

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, April 22, 1974

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF VISITORS

MR. ZANDER:

Mr. Speaker, it is indeed a pleasure for me today to introduce to you and through you to the Assembly, a group of senior citizens from the Drayton Valley area. The trip is sponsored by the Drayton Valley Lions Club and they are accompanied by five members of the club, Mr. Alf Armstrong, Mrs. Myrtle Krysko, Mr. Dan Lindberg, Mrs. Charlotte Armstrong and Mr. Elmer Barker. They are seated in the members gallery and I would ask them to stand and be recognized by the Assembly.

MR. YURKO:

Mr. Speaker, I have a great deal of pleasure in introducing to you and through you to this Assembly, 75 junior high school students from the St. Gabriel School in my constituency. They are accompanied by their teacher Mr. Paul Stewart. They are seated in the public gallery. I would ask them to rise and be recognized by the House.

TABLING RETURNS AND REPORTS

MR. YURKO:

Mr. Speaker, I have a great deal of pleasure in tabling the proceedings of the Man and Resources Conference that took place in November in Toronto. The proceedings are of considerable import in terms of suggestions by people all across Canada. A copy is being provided to each MLA in this regard.

At the same time I would like to file with the Assembly, three reports by the Conservation and Utilization Committee on research needs in the Athabasca oil sands. These research needs are associated with climatology, meteorology and hydrology as well as reclamation.

MR. FARRAN:

Mr. Speaker, I beg leave to file a copy of the sale agreement between Alberta Government Telephones and the City of Edmonton. This is done in accordance with the recent commitment at committee hearings into the estimates of my department.

MR. HYNDMAN:

Mr. Speaker, I wish to table the 68th Annual Report and Supplement of the Department of Education for the year ending June 30, 1973. Copies are available for all members.

ORAL QUESTION PERIOD

Oil Sands - Enzyme Extraction

MR. CLARK:

Mr. Speaker, I would like to direct the first question to the Minister of Mines and Minerals and ask the minister if the government has had an opportunity to consider claims regarding the use of an enzyme process for the extraction of oil from Alberta's oil sands.

MR. DICKIE:

Mr. Speaker, I noted the press report this morning on the enzyme process and I had a discussion with a senior oil sands advisor for the department to determine if there had been some research by the Research Council in that area. I understand a preliminary check would indicate that if there is, it is very limited. We have, however, decided that we would make some inquiries to obtain further information with respect to the process.

MR. CLARK:

A supplementary question to the minister, Mr. Speaker. Will funds be available from the oil sands research funds, the \$100 million that the Premier announced earlier, for projects such as these, if the government feels that they have a possibility of being viable?

MR. DICKIE:

Mr. Speaker, we will be introducing very shortly the bill to establish the Alberta Oil Sands Technology and Research Authority. It would be up to the direction of those seven members to consider projects of this nature and whether they would be worthy of making advances for further research in those areas.

MR. CLARK:

A further supplementary to the minister, Mr. Speaker. Will the guidelines and legislation for the research funds be able to be concerned with the environmental impact of processes such as this or, if you want to go so far, [with] atomic energy?

MR. DICKIE:

Mr. Speaker, I am certain in all dealings I have had with the oil sands development, the Department of the Environment has been vitally concerned.

MR. YURKO:

Yes, Mr. Speaker, there will be funds, in my understanding, through that fund associated with the environmental aspects of some of this research, because they simply can't be divorced. If you are, in fact, experimenting with low-yield nuclear bombs, then environmental consequences are one and the same thing. If you are experimenting with underground bacteria or enzymes, then again the environmental aspects are directly involved, as are underground water supplies. So it is very difficult to divorce the two.

Oil Sands - Atomic Extraction

MR. NOTLEY:

Mr. Speaker, a supplementary question for clarification, to the hon. minister. Do I take it from his answer that the government is in fact prepared to use public funds through the research authority to investigate further the proposition that we might use atomic weapons to extract oil from the sands?

MR. YURKO:

Mr. Speaker, I believe I was asked that question before in this House. I believe I answered it in this way - and the answer is still the same - that the government at this stage does not preclude any process. It will examine any process in terms of future extraction. However, the government is very well attuned with respect to the dangers of using low-yield nuclear devices for generating heat to melt the tar sands. The chances that this process might be given the opportunity to go ahead will depend on a great deal of evaluation.

MR. NOTLEY:

Mr. Speaker, a further supplementary question to the hon. minister. Has the department commissioned specific studies of the use of atomic devices by the American Atomic Energy Commission in the Colorado oil shales and the unexpected damage caused as a result of the use of atomic devices?

SOME HON. MEMBERS:

Order.

MR. YURKO:

I think, Mr. Speaker, I can only answer that question by simply putting it this way. The government is very conscious of the fact that many reports have been written on Project Plowshare and Project Gas Buggy in the United States. We are in the normal process of establishing as much background data as possible, not only in this area of process development but in other areas.

MR. DICKIE:

Mr. Speaker, perhaps I could supplement the answer to this extent: we have met with Mr. Don Moore, the president of the Phoenix company, and Dr. E. D. Alcock, who has been doing some work in this area and has had some press releases issued [saying] that they are exploring the possibilities in Alberta. We have asked them for, and will be receiving, information in respect to the tests they have conducted in the United States, using the nuclear process.

Flooding - Government Aid

MR. CLARK:

Mr. Speaker, a second question either to the Premier or to the minister responsible for the Emergency Measures Organization.

In light of the flooding situation, is it the intention of the government to make special assistance available, where needed, to municipalities which have incurred very sizeable expenditures as a result of the present flooding situation?

MR. LOUGHEED:

Mr. Speaker, I am sure the hon. Deputy Premier would like to respond further. But initially, answering the question by the Leader of the Opposition, the answer is yes. The method by which we do it is under consideration, but certainly an assessment of damage by both the municipalities and by citizens should be undertaken at the appropriate time. It is the intention of the government to respond in an affirmative way. Perhaps the hon. Deputy Premier might like to enlarge upon that.

In referring to the floods if I could, Mr. Speaker, throughout the province, I would have to say how very pleased we are at the way the citizens of this province and the various communities, as individuals, as municipal governments and through the private sector, have responded so well in helping each other in a spirit of neighbourliness in this province. I think it speaks well for the province and its citizens.

MR. CLARK:

Mr. Speaker, a supplementary question to the Premier. In light of the Premier's affirmative indication on helping municipalities with flooding problems and the costs involved therein, is the government now prepared to reconsider its decision to help rural municipalities which have had tremendously excessive costs in snow removal this last winter, some municipalities having four and five times their normal expenditures in this particular area.

DR. HORNER:

Mr. Speaker, pretty obviously, those who have had the additional expense with regard to snow removal unfortunately are also those who have the unfortunate experience of too much water when the snow melted. So it's pretty obvious that they have a double burden and that will be part of the consideration in assessing the damages and the costs that the municipalities have had to bear.

I would like to say, Mr. Speaker, that in general the crisis situation in flooding will take place today and tomorrow and hopefully no further damage will occur. But there is a lot of water out there and it will take a few days, in any case, to assess the extent

of the damage. I will be meeting with farm groups, other organizations and the municipalities [to discuss] the way in which an assessment might be done of their requirements.

MR. CLARK:

Supplementary question to the Deputy Premier, Mr. Speaker. In light of the Deputy Premier's comments, is the government prepared to consider the very adverse effect on the budgets of rural municipalities, counties and M.D.s as far as road maintenance and new road construction is concerned, for this year?

DR. HORNER:

Mr. Speaker, pretty obviously that is really part of the damage that has been done out there. I can tell the hon. member that there are a great number of roads that have been washed out, and that the cost to these municipalities is going to be fairly substantial. This will be considered and will be part of the assistance that will be made available to them.

MR. CLARK:

One last supplementary question, Mr. Speaker. When is the Deputy Premier going to tell the Minister of Highways about this?

SOME HON. MEMBERS:

Oh, oh!

DR. HORNER:

Mr. Speaker, for the hon. Leader of the Opposition to end his questioning on that tone is unfortunate indeed, because it shows his lack of appreciation of the real problems that the people out there are facing.

MR. CLARK:

Nice try, Hugh.

MR. BATIUK:

Mr. Speaker, a supplementary to the hon. Deputy Premier. Would the minister advise whether assistance from the disaster services fund would be available to individual citizens who have lost their crops, all or in part, from the flooding of the Vermilion River?

DR. HORNER:

Mr. Speaker, specifically in regard to individual damages, we will be assessing those as well. Hon. members can appreciate that with the passage of The Disaster Services Act last year, we are in the process of developing regulations. In addition to that, as far as crop losses themselves are concerned, we have a major meeting scheduled for tomorrow with farm organizations and municipal people, and we'll be evaluating preliminary estimates of damage and how we can best meet that situation.

MR. SPEAKER:

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

WEOC - Railbed Ownership

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister of Industry and Commerce. Can the minister advise what progress has been made on the proposal he made at the WEOC conference in Calgary with respect to public ownership of the railbeds?

MR. PEACOCK:

Mr. Speaker, I think we have mentioned on previous occasions in the House that we are in the process of having studies carried on in order to determine the economic value of using a common roadbed for all carriers in Canada, and particularly western Canada, and that these studies would be forthcoming and released to the four western ministers of economics and transportation sometime in July and August.

MR. NOTLEY:

Mr. Speaker, a supplementary question to the hon. minister. Have there been any further discussions subsequent to the Calgary meeting with the other western provinces, or will further discussions await the release of these studies?

MR. PEACOCK:

Mr. Speaker, yes, there have been. We have had at least a half dozen such meetings at which the progress of the studies and the terms of reference with regard to the information that we are requesting out of these studies is updated from time to time.

MR. NOTLEY:

Mr. Speaker, a further supplementary question to the hon. minister. Can the minister advise the Assembly what the response of the other provinces in the West has been with respect to the proposition, whether or not they support it?

MR. PEACOCK:

Well I think, Mr. Speaker, the fact that the four western ministers have requested Mr. Marchand and the federal government to underwrite these studies indicates their agreement that such a study should proceed.

MR. NOTLEY:

Mr. Speaker, one final supplementary question to the hon. minister. Can the hon. minister advise what discussions have taken place with the federal government subsequent to the Calgary conference and what their initial position is with respect to the proposal and whether they are showing interest in seeing it developed?

MR. PEACOCK:

I think, Mr. Speaker, to answer that question, the federal government had indicated that its department, that is, the officials in its department had had some reason to believe that a new approach to a systems analysis of the present rail program in Canada should be developed and that a more detailed study should be made. So when the recommendation was made at WEOC, that such a study be looked at with regard to using the railbeds as common carriers under the same conditions that the airports and other transportation systems are used as far as capital costs are concerned in being underwritten by the federal government, the federal government agreed to go ahead and pursue this study.

MR. SPEAKER:

The hon. Member for Sedgewick-Coronation followed by the hon. Member for Clover Bar.

Contract Cancellation Legislation

MR. SORENSON:

Mr. Speaker, I direct my question to the hon. Minister of Consumer Affairs. Is the Department of Consumer Affairs going to enact legislation preventing commercial dance and social clubs from exploiting people through long-term contracts costing thousands of dollars?

MR. DOWLING:

Mr. Speaker, I want to thank the hon. member for his speech. We are looking at a number of areas relative to contracts. This has been under review for some time. I'm not sure that legislation is necessary at this time, Mr. Speaker, but it is under review.

