:30 o'clock.

[The House rose at 12:55 o'clock.]