MR. SORENSON:

Supplementary to the hon. minister. Could legislation be enacted to enable people to cancel long-term contracts with health spas and weight-reducing clubs and the like, especially those which are using questionable means of obtaining such contracts?

MR. DOWLING:

Yes, Mr. Speaker, any number of things can be done. As I have said, the entire matter is under review under the credit and - I forget the act at the moment but it is under review.

MR. SPEAKER:

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

Censorship - Correctional Institutions

DR. BUCK:

Mr. Speaker, I would like to address my question to the hon. Solicitor General. I would like to know, Mr. Speaker, if the Solicitor General's department has reversed censorship of outgoing mail from the inmates at correctional institutes? I had better rephrase that. I would like to know, Mr. Speaker, if the department has changed its philosophy about the censorship of mail going out of correctional institutes?

MISS HUNLEY:

The directive which has gone forward to all correctional institutes is that henceforth no mail from the institutes will be censored but will be forwarded in the usual manner directly to the person to whom it is addressed.

MR. SPEAKER:

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

Driver Records - Disclosure

MR. DRAIN:

Mr. Speaker, this question is to the hon. Minister of Highways. The question is, are demerit points logged against erring drivers made publicly available on the matter of information?

MR. COPITHORNE:

Mr. Speaker, that used to be policy but it is not one which has been continued.

MR. DRAIN:

Supplementary, Mr. Speaker, could the hon. minister advise where the insurance companies presently get their information on this rather loathsome subject?

MR. COPITHORNE:

Well, Mr. Speaker, they can get information in this regard but not in the wholesale way in which they were able to get that information before.

MR. DRAIN:

Supplementary, is the minister then saying that there is no information made available to these people through the highways department? Is that correct?

MR. COPITHORNE:

I didn't catch the last part of your question.

MR. DRAIN:

Is it the conclusion that no information is now being made available by the highways department to various insurance companies and so on, on the matter of the number of demerit points?

MR. COPITHORNE:

Yes, Mr. Speaker. Generally, we're very restrictive about who gets the information regarding demerits and driver information. We are giving information to R. L. Polk and Co. in Toronto which has been an ongoing situation for some time. That is restricted to giving out to other people - firstly to the war amputees, secondly, for recall purposes. I guess that's about the extent of it, Mr. Speaker.

MR. HO LEM:

Supplementary, Mr. Speaker, to the hon. minister. Is there any information given to the car rental agencies? I'm sure they would be very interested to know who is a good driver and who is a bad driver.

MR. COPITHORNE:

Yes, Mr. Speaker, they would be very interested in that information but they don't receive it.

MR. GRUENWALD:

Supplementary to the minister, Mr. Speaker. I just wanted clarification, Mr. Minister. Are you saying then that the Motor Vehicles Branch does not give information to insurance companies regarding driver demerits?

MR. COPITHORNE:

Basically, Mr. Speaker, that's correct.

AN HON. MEMBER:

Basically?

MR. GRUENWALD:

Supplementary, how would the insurance companies get the information then? From whom do they get it or is it given only to the credit bureaus?

MR. COPITHORNE:

Well, Mr. Speaker, the hon. member opposite has been in the insurance business and ...

MR. CLARK:

Well, let's have the answer.

MR. COPITHORNE:

... he should well know that he gets that information from the drivers of the automobiles.

DR. BUCK:

Fumbled again.

MR. SPEAKER:

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

New Home Warranties

MR. TAYLOR:

Thank you, Mr. Speaker. My question is to the hon. Minister of Municipal Affairs. Is the government giving consideration to issuing warranties on workmanship and material on new houses?

MR. RUSSELL:

Mr. Speaker, that question has been under active consideration between our Minister of Consumer Affairs, HUDAC and the federal minister. I would like to refer it to the hon. minister, Mr. Dowling, for a further answer.

MR. TAYLOR:

A supplementary, does the hon. minister expect to bring legislation in during this year on warranties?

MR. DOWLING:

Mr. Speaker, on the matter of housing warranties I missed the first part of the question - I believe that was it.

We have had meetings with the Housing and Urban Development Association of Canada and their executive branch in Alberta for the last number of months. Our position has been, up to this time, that the Housing and Urban Development Association of Canada is best suited to organize a situation of warranties where there will be representatives from the provincial government, the federal government and the municipal government, as well as their own organization and the consumers.

They have a plan now which guarantees warranty for a period of one year and an insurance policy which guarantees a further four years of insurance against major structural fault. We find this program to be to our liking. However, the organization itself is running into some difficulty with the federal authorities who would like to take the matter over and run it themselves.

At the moment our position is that the Housing and Urban Development Association plan is a good one and we support it.

MR. TAYLOR:

Thank you. A supplementary, has the federal government not rejected the idea of warranties on residences?

MR. DOWLING:

Mr. Speaker, as I understand it, they have rejected warranties on houses run by the Housing and Urban Development Association of Canada and would like to operate the warranty system under their own aegis.

MR. TAYLOR:

One further supplementary. Is this matter of warranties on houses on the agenda at the forthcoming ministers' meeting at Jasper?

MR. DOWLING:

Yes, Mr. Speaker, it is.

MR. CLARK:

A supplementary question to the minister. Is the minister aware that the Province of Ontario, in light of the federal government's bullheadedness, has indicated that it will be going ahead as a province itself on the warranty thing? Is the Province of Alberta considering moving in this direction also?

MR. DOWLING:

Mr. Speaker, in the initial stages the Province of Ontario supported the HUDAC position. That change in Ontario government position is fairly new. We haven't had an opportunity to discuss the matter with them at any length - with the Ontario government, that is. We will be discussing it at length at our conference in Jasper in May and I would hope that we will come to a provincial understanding all across Canada as to whose responsibility it should be.

I truly believe that the private sector has done a very commendable job in many areas. Considering that the HUDAC people represent 85 per cent of the housing construction in Canada, it seems logical that they should have some considerable input into the organization of such a warranty system.

MR. SPEAKER:

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

Milk Prices

MR. D. MILLER:

Thank you, Mr. Speaker. My question is to the hon. Minister of Agriculture. Relative to the formula pricing system for the sale of milk, would the hon. minister advise what the effect will be on the Alberta consumer?

MR. SPEAKER:

With due respect to the hon. member, this is the sort of thing which is probably not suitable for the question period in that it is information which may be generally available or may be subject to calculation by the hon. member himself. It isn't the sort

Mr question regarding public affairs or government policy which is ordinarily envisaged for the question period.

MR. D. MILLER:

Could I rephrase it, Mr. Speaker? Will the hon. minister indicate if the Alberta consumer will be affected?

MR. SPEAKER:

The hon. member's question is along the same line as its predecessor.

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

Baler Twine

MR. BENOIT:

My question is also the Minister of Agriculture, Mr. Speaker. I would like to ask the minister if he has received any type of communication indicating that considerable quantities of baling twine are being purchased by individuals from Alberta suppliers, shipped across the line by the truckload and sold in the United States for sizeable profits?

DR. HORNER:

Mr. Speaker, I am not aware of the truckloads of twine going into the United States. I am aware that we're have difficulty getting enough truckloads coming into Alberta at reasonable prices. We have an arrangement with Unifarm by which we'll be monitoring the prices of twine. We also, through the department, are trying to make sure that we do have adequate supplies here in Alberta. I would be quite interested in having the hon. member give me some details and I'll follow it up.

MR. SPEAKER:

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

Pheasant Population

MR. MANDEVILLE:

Mr. Speaker, my question is to the hon. Minister of Lands and Forests. Has his department completed the survey on the pheasant population for the province?

DR. WARRACK:

Mr. Speaker, I believe the hon. member is referring to the crowing counts that are done in the spring to assess population trends. These are done late this month and in the earlier part of the following month of May. Then an assessment of this information is done from the regions where this is necessary. At that time we're able to assemble a picture across the pheasant areas of Alberta and make a decision with respect to the population situation.

MR. SPEAKER:

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

Northlands School Division - Labour Dispute

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister of Manpower and Labour. Has the minister had an opportunity to investigate the current labour dispute between Northlands School Division and the office employees who resigned in protest as a result of inadequate wages?

DR. HOHOL:

Mr. Speaker, I would not use the term "investigate", but certainly I am familiar with the circumstances as described by the hon. member.

MR. NOTLEY:

Mr. Speaker, can the hon. minister advise whether it's true that the employees in question received no wage increase at all in 1973 and were offered only a 3 per cent wage increase for 1974?

DR. HOHOL:

Much as I'd like to give information to the House, Mr. Speaker, it's the kind of detail that would have to come out of my files, sir. Possibly the hon. member would wish to place it on the Order Paper.

MR. NOTLEY:

Just one final supplementary question, Mr. Speaker. Could the hon. minister advise whether he has given any consideration to assessing this dispute from the viewpoint of fair or unfair labour practices?

DR. HOHOL:

Mr. Speaker, this is clearly a question of the employees addressing themselves to the Board of Industrial Relations in a complaint fashion, in which case, that would be the case. Otherwise, we as government would have to view it as a dispute between the employer and his employees.

MR. SPEAKER:

The hon. Leader of the Opposition followed by the hon. Member for Highwood.

Hog Subsidy

MR. CLARK:

Mr. Speaker, I would like to direct my question to the Minister of Agriculture, and ask if the Alberta Hog Marketing Board is responsible for the administration of the \$4.50 per hundred assistance to the swine industry?

DR. HORNER:

Yes, Mr. Speaker, they are at least paying out the cheques because they have the record on computer of the hogs that have been sold at any particular given time. We make the money available from them and they go through the auditing system and send the cheques out directly.

MR. CLARK:

A supplementary question, Mr. Speaker. I have to make this comment as far as explanation. A number of farmers still have not got any of the subsidy or assistance yet. What type of lead time are farmers looking at, given the fact we have the mail strike? Now I recognize that it can't be done now, but we're looking at about a six-week lag right now.

DR. HORNER:

Mr. Speaker, I'd appreciate hearing from individuals who haven't received their cheques for February and/or March because I would expect that they should have gone out some time ago. If there are some delays, we would be very interested in finding out where they are and making sure they don't recur.

MR. NOTLEY:

A supplementary question to the hon. minister. Can the minister advise the Assembly whether he has any statistics and what percentage of hogs qualify for the subsidy under the provisions of the plan?

AN HON. MEMBER:

Order Paper.

DR. HORNER:

I'm not sure that the hon. member understands his question because I don't.

MR. NOTLEY:

Mr. Speaker, the supplementary question is really quite simple. The subsidy, as I understand it, is related to an index. Now what percentage - well, that's the way it was originally announced, was it not?

MR. SPEAKER:

The hon. member is asking for a rather detailed calculation and perhaps he might put that on the Order Paper.

The hon. Member for Highwood.

Purple Gas - School Buses

MR. BENOIT:

My question is to the Provincial Treasurer, Mr. Speaker. I'm asking if the government is giving any consideration to permitting school divisions to use tax exempt purple gas in school buses for busing purposes?

MR. MINIELY:

Mr. Speaker, relative to our recent change in policy, on that specific I would have to check. Prior to the reduction of 5 cents, at least temporarily until we know how the price at the pumps sorts itself out in the next month or two months, the case was that school buses did not qualify. Mr. Speaker, if the hon. member is asking specifically relative to what the situation is now, I would have to check and report back to the House.

Driver Records - Disclosure (Cont.)

MR. COPITHORNE:

Mr. Speaker, on the question from the hon. Member for Lethbridge West in regard to abstracts to insurance companies, we do supply abstracts on convictions only.

MR. GRUENWALD:

May I pursue that, Mr. Speaker? What about convictions only? You're talking about moving violations and all these types of things?

MR. COPITHORNE:

Yes, Mr. Speaker, as long as it is a conviction.

ORDERS OF THE DAY

[Mr. Speaker left the Chair.]

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COMMITTEE OF THE WHOLE

[Mr. Diachuk in the Chair]

MR. CHAIRMAN:

The Committee of the Whole Assembly will come to order.

Bill No. 1 The Queen's Counsel Amendment Act, 1974

[Interjections]

MR. LOUGHEED:

Okay, none of these smart remarks.

Mr. Chairman, I understand, being duly reinforced on this bill by the Attorney General, that the purpose of the bill will be to rewrite Section 2 which as presently worded might lead to the conclusion that it is the executive that issues letters patent appointing Q.C.s.

As the hon. members are aware, the appointment of the Queen's Counsel is a prerogative personal to the Sovereign and the letters patent are issued by the Sovereign, not by the Lieutenant Governor in Council. The Lieutenant Governor in Council may make recommendations which the Lieutenant-Governor then acts upon by issuing letters patent. The purpose of this amendment is to clarify the procedure that is followed.

MR. HENDERSON:

Mr. Chairman, there is just one aspect of the bill I want to bring up to put the Premier at rest, because we wouldn't want to subject him to an ordeal in this House, I'm sure, on a bill of such major significance.

The question I have doesn't concern the bill itself but rather the introduction of the bill on opening day. It really is a technicality which relates to the House rules. House Rule 36 states there is supposed to be one clear day's notice given of a bill before introduction. Rule 37 goes on to say, however, that the 24-hour notice can be waived in the case of an urgent bill. It can hardly be argued that this is an urgent bill.

Quite frankly, I would like to bring to the attention of the government that until 1971 the tradition had always been that the bill introduced on opening day was a dummy bill, for this reason. I have to say quite seriously that last spring on opening day I seriously considered challenging the introduction of a live bill because the government did not have the permission of the House to introduce it.

I think the government should examine the idea of using a live bill on opening day. Either that or the rules should be amended to permit it, because the way the procedure stands now - the government did this last year - they do not have the authority to introduce the bill on that day. I think if somebody wanted to challenge it, it could be of some, I don't say major embarrassment, but it would be a nice gimmick to pull on opening day some time in the future.

MR. LOUGHEED:

Mr. Chairman, I thought I was going to be reinforced by the Attorney General on the bill and I now know that the reinforcement comes from the Government House Leader. I think the point that has been raised is one that should be responded to because if a rule change is required it should be considered.

MR. HYNDMAN:

Mr. Chairman, I think the suggestion is a worthwhile one. I do recall the one time the hon. Premier, Mr. Manning did introduce the Wills Act, an amendment which I believe was passed in 1969. Of course, the purpose of introducing a bill on opening day is to assert traditionally - as has been done over the past four centuries starting back, I think, in the 14th century - the fact that Her Majesty's elected representatives take precedence over Her Majesty.

But I think the point about notice, in the sense that if the bill appeared to be one of major significance the opportunity for notice wouldn't be there - I think that is a point where in future we could introduce either a dummy bill or make a change in the rules to allow perhaps for agreement between both sides of the House to waive notice on the first bill on the first day.

MR. HENDERSON:

Fine, Mr. Chairman.

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

MR. LOUGHEED:

Mr. Chairman, I move the bill be reported.

[The motion was carried.]

Bill No. 23 The Attorney General Statutes Amendment Act, 1974

MR. CHAIRMAN:

You have the amendments which have been circulated? Any questions, comments?

MR. CLARK:

Mr. Chairman, with due respect, we have just now got the amendments delivered to us. Could we hold it for a bit? They were just circulated to us while we were going through that last lengthy bill.

MR. HYNDMAN:

Mr. Chairman, we will go through a couple of other bills and then return to No. 23, and perhaps at that time the Attorney General could outline the purpose of the amendment.

Bill No. 14 The Beverage Container Amendment Act, 1974

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

MR. YURKO:

Mr. Chairman, I move that the bill be reported.

[The motion was carried.]

Bill No. 17 The Coarse Grain Marketing Control Repeal Act

MR. NOTLEY:

I would just like to make a number of comments in response to the minister before we go on with this bill.

Mr. Chairman, during the course of the minister's remarks on Friday, he made a number of arguments and I would like to deal with them individually. The first argument was, if I recall from Hansard, that as a matter of fact that legislation supercedes provincial legislation in the field. In short, the point he is trying to make is that the Canada Grain Act supercedes The Coarse Grain Marketing Control Act.

Mr. Chairman, I just don't agree with the minister's assessment of the situation. It seems to me the Canada Grain Act is very clear. The Canada Grain Act talks about such things as licensing, about quality control of the product. It talks about grading, but it has nothing to do with the marketing at all. And so I think when the minister says that the Canada Grain Act of 1970 supercedes the legislation we are repealing, he is really talking about apples and oranges. Mr. Chairman, I just don't think there is any connection at all. And I would ask the minister in response, when I conclude my remarks, to advise this committee just on what basis, what provisions of the Canada Grain Act, 1970 in fact supercede this legislation.

I should point out, too, Mr. Chairman, that I took the trouble, after rereading Hansard, to contact a number of people with respect to this particular argument. I contacted Mr. Atkinson, the president of the National Farmers Union, who assured me in his view that there was a very clear difference between the two Acts and that the Canada Grain Act in no way, shape or form superceded the coarse grains act.

I then took the occasion to contact the chairman of the grain commission in the province of Saskatchewan, Mr. Young, who advised me the same thing. And this morning I contacted one of the commissioners of the Canadian Grain Commission itself and was advised there is no relationship between the Canada Grain Act, 1970 and any superceding of provincial legislation in the field as far as the coarse Grains Marketing Control Act is concerned.

So, Mr. Chairman, on that basis, I really have to question whether or not there is, in fact, any superceding at all, and whether or not the minister's statement in Hansard on Friday is, in fact, accurate.

The second point I would like to make, Mr. Chairman, with respect to The Coarse Grains Repeal Act, is the argument the minister makes that in no way, shape or form does the passage of this act alter the powers or the authority or the basis of the Canadian Wheat Board.

Well, Mr. Chairman, I really can't understand that line of reasoning because The Coarse Grains Marketing Control Act is the Act which gives the wheat board constitutional authority over intra-provincial trade. And, Mr. Chairman, any time we amend that, we in fact are going to be affecting the Canadian Wheat Board.

But let me just - to put this in perspective, Mr. Chairman, I think it is important that it be put in perspective - review a little bit of the record concerning the Canadian Wheat Board in Canada. We know that in 1935 it was introduced by Mr. Bennett in his last days when, staring defeat in the face, he decided to grab on a little bit of New Deal legislation. But at that time the Canadian Wheat Board was only authorized to purchase wheat. There was nothing in the Act about quotas.

In 1940 the Act was amended so that quotas could be set. Subsequently there was a good deal of pressure throughout western Canada to extend the authority of the board. In 1945, Mr. Chairman, we had the extension of the board's authority to set quotas on coarse grains. But there was still no authority in the hands of the board to purchase, in other words to market, coarse grains intra-provincially.

So in 1949 there was a good deal of discussion as to what course should be taken in this respect. The Minister of Commerce at the time, Mr. Howe, consulted with a number of constitutional experts and decided that in order for the board to have the constitutional authority, to have control over the "intra" - as opposed to the "inter" and the external - trade in wheat, it was necessary for legislation to be passed by the various provinces which, in fact, would give the board that authority. So, Mr. Chairman, we had the passage of The Coarse Grains Act in Saskatchewan, Manitoba and Alberta. I should say that in Manitoba this was delayed for two years until a plebiscite was held among the registered producers.

Mr. Chairman, after the Acts were in place, then the Canadian Wheat Board had control over the interprovincial movement of grain, the external marketing of grain as well as control over the intra-provincial movement of grain, with the exception of farm-to-farm sales or farm-to-feedlot sales. During the 1950s there was a good deal of pressure to release the feed mills operating within a given province from the regulations of the board. And in 1960 when the minister was a member of the House of Commons the minister at that time, Mr. Hamilton, announced a new policy which allowed feed mills to be exempted as long as they were operating within a province. Mr. Chairman, I think the point that is worth noting, because it is vitally important to this issue, is that that exemption was not as the result of any change in the wheat board act. That exemption comes under Section 16 of the wheat board which permits the board to exempt mills from the regulations or the court of regulations of the board.

Mr. Chairman, when we assess the larger question of whether or not repealing this Act is going to have any impact on the board, I think we have to look at it from three perspectives. We've got, first of all, to consider it from the viewpoint of the mechanism itself. Secondly, the politics within the province as far as future wheat board jurisdiction is concerned, because the minister knows full well that not everybody wants to roll back the powers of the board. The third thing I think we have to look at is this matter in the light of the federal feed grain policy which will be announced on August 1 of this year. So these are three things that have to be kept in mind.

Mr. Chairman, dealing with the mechanism of the situation, it is one thing, it seems to me, to have a wheat board decision under Section 16 of the Act to exempt feed mills from the regulations with respect to intra-provincial trade. It is another thing to pass an act which repeals the very foundation that the wheat board has to control intra-provincial trade. That, I think, is the important point to remember as far as this issue is concerned.

I suppose, Mr. Chairman, the analogy one could draw with our present move is the corporation tax. During the late '40s and most of the '50s we had the tax rental agreement where, in effect, the federal government controlled corporate income tax which could otherwise be levied by the provinces. I suppose at some point a person could come along and say, well, let's change the B.N.A. Act to allow the federal government exclusive control in the area of corporate and personal income tax because after all, they control it now anyway. In other words, it would be codifying a practice.

Well, Mr. Chairman, you can well imagine that the provinces would have resisted such a move because now the move in Canada is to reverse the field. We've just had the announcement the other day by the Premier that this province is going to levy its own corporate tax. The analogy between that sort of position and the wheat board is simply this. I admit that the current policy under Section 16 of the wheat board is to exempt feed mills from the quota regulations, but there is an entirely different situation when,

in effect, you repeal the Act which gives the board the constitutional authority to control intra-provincial trade in grain. Mr. Chairman, that, I think, is the important difference which has to be remembered.

And the second area that is important in my judgement is the politics of the wheat board itself within the province. I notice, for example, at the Western Economic Opportunities Conference one of the points made in the papers presented by the four western premiers was that if the provinces wanted to strengthen the wheat board within their jurisdiction, they should be permitted to do so. As the minister well knows there are some people in rural Alberta who want to strengthen the authority of the board, who would like to bring feed mills directly under the co-irregulations of the board. He will recall that in 1960, when Mr. Hamilton exempted feed mills from the board, he did so over the opposition of the pools, he did so over the very definite opposition of the interprovincial Farm Union Council, which at that time represented the NFU, the SFU, the Farmers' Union of Alberta, the predecessor of Unifarm as well as the Small Farm Union in British Columbia and Ontario. So, Mr. Chairman, there are those people in the province today who would frankly like to see wheat board authority extended intra-provincially. Mr. Chairman, [there is] not much chance of doing that if you pass an act which in effect is going to repeal the very constitutional foundation of the wheat board within the province.

Now, Mr. Chairman, the third area that seems to me to be important is the politics of the whole feed grain question in Alberta. I know that in the minister's remarks on Friday he talked about the need for a leverage, a leverage against the wheat board. Well, with great respect to the minister, he is singling out the wrong enemy. Sure there may be certain differences over wheat board policy, but I thought the four western premiers made a very good suggestion at the WEOC where they suggested there should be provincial representation on the wheat board. Fair enough, I agree with that. But I think the major question at this stage is not leverage against the wheat board, but is in fact the feed grain policy of the federal government itself and the implications that policy will have on the province of Alberta and on western Canada generally.

Now, Mr. Chairman, as far as I'm concerned I think there is a very real danger that if you put feed grains on the open market, [if] you maintain the present freight assistance program and you don't achieve the freight reduction on meat going east that the minister is talking about - and I asked him on Friday, specifically, what progress had been made on that issue and we didn't get a response - if you don't achieve these things, then you are clearly going to be putting western livestock producers at a disadvantage compared to major feedlots adjacent to large urban centres.

Mr. Chairman, we have heard a lot in this Legislature about the whole value-added concept. Most of us agree that we should do as much processing as we can within the province of Alberta, but it seems to me, Mr. Chairman, that the real danger of Otto Lang's feed grain policy going on the open market is that we are going to make it more difficult to achieve value-added in the province of Alberta, rather than less difficult. So, Mr. Chairman, that's something at which, in my judgement, we should take a pretty close and thorough look.

Now, Mr. Chairman, there is another area I want to take a minute or two to discuss. During the debate over the decision in Manitoba to go to the producers for a vote, on March 15 the minister outlined the position of the Alberta government, the most recent position with respect to feed grain. And the suggestion was made, the same suggestion was made at the WEOC that the Alberta Grain Commission should become an agent of the wheat board and if necessary we would arm the Alberta Grain Commission with the necessary powers.

Well, fair enough, I think that is a reasonable position. If we had a bill coming which armed the Alberta Grain Commission with the same kind of powers that the Manitoba Grain Commission is going to have, or that the Saskatchewan government is now considering as a recommendation from its grain commission, then I don't think those people who support the wheat board would have any reservations in voting for repeal of this Act because we would know that there would at least be a provincial agency in place, prepared to do the same thing. Mr. Chairman, we haven't got that assurance from the minister and we don't have any legislation indicating that at all.

I submit that by repealing The Coarse Grain Act that while Mr. Horner may have some leverage with the wheat board - although I doubt that because I really question the logic of that position either when you say that the Coarse Grain Act isn't being used and isn't relevant - I wonder how there can possibly be any leverage in it for anybody to repeal it. But for the sake of argument, accepting the proposition that it might be of some leverage with the wheat board, it is not going to be made leverage whatsoever with Mr. Lang, in terms of changing the feed grain policy, so that it will be more beneficial to the people of the prairie provinces, especially the farmers in Alberta.

I had to be a little amused at the comments the minister made with respect to the innovative approach to grain buying by Cargill. Mr. Chairman, when we are talking about

Cargill we are not talking about a tiny little elevator company or a tiny little feed company which can move in like the boy next door. We are talking about a huge multinational corporation.

To just give the members of this committee an indication of what kind of corporation it is,

"the company has a staff of over 12,000 working in some 350 offices, plants, terminals and other facilities in all quarters of the world. Among other things, the company owns and operates one of the United States' largest fleets of tugboats and barges on the inland waterways. It owns two Great Lakes bulk cargo ships, two ocean-going cargo carriers and a fleet of small 'bulklers' that sail European coastal waters. ...

It owns a salt mine in Louisiana and distributes its own salt through 20 terminals in the eastern two-thirds of the United States. It is a large processor of oil seeds and operates a number of chemical plants that manufacture paints, resin, plastic coatings and fibreglass. It also has 35 animal feed manufacturing plants in the United States plus an additional 20 in Europe, Latin America and Asia. It also raises breeding chickens, ducks and turkeys. It owns a fishing fleet in Peru whose catches are processed by cargo for animal feed, ...

It has an experimental farm in Fort Collins, Colorado. Mr. Chairman, between 1965 and 1969, before the price of grain went up, it grossed something in the neighbourhood of \$2 billion annually.

So we are talking, Mr. Chairman, about a very, very large corporation indeed, a corporation which can afford to come in and perhaps, on a loss leader basis, offer contracts which appear to be very attractive at first. I know a little bit about those contracts, but I wonder what is going to happen if Cargill and other corporations like it succeed in cornering the market? What will happen then?

Well, the minister has said in his remarks on Friday that they have acted as good corporate citizens in Canada. That's true. I have no evidence to the contrary, but I think we should point out, Mr. Chairman, that in the United States "a United States Federal Appeals Court in December of 1971 turned down Cargill's appeal of an Agriculture Department order charging them with manipulating wheat futures prices in May of 1963."

Mr. Chairman, when you bring in a corporation which is large enough to be convicted in the United States of manipulating wheat future prices, you are not bringing in a small company. Now, the minister will say, well, our wheat pools can compete. I wonder to what extent they are going to be able to compete with the expertise and the world-wide operation, especially when you have loss leader contracts in the first basis on an operation large enough to, in fact, subsidize loss leader contracts.

So, Mr. Chairman, I am concerned about what's going to happen when the feed grain goes on the open market, when the Canadian livestock feed grain board can licence concerns like Cargill to sign contracts and buy individually from farmers in western Canada. I am concerned when I realize that a company that large is able to get into all sorts of other businesses, in addition to the feed business, get into livestock feedlot operations. Why not? They are large enough to do it. They are a multinational corporation. It's not against the law to do it and as far as they're concerned it's good business to do it. Well, Mr. Chairman, it's not good business for western Canada and it's not good business, as I see it, for the orderly marketing system and it's not good business for the feed grain growers of the west.

The minister talked about orderly marketing. You can have all kinds of orderly marketing. You can have the sort of orderly marketing that occurs when you have a wheat board system or you can have the orderly marketing that occurs through contracts. One is a system where the farmers are protected, where their prices are pooled, where they have equal delivery opportunities. The other is a system where they are very much at the tender mercies of whatever corporation they happen to be contracting to.

Now, Mr. Chairman, I have to say in looking over the feed grain policy of the government - the one that was announced in November - we've had so many statements on feed grain policy that the minister still didn't answer how proposition 5 is going to work unless we have the continuation of a wheat board system, because it seems to me that if all you're going to be doing is working out a federal subsidy plan which is paid to anybody, contract producer, producer who sells through the open market or a producer who sells to the board, you're going to have a very chaotic situation. You're going to have a very real possibility that we'll end up subsidizing the large grain companies rather than giving the farmer the kind of income which he needs.

Well, Mr. Chairman, I'd like to, before closing, just review briefly the changes which in my view at least, have occurred in Alberta feed grain policy. I know that somebody once said in the United States that the price of a consistent foreign policy is that you

will be hung for treason. No one need ever worry that the Minister of Agriculture will be hung for treason because his feed grain policy is certainly not very consistent.

I have a telegram dated June 28 which was tabled in this House not so long ago, to the Honourable Otto Lang, Minister responsible for the Canadian Wheat Board. A number of points are made in the telegram, Mr. Chairman. Six points to be exact. Points 1 and 5, I think are worthy of note. Point 1, "The abolition of provincial boundaries insofar as the marketing of feed grain is concerned," and Point 5 - and I underline this point - "the relegation of the Canadian Wheat Board to the major role of exporter of western [Canadian] wheat, oats and barley." "The relegation", I underline that point "relegation".

Well, Mr. Chairman, a little while later - about a month later, to be exact - we had the WEOC conference. At WEOC we had a joint paper on agriculture prepared by the four western provinces. In dealing with the marketing of feed grains a number of points are made, but point (b), I think, is particularly significant. It says "That the Canadian Wheat Board should continue to be responsible for interprovincial movement of feed grains." And then during the discussion of this particular issue - and I happened to sit in as an observer - a number of very valid points were made by all the ministers, including our minister. I cite page 581 of the transcript, the following from the Minister of Agriculture.

We continue to have the view that the Canadian Wheat Board can deal with the feed grains question with the input from the provinces, ...

Now, Mr. Chairman, just a short month before, the minister in the Quebec-Alberta court had said the board should, according to Point 5, be relegated to the role of an exporter. So, there you have a rather interesting inconsistency.

So much so, Mr. Chairman, that Mr. Otto Lang, of whom I'm not overly fond, but at least one has to recognize his brilliance as a strategist, said - and this is on page 614 of the transcript:

I must say that I am surprised to have it said here by Dr. Horner that he is completely in agreement with the other positions that have been put, because I have a telegram from him in which he suggests that two of the points that should be followed in solving this problem are (1) the abolition of provincial boundaries insofar as marketing of feed grain is concerned, and (5) the relegation of the Canadian Wheat Board to the major role of exporter of Canadian wheat, oats and barley, and I am not sure that I see that as being completely consistent with the views [being] put forward by several of the other provinces.

Knowing, as I do, a little bit about the positions of the other provinces, I couldn't agree with Mr. Lang more on that particular issue.

So, Mr. Chairman, the provincial policy on feed grain has been, in my view, rather contradictory. It has been changeable. And I now note that we have a new federal Tory feed grains policy which says that we should allow the Canadian Wheat Board to export wheat, oats and barley. Well, everybody agrees with that. But point two, "Allow Prairie farmers to sell grain to anyone in Canada", goes on to say, "Prairie farmers should be allowed the option of selling feed grains at quota to the Canadian Wheat Board or at no quota to anyone". Well, Mr. Chairman, that is a suggestion that you can have an orderly system of marketing through the wheat board in conjunction with the open market. Frankly, I don't see how the lamb and the lion can long lie together successfully. I think you've got to make your choice. You're either in favour or one or the other, especially when you're dealing with concerns as large as Cargill.

The final point I'd like to make, Mr. Chairman, is that I think we have to keep in mind that the wheat board was developed - and I said this on Friday but it bears repeating again - not as a result of moves by politicians, but as a consequence of constant pressure by prairie grain farmers. Almost since the time the West was settled, there was dissatisfaction with the way grains were marketed. There was a good deal of hostility toward the Canadian Grain Exchange. That was one of the reasons the pools were organized in the '20s. And when the pools didn't work out quite as well as many of the farmers thought they should, the move became almost pervasive throughout western Canada to have a wheat board and then to extend the power of that wheat board to have orderly marketing of grain. So this is not something which has been pushed by any group of politicians so much as something which has come from the farmers of western Canada.

Mr. Chairman, it seems to me that if we are going to pass Bill No. 17, there should be one very important rider on it. That rider is that the question should be put before the farmers of this province and that they should be allowed to vote on it. If they agree with the repeal, fine. So it's repealed. But if they don't, then, Mr. Chairman, I think the decision as to whether this Act is repealed, the decision as to whether the board should have control over intra-provincial trade in this area, should be up to the permit holders, to the farmers of Alberta, and shouldn't in fact be made in a final way by this

Legislature or in fact just turned over to the minister to use as a battering ram in whatever battle he has at the moment.

Mr. Chairman, it would seem to me that if a vote was taken among the grain producers of Alberta, it would strengthen the government's hand in Alberta in terms of getting a better deal on future feed grain policy for the country. At the same time it would, I think, underline the importance that if there are going to be any changes in grain marketing in this province, we're going to put it to the farmers who have fought for so many years to achieve that particular kind of system.

So, Mr. Chairman, with your leave I would like to move an amendment to the amendment, and I have copies for the government side, for the official opposition and for Mr. Henderson. Amend the amendment to the bill by adding after Section 2 the following Section 3, to read:

Proclamation will not take place until a vote is held among all grain producers in Alberta and a clear majority of those voting favour the repeal of the Act.

MR. CHAIRMAN:

Has everybody got the amendment now?

The amendment is as follows, as submitted by Mr. Notley.

Amend the amendment to the bill by adding to Section 2 the following:

Proclamation will not take place until a vote is held among all grain producers in Alberta and a clear majority of those voting favour the repeal of the Act.

MR. BUCKWELL:

Mr. Chairman, I'd like to make a few more remarks on this coarse grain marketing bill, particularly on the amendment to the amendment. The hon. Member for Spirit River-Fairview gave a wonderful discourse on the marketing of grains within Canada, interprovincially and with exports. I can't say that I disagree with what he said but I don't know if it was relevant to the point because, as I read it, the Act that we are repealing distinctly states it is dealing with coarse grains within the province. This is primarily dealing with farmers with quotas, say selling to feed mills, or feed mills reselling it to feedlots for feed supplies. This act has not been worked on or the provisions of the act have not been lived up to by statute. We have just overlooked it in the past because of our grain surplus. The farmers absolutely had to have money, so this Act has not been lived up to at all.

What I would like to know, Mr. Chairman, is what is going to take its place? If we do repeal this Act, and I asked the question last Friday - and I believe the minister may have overlooked it, he didn't answer - just what is going to take its place?

Now we look for a new feed grains policy from Mr. Lang probably in cooperation with the provinces in August. This may be all very well and good, we're going to get a new feed grains policy in Canada. But where I'm concerned, Mr. Chairman, is in Alberta, and I'd like the minister maybe to comment on what he has in mind, for example for feed grain supplies within the province for our own use. Let's say we have such a buoyant export market that we end up [without] feed grain supplies within our own province - what plans has he then for the future? Has he plans, say, for the Alberta Grains Commission?

We're not that opposed to the Alberta Grains Commission and if the Alberta Grains Commission - say, this fall, the minister decides to bring in an act, the Alberta grains commission act, with the same powers or the needed powers to assure us that we have supplies of feed grains within the province for our own use, then I think that in fairness he should tell us what is on his mind.

This is one of the things, Mr. Chairman, that throughout the province is most disconcerting about the hon. minister. Sometimes he doesn't really tell anybody what his plans are until he announces them himself and then his whole staff is just sort of at a loss; well, how are we going to work out the details of this? This is sort of like probably being a doctor with a patient on the table. Give him a shot of penicillin and if that doesn't work we'll give him something else. He has kept the farmers and the farm unions sort of off-balance because you just never know what type of policy is going to come up. I have to commend him for the way he is trying, but if he asked for a little more cooperation or gave a little better hint of what he is going to do before he announces the plan, probably some of these things wouldn't arise.

I don't think the farmers at the moment - if they were to vote on the amendment to the amendment we would have to turn around and have a vote of the producers because the permit holders, at the moment, are not concerned or have nothing to do with this coarse grain marketing bill, as I read it, at the present time. They haven't got quotas for

selling to feedmills or feedlot operators at the moment, so why should they come in now after an Act that has not been in operation for some ten or twelve years?

I find it hard really to support the hon. member's amendment, but if he feels that by having the farmers, whose livelihood it concerns, vote on it - if they wish to vote on it - they are going to have to have a lot more facts before them than we have at the present time. But, if they feel that they want to vote on it I'm in favour of them having that opportunity.

DR. HORNER:

Well, Mr. Chairman, I welcome the response of the hon. Member for Macleod, and I think he has pointed out very adequately, in my view, why a vote is not required on this.

I do think though that there are a number of things my honourable friend from Spirit River-Fairview - and perhaps instead of just phoning up Mr. Atkinson, if he would get a copy of the bill, The Canada Grains Act, he might read it. I refer him specifically to page 26, the classes of licences under that bill - the primary elevator licence being a licence to operate a primary elevator - and the definition section has to do with elevators.

Then, Mr. Chairman, I refer him to Part 4 on page 34 in which the declaration is: "all elevators in Canada heretofore or hereafter constructed ..." except elevators referred to in subsections 2 and 3 and those are the elevators in the eastern Canadian divisions, and each of them "... are hereby declared to be works for the general advantage of Canada."

If my honourable friend will then go back to the definition of elevator, it's any premises in western Canada and the western division into which "... grain may be received, or out of which it may be discharged, directly from or into railway cars or vessels."

If that doesn't give the federal government all the power they require to look after grain, I'd like to know why not, or how ...

MR. NOTLEY:

[Inaudible]

DR. HORNER:

... No. My honourable friend then needs a secondary lesson in law and I'm sure that if our capable Attorney General wasn't so busy I'd suggest that he contact him because he obviously is not talking to the right kind of legal people.

I also notice, Mr. Chairman, that he gets his "inters" and his "intras" mixed up a little bit and perhaps he should be a little careful how he uses those. He is quite right that the situation in 1960 was that the then federal Minister of Agriculture, with the support of at least one of us here, exempted feed mills from the quota arrangements because the situation then was, of course, entirely different than it is today. Believe it or not, Mr. Chairman, that's 12 or 14 years ago, and that's a long time.

I then go to his three points which he considered to be of some significance. He talked about the mechanism in relation to the question of how one got to having value-added in a product in Alberta. Well, I know this, Mr. Chairman, you don't get it unless you work for it. And up until now we haven't got it. I was surprised that he didn't answer my argument with regard to malting barley, which is of particular significance, I believe, for his own constituency, and whether or not we shouldn't be having some changes.

What I did say - if the hon. member will read Hansard - was that the leverage wasn't to be had with the wheat board but rather with the federal minister who directed the wheat board, Mr. Lang. My honourable friend can perhaps reread Hansard and find that in there. Because I appreciate that the wheat board doesn't make those kinds of decisions. They are political decisions made by the cabinet in Ottawa. And while he may not be a great friend of Mr. Lang's, Mr. Chairman, certainly some of his colleagues in Ottawa are in bed with them and he might have more effect there than us.

AN HON. MEMBER:

Big bed.

DR. HORNER:

His second point was wheat board politics. I found that rather an interesting statement, Mr. Chairman. He said, of course, there were some people who wanted to strengthen government control. We appreciate what he is talking about is socialism for Alberta and government control of everything from A to Z. I have had his colleague in

Manitoba tell me that he wasn't above setting up state farms and this kind of thing. I appreciate that this is NDP policy and that we would have in Alberta with an NDP government that kind of state control which wouldn't allow farmers any freedom whatsoever to do any of the things they might want to do on their farms.

I want to put it pretty clearly, Mr. Chairman, with regard to feed grain policy. My honourable friend can - my answer to Mr. Lang in the transcript which he didn't bother reading, of course, was that we had, from the time we initiated our term of office in government, made the offer to both Mr. Lang and the Canadian Wheat Board that our grain commission would act as an agent of the wheat board in this province and do those things which are necessary to be done to have orderly market for grain exchange intra-provincially.

We haven't been taken up on that. As a matter of fact, the wheat board considered it and then discarded it and said they could do it better. We don't believe they can because they are a pretty far-off organization in Winnipeg and they don't have any producer representation on the board. From my point of view, and indeed from our policy point of view, we believe producers should be represented on the Canadian Wheat Board and there should be some provincial input to the policies they come forward with.

It simply is this, Mr. Chairman, if, and unless, we get an adequate feed grains policy, which contains the - I don't like the word, but - quid pro quo of freight rates on meat, then we are not going to go along with it. The only way we cannot go along with it is to have some control of our own feed grains within the province of Alberta.

Now my honourable friend from Macleod says, well, how do you do that? Well, there are a couple of ways in which it can be done very easily. One is through The Marketing of Agricultural Products Act and an amendment there. The other alternative is in the fall to bring forward an Alberta Grain Commission act, if that might be required. But in my view, at the moment, I would think it can be done through our general marketing legislation giving them the necessary powers and indeed, the change perhaps even then - and I am not committing myself to this - to perhaps an elected grains commission in Alberta.

I did want to say another word or two because I, being somewhat of a country boy, I wonder about the NDP. They love to get an international company and then go off in all kinds of directions, charging on white horses. I am not sure whether they are clothed or not, Mr. Chairman but the hon. member tried to streak through the Legislature this afternoon with regard to Cargill. And, of course, he didn't say that Cargill has been in Canada for something like 60 years. They bought out another American firm in Canada, the National Grain Company, which, in fact, was owned by Peabody. And if my honourable friend wants to do a little bit more research, he should go back and find out about Peabody, because it is another international grain company. So instead of streaking through, as the NDP is inclined to do, giving only one side of the picture, I suggest that when he does his next streak he does a little twirl-around so we'd see the whole view.

He made much to-do about point 5 in our feed grain policy. I don't back off it one iota. I maintain very strongly that if somebody is going to subsidize the consumers of Canada, then it should come out of the federal purse. You know, whether we do it as an agent of the wheat board, whether the wheat board continues to do it with provincial input, we are not very much concerned about that. We are concerned that we should have some control over our destiny in Alberta with relation to coarse grain. And again I say, coarse grain doesn't just mean feed grains. It means all these things. We intend to see that we have a supply of coarse grains in Alberta for the needs of our farmers, and our value-added propositions that we can develop here in Alberta. Because if we can do that, Mr. Chairman, it will mean an additional marketing opportunity for our farmers.

Nobody has said - and I resent the NDP imputations and distortions that say we are going to take away equal marketing opportunity. I am sorry that we move sometimes too quickly for my honourable friend from Macleod or others. We have tried at all times to make sure that all of our farmers have an equal marketing opportunity and that that marketing opportunity shouldn't be tied to the amount of influence they might have in one way or another, but that that marketing opportunity be there and it be equally shared by all of our farmers.

But you don't help improve marketing opportunities by putting on government restrictions to such an extent that there are no markets for the grain you have. We have gone through that in this province, Mr. Chairman, for the last 40 years, and it hasn't really solved the problem.

My honourable friend talks about the history of the Canadian Wheat Board - indeed I grew up with the history of the Canadian Wheat Board. My family was prominent in establishing the Saskatchewan pool in the very early days in Saskatchewan and moved from there to do additional things in that area. So I don't need to apologize for what we are doing here, rather to stress very strongly what we are attempting to do is to improve the position of the Alberta farmer in relation to his production, to improve the opportunities

for him to market his product, and to make sure he is protected against some of the squeezes which come from external forces into this province.

If we can do that, then I suggest we should repeal this bill and be in a position where we can move to protect our Alberta farmers to maintain their marketing opportunities, to maintain that fairness in marketing opportunity. And let's forget about the politics of the thing because that isn't going to do them any good in a general way anyway. We should deal with the matter as to how we can improve the marketing situation. Indeed, the primary objective, I am sure, of all of us here in this Legislature is to improve the income of our primary producers in agriculture and bring them up to par with other sectors of our economy. That's the intent. That's where we hope to go. And we will be having additional consultation before we move in that area with our farm organizations, with our pools, so that they will have a major advantage in the marketing of our grain, provided they also appreciate that we want to see the value-added concept put in here.

Just finally, then, Mr. Chairman, my honourable friend talks about contracts as if this were some terrible and awful situation that a farmer might get into. We intend to review the kinds of contracts that are going on in Alberta agriculture and to make sure that they are fair and equitable, particularly so far as the farmer is concerned. We intend to review and make sure that the people who give out these contracts have the financial resources to back them up. That hasn't always been the case, and indeed, there are some people in the hon. member's constituency for whom, because of the failure of the federal government to supervise their own legislation, that didn't occur. But I think, if we can get fair and equitable contracts with escalation clauses in them, that indeed that's the road we should be exploring, at any rate in agriculture, because otherwise we turn to what I now take to be NDP agricultural policy, that we should only be producing for Canada and we should split up the little markets here and there. Well, there won't be much room for many farmers here or anywhere else in western Canada if we have a continuation of that kind of approach in agriculture.

Mr. Chairman, I suggest to hon. members on both sides of the Legislature that the subamendment moved by the hon. member is not required and I suggest we vote against the amendment proposed by him.

AN HON. MEMBER:

Question.

MR. STROM:

Mr. Chairman, I have listened very carefully to the hon. Minister of Agriculture give his explanations for wanting to have the Act repealed. I noted that he spent considerable time suggesting that the hon. Member for Spirit River-Fairview was streaking through the Legislature with the explanation he was giving. I'm inclined to think that possibly we had two streakers going through the Legislature and that the hon. Minister of Agriculture, in his usual fashion was, on this one, certainly making an attempt to streak through the Legislature as well.

Now, Mr. Chairman, I think it's rather important to note the sequence of events that have taken place. We get a bill, first of all, which suggests The Coarse Grain Marketing Control Repeal Act should come into force the day it is assented to. I don't know what prompted the hon. Minister of Agriculture to change his mind, but he then brings in an amendment to the bill which suggests that it should become law upon proclamation. I suggest that there must be some good reason for him having had the change of heart.

[Mr. Appleby in the Chair.]

He suggests that the hon. Member for Macleod had stated he was moving too fast and he apparently was intimating to him that he was making no apologies for moving fast. Well I can appreciate, too, that he does not want to make any apologies in that particular area and that he likes to be a fast mover, and maybe in many cases that is a very commendable attribute. But, Mr. Chairman, in this particular case we are having an Act repealed and all we are getting in its place is a statement from the hon. Minister of Agriculture that, trust me, I am working for the good of agriculture, I am going to take care of you and there is nothing to worry about. That, in essence, is what he has said to the House today, and I say that all the Member for Spirit River-Fairview has said is, if that is the route we are going to take, let's ask the farmers of Alberta if they are ready to have the Act repealed. That is all he has said. And I say that ... [Inaudible] ... under the circumstances, Mr. Chairman, of letting the farmers express their views. I, for one, am quite prepared to accept their ruling, regardless of what it is. But I think it is only fair to them that they ought to know what is being proposed in its place, and not just simply have a commitment that they may or may not read in Hansard - and I would think more likely they may not read it in Hansard - that the minister is going to take care of their problems, whatever they may be in the future. This, Mr. Chairman, is the gist of the subamendment, and therefore, under the circumstances, unless the minister can come up

with a better explanation than he has up to the present time, this is what I would have to support.

If the minister felt that it was necessary to repeal the Act, I would like to have seen a position paper outlining very carefully what the minister intended to do, or better yet the bringing in of substitute legislation, as I am led to believe this afternoon he is possibly going to do. I would have liked to have seen it introduced simultaneously with this act, and then I think we would have had something to deal with. But at the present time, Mr. Chairman, I do not have enough information on which to base a judgment, and therefore I feel it is necessary that we place it before the farmers and give them an opportunity to voice their opinions.

MR. HENDERSON:

Mr. Chairman, I'm one of these country boys who finds himself, unlike the Minister of Agriculture, sadly confused by the whole situation. The only thing which sort of reinforces my determination to inquire into the subject is that I think there are an awful lot of farmers in the business who are confused about this whole feed grains policy. I have some confusion. What's concerning me is not so much the question of how the farmers should vote on the thing as trying to figure out how I should vote on the bill, the amendment, or the subamendment.

I think one of the things that comes to my mind in determining whether it's a tempest in a teapot or whether it's of relevance to the proposition of having the vote is the extent the bill has been in effect in past years. I think it has been said by speakers or indicated by speakers on both sides of the House that the bill has been inoperative for a number of years. So, in that regard, I'd like to ask the minister a question - read a couple of sections, excerpts from the Act as it now stands, and just ask whether they have been in effect or not. Section 5 of the Act that we have under debate says,

No operator of a feedmill, flour mill, country elevator or packing plant ...

I can't read my own writing, it must be a truck buyer because I have a track buyer,

... grain commission merchant, feed merchant, livestock merchant, commercial feeder, stock yard company, livestock commission firm or trucker shall

- (a) purchase, store or deal in coarse grain situated in the Province, except as a duly appointed agent of The Canadian Wheat Board, or
- (b) purchase coarse grain situated in the Province from any producer, except on behalf of The Canadian Wheat Board, or
- (c) act as an agent of any producer in connection with the sale or disposition of coarse grain situated in the Province.

Now, the first question: have those licences been issued by the wheat board under this Act to these types of buyers who are covered under the Act, and how long has it been since any of these types of buyers were licensed?

[Mr. Diachuk in the Chair]

The other question I'd like to come to is that, if there have been some licences issued, I notice that Section 6 of the bill now says that the provincial government can, by regulations, exclude "any kind of coarse grain or any grade [or quality] thereof," So it's one of these bills where there is something set up. There is legislative authority there to build an empire in regulation and then there is a nice little clause which says they can exempt every provision under the Act if they want to by regulation.

So, three questions. Are there licences in effect issued by the wheat board under this Act? If there aren't, how long has it been since any were issued? And thirdly, are there any exemptions which apply that circumvent the wheat board now? Because if the bill isn't in effect and isn't in use, well that isn't going to add to my understanding of what the whole coarse grain problem is about, at least it will convince me that it's a tempest in a teapot so far as the argument goes over the relevancy of appeal.

DR. HORNER:

I think the description of a tempest in a teapot is an accurate one. To my knowledge it hasn't been used for 14 years; no regulations have been invoked - I might also just say this to my honourable friend from Cypress - the reason, of course, is that in the feed grains policy, we're dealing with the date of August 1 and that is why I think we need a little bit of flexibility insofar as proclamation is concerned.

MR. STROM:

This year?

DR. HORNER:

Yes, because that's when Mr. Lang's new policy is coming in. And if we are not able to agree with him that we do have a fair and equitable feed grains policy, then I think we need to have again some leverage with the federal government and be able to move in our own way, in relation to the coarse grain situation in Alberta.

I'm sorry. The hon. Member for Wetaskiwin-Leduc had a third question I ...

MR. HENDERSON:

Well, really, I think the minister has ...

DR. HORNER:

Well, did ...

MR. HENDERSON:

... the bill has been used ... [Inaudible] ... regulation by exemption. Could I ask the minister one further question then? Since it was a provincial statute to require licensing under federal legislation, is the minister aware - in light of the fact that the bill hasn't been applied but has been on the books, has there been any pressure in recent years from the Canadian Wheat Board for prosecutions under the act? Because I presume you have to be prosecuted under our legislation, not the federal Canadian Wheat Board legislation.

DR. HORNER:

As a matter of fact, again I point out to my honourable friend, the Member for Spirit River-Fairview, that the prosecutions are either under the Canadian Wheat Board Act or under the Canada Grain Act. As a matter of fact, most of them are under the Canada Grain Act and the defence by the Crown has always been Section 34, or 43, I'm sorry, in relation to the works for the general good of Canada.

MR. HENDERSON:

... legally to enforce the Act in Alberta, the Alberta Act in the last several years?

MR. NOTLEY:

Mr. Chairman, just a few comments to respond to the minister. I have to laugh when the minister talks about keeping politics out of any issue. When the minister talks about keeping politics out of any issue, he has got a credibility gap that would make President Nixon look like George Washington by comparison. So let's not talk about keeping politics out of the issue. He is the last minister across the way who should make that kind of comment.

So let's review what he said. He said first of all that the Canada Grain Act, 1970, in fact, does repeal or supercede the provincial legislation but - and he quoted the licensing provision on page 26 as well as the works of general advantage. Now, Mr. Chairman, the general advantage clause was in the old grain act which was passed, I believe, in 1930 and which set up the board of grain commissioners. And so if, in fact, that provision superceded the provincial legislation it would have superceded it in 1949 because it was in effect.

And as for the licensing provision, it's an entirely different thing - we are talking about apples and oranges. The difference between licensing, the difference between grading on one hand and on [the other] the ability to market which is set out in the wheat board act.

Mr. Chairman, again I simply say that this morning I took the opportunity of phoning the Canadian Grain Commission in Winnipeg. I talked to one of the commissioners and put this very question to him: does the Canada Grain Act of 1970 in any way, shape or form supercede provincial legislation? And the answer was no. Again I say that I put the same question to the chairman of the Saskatchewan Grain Commission and was told the answer was no. Mr. Chairman, the minister can say that the answer is yes but before he can demonstrate that in any sort of serious way, I think he is going to have to come up with a little more precise discussion of this Act than we got before, because the points he raised in no way, shape or form alter the Act which we are now repealing.

Now, Mr. Chairman, the hon. Member for Wetaskiwin-Leduc raised a valid point. He said, has the Act been used? Mr. Chairman, the Act didn't have to be used because - let's keep in mind what this Act was. This Act was passed in 1949 because Mr. Howe as the federal Minister of Industry, Trade and Commerce, after seeking constitutional advice, came to the conclusion that the wheat board didn't have the power to market intra-provincially unless the provinces passed enabling legislation. The legislation in this province, in Saskatchewan and in Manitoba is simply enabling legislation.

The question that the Member for Wetaskiwin-Leduc raises is an excellent one: has it been used? In actual fact, it hasn't been used since 1960, but it hasn't been used with the leave of the board. You see, when the feed mill policy came into effect in 1960 the federal government had two choices, they could amend the Act, or they could exclude feed mills under Section 16 of the Canadian Wheat Board Act. And that exclusion comes up, year in and year out. That was the policy and still is the policy. So there is a yearly exclusion which takes place as a result of cabinet action after recommendation from the board. Now, Mr. Chairman, the reason that occurs is because there is enabling legislation which gives the wheat board the power in the first place. Take away that enabling legislation and you may not, in fact, change the practice, but you very definitely change the ability of the board. This is the point I raised earlier about those people who want to extend the powers of the board. Maybe the members in this Assembly don't agree with it. I'm sure the Minister of Agriculture doesn't, but that is irrelevant.

There are many people in this province who would like to see the board extended to again include feed mills. There is no way they can do that if we repeal this Act, because we will be knocking the constitutional underpinnings which give the board the intra-provincial power and authority which they themselves have, as a result of federal policy, waived for the last 14 years. But that is a decision by leave of the board. I use the example again, in reference to the Member for Wetaskiwin-Leduc, of the position of the province vis-a-vis the federal government over tax rental agreements. We vacated corporate and income tax for a period of time, but we didn't surrender the constitutional authority. Now at that point, if somebody came along from the federal government and said, look, you fellows aren't collecting this money anyway, so let's codify a practice, change the BNA Act so the provinces no longer have this power. There would be a real fight, and rightly so, because now you have decided to go the opposite direction.

For those people, particularly the National Farmers Union - but there are other people, the people in Unifarm, perhaps not the majority but a large number of people in Unifarm talked to me about this - who want to see more wheat board control, there is no way they can see it within the province if you take away the constitutional underpinning of the board in Alberta. So, to give the farmers of this province the latitude to decide the kind of marketing, or to have some input into it, we have to have this Act on the statute books.

Now, Mr. Chairman, the minister then says, well, we are going perhaps to consider an amendment to The Agricultural Marketing Act, we will bring in legislation dealing with the Alberta Grain Commission. I think the point that the hon. Member for Cypress made is an extremely valid one. You know, if you expect us to repeal this Act, bring in the other so we have it, so we know what we are talking about.

The minister says that he needs the repeal of this Act to have leverage with Ottawa, and yet on the other hand, he says the Act is of no validity anyway, that it is not being used. If it is not being used, what possible leverage can it have with Ottawa? Mr. Chairman, I just have a great deal of difficulty in understanding the minister's logic.

Then he went on to raise the old bugaboo about the NDP attacking multinational corporations, and didn't I know the fact that Cargill's had been in Canada for a long time. Of course I know that. But the fact of the matter is that the people who know that, Mr. Chairman, know also that these companies have been operating under the restrictions of the grain marketing system which has been built up over the years. That's what's concerning people because there would be no problem if Cargill's or any other multinational grain company was operating in this country as long as you have wheat board control. You wouldn't have any concern expressed by many of the groups who are concerned today because they believe that the orderly marketing system built up through the wheat board, is their protection. That's the point, in my submission, which really has to be discussed here.

As far as the weapon - again I suggest to you, Mr. Chairman, and to the members of this committee, that if we're going to talk about a weapon, let's talk about a weapon where the three provinces work together, because we all have feed grain producers. All three provinces want to add value within the province. The other two provinces are now moving towards grain commissions that are armed with all the authority of the wheat board, so that once Otto Lang's policy goes into effect they have legislation ready to arm their own commissions with the necessary authority to move.

I think that's the route we should be taking and if the minister was at this time introducing legislation to that effect, I would have no concern about repealing the coarse

grain act because I know we would have at least the Alberta Grain Commission in place to fill the gap. But we haven't got that, Mr. Chairman. All we've got at the moment is, as the Member for Cypress pointed out, the Minister of Agriculture asking us to trust him.

Mr. Chairman, I know there are some members of the Legislature who think the minister can walk on water, but the fact of the matter is that that is irrelevant. I think that before we repeal this Act, we have a responsibility to have not only some vague indication of what the government wants to do, but in fact to have concrete legislation before us.

So, Mr. Chairman, I think the amendment to the amendment is a reasonable one. I think that the basic philosophy behind it is that the farmers who developed the wheat board and the whole system of orderly marketing, should at this point in time have an opportunity to render a judgment. It's consistent, I think, with everything that is basic to the democratic system and I urge members on both sides of the House to support it.

MR. MOORE:

Mr. Chairman, first of all I would like to say that I have talked with a great number of farmers and farm organizations not particularly about the repeal of this Act, but the development of new feed grains policies and that kind of thing. I would say, first of all, that most of them do understand and very much approve of what we are trying to do in Alberta with regard to improving the farmer's net income, both the livestock man and the grain producer. Perhaps those people understand because, unlike the hon. Member for Spirit River-Fairview, many of them have had to make their living for years. They have had to make their living selling barley at 50 cents a bushel, they have had to make their living selling hogs at 18 cents a hundred and less, because feed grain policies in this country were developed in a manner which provided for boom and bust, both in the feed grains industry and in the livestock industry.

But I did note, Mr. Chairman, what I thought were expressions of genuine concern from some of the hon. members. The hon. member, Mr. Strom, was in fact wondering what the basic reasons were perhaps for repeal of the Act that is before us. I have had a good deal of opportunity, over the past two and a half years at least, to discuss matters directly related with the Act. In fact, I am in full agreement and have made recommendations to the minister that it should, through the Alberta Grain Commission, be repealed.

There are, in fact, three basic reasons it is being repealed. The first one is that as a result of a good many court decisions which have occurred mostly since 1960 - and as near as I was able to understand, that is about as much research the hon. Member for Spirit River-Fairview did concerning the history of the grains industry - since that time, and indeed even before that, it was determined without any question whatsoever in the Supreme Court of Canada on a number of occasions that the provisions of the Canada Grain Act and The Canadian Wheat Board Act definitely override any provincial legislation which might be brought down for the control or the marketing of feed grains, wheat, or any other grains within this province.

Indeed, if that were not the case, Mr. Chairman, then we wouldn't have the problem we have today that the hon. minister mentioned with regard to malting barley. We have a very good malting barley industry in this province. We have a situation that existed for a good number of years. I don't know just how long it was, but until a year ago producers of a quality malting barley product in this province were receiving only a 5 cent a bushel premium over feed barley while the Canadian Wheat Board was charging something like a 50 cent premium to the maltster.

We've talked with malting companies who would like to establish in Alberta. They have said, if there was some way we could get out from underneath those kinds of regulations so we could provide the farmer with that extra incentive to produce good malting barley, then we think we could locate here. Frankly, I doubt that we will see any maltsters locating in this province until we have a change in those regulations and some increased incentive for malting barley producers to produce malting barley. If we could do that with provincial legislation, without any interference whatsoever from the Canadian Wheat Board or the Canadian Grain Commission, then certainly we would do that. But that is not the case.

So, number one, the Act certainly has no basis constitutionally as far as overriding federal legislation which is now in existence. If the hon. member would take the time to check some of those court decisions that have been made he will find that is the case.

The second one that was pointed out by the minister, and the hon. Member for Wetaskiwin-Leduc commented on it, was that the Act is not now operative. It hasn't been operative for a good number of years. I shudder to think of what would happen to the livestock industry in this province and the cries we would get from farmers right across the province, including feed grain producers, if we suddenly said that every portion of this Act will become operative and we, as a government, will enforce it. It would largely do away with the freedom that grain producers and livestock men have had to buy and sell to and from one another.

The third reason it is being repealed, Mr. Chairman, quite frankly is that this falls in line with policy decisions made by this government relative to how feed grains should be marketed. I fully appreciate there is a substantial difference between policies of this government and policies that might be in place were the hon. Member for Spirit River-Fairview responsible for forming a government. There is a substantial difference between attitudes of government people in Saskatchewan and Manitoba on this question. On the other hand, I doubt very much if the government in British Columbia would like to see feed grain policies go the same direction the hon. member suggests. That new feed grain policy, Mr. Chairman, is not going to erode the authority of the Canadian Wheat Board to any extent. It certainly isn't going to put feed grain producers or livestock producers in this province in any kind of position that is detrimental to them. As a matter of fact, it is going to do exactly the opposite.

We presently have a situation where a farmer who produces barley has two outlets. He can sell to his neighbour who may be in the livestock business, or a feed mill or a livestock feeder nearby, or he can sell to the Canadian Wheat Board. Because of large crops of grain and the lack of marketing expertise or marketing ability on behalf of the Canadian Wheat Board in years past, we have had some pretty large gluts of grain where an individual farmer had to sell his grain for a very low price, resulting in increased numbers of livestock and therefore lower prices for livestock. We didn't have any kind of program in place for international marketing of livestock products. Those are all part of the feed grains policy which we've now asked Mr. Lang to put in place. They are part of a policy that this government has been following by the creation of the Alberta Export Agency to market products on the world market. That's important in view of what some of the hon. members have said about feed grain policy.

A third market which will now come into play as a result of new feed grain policies which have been proposed and which substantially, in principle, are agreed to by this government, [means] that we will have a third outlet for feed grains. That outlet will be the domestic market outside the province of Alberta. Mr. Chairman, that's a pretty substantial market. I don't think it's at all fair to the grain producer in Alberta, when he was getting next to nothing for his feed grains and dealing with the 5 bushel quota throughout the year, to go down to the province of Quebec - and I was there some two years ago and talked to some very large purchasers of feed grain who said because of regulations, delays and a good number of reasons, they weren't able to purchase western Canada barley and were bringing corn in from the United States.

Now the hon. member suggests that the power of the wheat board should be such that those things should continue. Quite frankly, in my view, if we have a number of companies involved in buying feed grains here in Alberta and supplying the domestic market in Canada, we will have some competition for the off-board market within Alberta. We will have some competition for the Canadian Wheat Board which, quite frankly, doesn't do everything right all the time. And we'll see a stabilization of grain prices that hasn't existed for some years.

Mr. Chairman, those are three of the reasons, in my view, this Act is being repealed. I don't believe it is necessary for this government to have a plebiscite on the question of whether or not an act which has been inoperative, which has been overruled by federal legislation and which falls in line with this government's policies with regard to marketing feed grains, should be the subject of a plebiscite. Indeed, Mr. Chairman, we saw a plebiscite in Manitoba in relation to the marketing of grains which was worded in such a way that a producer couldn't possibly vote against it. It asked whether they were in favour of the Canadian Wheat Board marketing feed grains, period. They didn't say domestic, provincial, export market or anything else. And there was a substantial majority of producers who voted in favour of that. Indeed, in Alberta they would vote in favour of it too if you worded it that way.

Mr. Chairman, I would just like to close by saying that I think the members should very definitely turn down the amendment to the amendment. It asks that we hold a plebiscite on a matter that, in my view, really isn't worth the time and the cost it would take the government to hold a plebiscite.

MR. HENDERSON:

Mr. Chairman, I wonder if I might ask just one more question. At just about the point where I think a little light has been shed, another speaker gets up and confuses me all over again, as the hon. Member for Smoky River just did. I don't know what the repeal of this Act has to do with selling coarse grains in Quebec when it isn't under provincial jurisdiction, and this Act isn't applicable. Now this is the type of contradiction the members are trying to deal with in explaining it and, quite frankly, I am trying to listen to the arguments and make up my own mind as objectively as possible, screening out all the rhetoric that is coming from both sides. As I say, being the only independent here, I'm still the only objective member in the House.

[Laughter]

I may be starting to see a little light here, Mr. Chairman, but I would like to ask the minister, does the Canadian Wheat Board now directly control or regulate the buying and selling of coarse grains within Alberta for consumption and utilization within Alberta?

DR. HORNER:

Number one, let me clear up the hon. member with regard to Quebec. Of course, Quebec and the amount of feed grains that they use is an integral part of any feed grain policy for Canada and as that was part of the discussion I'm sure my honourable colleague was using it in that context, as part of the total feed grain policy.

Insofar as the question of what has happened this past year, much of the feed grain that's been available to livestock people who happen to be short of grain or to the larger feedlots that buy grain, has been bought directly from the Canadian Wheat Board at Canadian Wheat Board prices less freight that's under ... [Inaudible] ... and this has been a change from what it used to be. It used to be what we called the off-board market where there was a private deal between the farmer feeding the grain and the farmer who produced it, if he didn't have enough. But because of certain red herrings like the APB and a few other things that were announced in the interim feed grain policy - I don't blame my honourable friend for becoming confused but I can't help that, this is a federal thing. They announced an interim policy which we're now under, which has made some pretty substantial changes in how our coarse grains move from the grain producer to the livestock feeder.

For the past two years we've been using the Alberta Grain Commission as a feed exchange if you like, where people with grain to sell could list it and people who wanted to, could buy. Those prices pretty accurately reflect the Canadian Wheat Board price, less some handling charges.

MR. HENDERSON:

Mr. Chairman, I hate to display my ignorance here and as far as the minister not being able to help the member's lack of knowledge, he's going to have to because I'm going to keep the question going until I am answered to my satisfaction. So he's going to have to provide some help in that regard.

The minister didn't really answer the question as to whether the Canadian Wheat Board is or is not involved as a middleman in the buying and selling of coarse grains within Alberta for consumption and utilization within Alberta.

DR. HORNER:

Well, I tried to. Yes, it is, and this is a change. It's always been there. You could always go to the elevator company and buy feed grains through the Canadian Wheat Board.

MR. HENDERSON:

If you wanted to, but you didn't have to.

DR. HORNER:

That's right.

MR. HENDERSON:

Do you have to now?

DR. HORNER:

No. It's still there but because of the pricing mechanisms introduced by the interim feed grain policy, a lot of grain producers are saying, well my best opportunity, and I agree with them, is to sell it to the Canadian Wheat Board and then the livestock guy who needs some additional grain goes and buys it from the Canadian Wheat Board. But it is not compulsory at the moment.

MR. HENDERSON:

Well what's wrong with that? I suppose the buyer is paying too high a price. Is this what the minister is arguing?

AN HON. MEMBER:

No.

DR. HORNER:

The thing that's wrong with that is simply this, we're paying for storage that doesn't take place. We're paying for handling charges that don't take place. We're paying for terminal charges that don't take place and so on. So in effect we're not getting the best use and the most adequate return and quite frankly, if the grain producer was getting all of those charges that would be a different kettle of fish, but he's not.

MR. HENDERSON:

Mr. Chairman, just to continue, how does that transaction of the wheat board being involved in the middleman relate to this coarse grains act that we have on the statute books in Alberta?

DR. HORNER:

It doesn't relate at all.

MR. HENDERSON:

I get the impression, in listening and trying to sort my way through this, that we've got a situation where, by virtue of the coarse grain act we have on the books, the Canadian Wheat Board has the authority, if they wish to exercise it, to enter into these licensing arrangements. But in the last several years they've chosen not to exercise that authority and ...

DR. HORNER:

I'm sorry, that's not true. The Canadian Wheat Board, as my colleague has stated, through the Canada Grains Act and the Canadian Wheat Board Act licenses every elevator, every feed mill, or has the power to license any structure that grain can come into and go out of for whatever purpose and as my colleague has also pointed out, there are innumerable cases that have gone to the Supreme Court of Canada. The most famous one is the Shambley case in Saskatoon where he was simply buying rapeseed and his argument in the Supreme Court was that it wasn't going through an elevator. And they said, well you've got a storage spot or you've got a building in which you store this, that's for the general good of Canada and therefore you're under the licensing provisions of the Canada Grains Act and the Canadian Wheat Board, and they're intertwined in that if you don't have a licence you can't buy grain. I can send it over to my honourable friend, but you know, elevator means - I didn't give the entire three sections, but it goes on:

... constructed for the purpose of handling and storing grain and receiving directly from producers otherwise than as a part of the farming operation or of a particular producer, and into which grain may be received at which grain may be weighed, elevated and stored and out of which grain may be discharged. or

(iii) Constructed for the purpose of handling and storing grain as part of the operation of a flour mill, feed mill, seed cleaning plant, malt house, distillery, grain oil extraction plant or other grain processing plant and into which grain may be received, in which grain may be weighed, elevated and stored and by which grain may be discharged for processing or otherwise.

I simply point out that under the Canada Grain Act nobody can buy grain without the permission of the Canadian Wheat Board right now.

MR. HENDERSON:

What it really boils down to, Mr. Chairman, is that the federal government has the authority under the grain act or if they want to, they can use the Alberta Act to achieve this licensing end. In actual fact at the moment, they aren't using it within the province, but the legislative authority is there even where it relates to consumption within the province ...

DR. HORNER:

That's right.

MR. HENDERSON:

... in utilization. Okay, how does all the feed barley or malting barley get mixed up in this argument or discussion? Again, I can see you want to talk about a Canadian coarse grains feed policy, but how does that malting barley argument relate to this piece of legislation?

DR. HORNER:

Well, one of the problems, of course, is that in our malt houses here in Alberta, and let's use them as an example, we only have the one - in my view we should have half a dozen, but we only have the one malt house - they're producing for the domestic brewery trade, essentially. They have had some export orders but they are unable to compete in a major way because they are not allowed to buy ahead. In other words, they don't know what the barley's going to cost them, so how can they quote on the export market for malt? Instead of that, what happens is that our American friends can forward-contract our barley through the Canadian Wheat Board, put it through a malting plant in the United States and sell it overseas as Canadian malt. But we can't do it, and we're just saying that's wrong. We don't say that it refers directly - or that the repeal of this act is going to change that. Quite frankly, it won't.

MR. HENDERSON:

What you're saying is that a domestic buyer in Alberta can't get a forward price at the Canadian Wheat Board for barley prices, but an American buyer can get a forward price? But that still really has nothing to do with this coarse grains act.

DR. HORNER:

That's right.

MR. MOORE:

Mr. Chairman, it might help the hon. member - I think I made some comments about that - if I could explain that I was using that situation to point out to the hon. Member for Spirit River-Fairview that if we had the constitutional authority that he appears to think we have under this act, then there's a lot of other things we could do in the grain industries, for example, providing a situation in Alberta where the maltsters could operate a lot better than they are now. It has nothing to do with the repeal of the act, but it was brought in as a result of other arguments.

MR. LUDWIG:

Mr. Chairman, I believe that the amendment merely calls for the act not to be proclaimed until the farmers have voted on it and to determine whether a majority favours the repeal. It's a very simple amendment and I'm surprised that the fact that relevancy is sometimes in force and sometimes ignored. It has been ignored very badly this afternoon.

I think there's nothing more humorous in this House than when I hear the hon. member, Mr. Moore, defending the Minister of Agriculture except when the converse is taking place. I think that when we talk in this Legislature about letting the people know what is going on, if there is more doubt as to what this repeal means and what the amendment means outside of the House than in the House, we ought to give the farmers a chance to discuss it and vote on it. Certainly we're talking about open government. Let them have it. It concerns them most of all. A lot of them do know their business, they know the specific problems as they affect them which is something that, in my opinion, has not been completely explained to the satisfaction of all members.

So I am in favour of supporting the amendment. When we talk about letting everybody know, I believe that when I listen to the farmers, especially in the south, I understand that the Minister of Agriculture is better at telling them than asking them. Here's an opportunity to let them have a good discussion and let them determine. Certainly the farm unions ought to be consulted, and let them determine. When you talk about a costly plebiscite, it isn't going to be a province-wide plebiscite. They have their own mechanism and their own means of conducting these votes. Let them do it if they want to. If they refuse, then it's a different matter.

MR. MOORE:

Who's they?

MR. LUDWIG:

The farmers. The farmers and their unions and their organizations. Who else are we talking about? So if they want to have a vote, let them take one. It's at their expense. This is probably the only thing we will ever do in the Department of Agriculture where the government doesn't have to pay for everything. So if the farmers want it, let's leave this. Let's make it possible for them to express their views on it. I don't believe that all the hon. members here have particularly expressed the views and the concerns of the farmer.

So, Mr. Chairman, on that basis, I believe I am dealing specifically with the amendment, I am in favour of the amendment and I urge all hon. members to vote for it. It isn't that disruptive. If, for instance, it did go through, if the Act which is being repealed has not really been resorted to in the last while, then a short while longer will not affect anybody any way at all, except that if the farmers do want to express their views on it, let's give them the opportunity.

MR. HENDERSON:

Mr. Chairman, there is one other question that I would like to ask. The minister is making some progress with the subject. But with all his answers, there is still one aspect of this that remains unanswered. The word "leverage" is used. And if the federal wheat board has the authority to do anything they want to do within the province under federal legislation, they don't need this legislation. How does the issue of leverage get into the argument of appealing this legislation?

DR. HORNER:

I suppose it's a matter of interpretation of the word "leverage". The matter still remains that if the feed grains policy is one which meets with the approval of our producers when it comes out for the crop year August 1, then I think we can work with the Canadian Wheat Board to ensure that it's workable. If it doesn't, then we may have to do something different and I'll have to come back in the fall and bring in some legislation, if legislation is required to do what we need to do to protect our producers.

MR. HENDERSON:

Mr. Chairman, the minister still hasn't really answered the question. He's got the federal coarse grains policy as one issue. But he still hasn't demonstrated to me what that has to do in the question of leverage with repeal of this Act. I can understand if the federal government doesn't follow through, all this does is that it removes the right to license under Alberta legislation, but they already have all that authority under their own legislation according to what the minister says. So where does the issue of leverage come so far as dealing with the federal government and the repeal of this legislation?

DR. HORNER:

I'll simply say this, that if this legislation is out of the way, then we can take other steps and, quite frankly, I would be hopeful that they could be done by negotiation rather than confrontation. But it may well be that we'll have to use our marketing legislation to protect our producers. Leverage is a matter of relativity I suppose. I don't really believe - in my conversations with Mr. Lang, he said simply, we don't care whether you repeal it or not. As soon as he said that, I decided we should.

MR. HENDERSON:

Do I gather from what the minister is saying that with this Act out of the way, if the coarse grain policy of the federal government is not in keeping with the wishes of the government and presumably the farmers of Alberta, the province would then be free to take legislative steps on its own which, in effect, would bring in or provoke a challenge or confrontation with the federal government's wheat board legislation? You say they have the authority to do certain things but they've never done them. They would have to make up their mind whether they are going to or are not going to do something. Is this in effect? And by so doing, this will hopefully accelerate the establishment of a realistic policy on the part of the federal government. But the minister, of course, runs the risk of losing the argument.

MR. NOTLEY:

Mr. Chairman, before we close - well, go ahead. I'll close debate if Mr. Ruste wants to speak.

MR. RUSTE:

Mr. Chairman, I was rather surprised at the comments made by the member for Smoky River as they related to the vote, and I am speaking to the amendment to the amendment now, I'm not speaking on the cancellation of the bill.

But I would like to point out that for a government - and I can recall two or three years ago, they were talking about open government, everything out in the open - to turn down a motion asking that the farmers be given the opportunity to express their views on matters as important as this surprises me.

Certainly, I think that the poll that was taken on the rapeseed question in the last year is one that shouldn't indicate to the minister what the outcome would be when it comes to coarse grains, because I think that certainly - and I've talked to a lot of

farmers and it surprises me also that the minister indicated last week when he spoke on this that they hadn't been in touch with the major farm organizations directly on the wiping out of this power that's in this bill.

DR. HORNER:

You say I hadn't been in contact with them?

MR. RUSTE:

You indicated to me, as I understood it, last Friday that you hadn't been in direct contact with them on the repeal of the bill.

DR. HORNER:

That's not true, Mr. Chairman. I said that I had been in direct contact with the president of the National Farmer's Union and the president of Unifarm.

MR. RUSTE:

Well then I misunderstood the minister on that part, because I was a bit concerned on it.

But going further on that, I think that in talking to many producers, certainly there is a concern in the farming community about the action that is proposed here.

I think also on looking at the farm trends in the farm organization paper, and I'm just going to quote a part under Viewpoint on Page 2, March 1974 issue where it says:

It is, therefore, disconcerting to us that the open market system that is being proposed for feed grain marketing is apparently being accepted by the Provincial Government.

I submit, Mr. Chairman, that certainly all members in this Assembly should accept this amendment that provides for a vote before any action is taken.

MR. NOTLEY:

Mr. Chairman, there are really two things I would like to say at this time. First, I want to go back to the question of constitutionality which, I think, was the only relevant point that the Member for Smoky River raised.

Now, Mr. Chairman, I think if you review the cases, you will find that wheat board authority is there beyond question, but it's there beyond question, Mr. Chairman, because of these complementary acts. These complementary acts give the wheat board the authority to act within provincial jurisdictions without any question at all. So that was the whole point of the exercise in the late '40s. The acts were passed, Mr. Chairman, so that there would be no dispute as to whether or not the wheat board had control intra-provincially as well as interprovincially and externally. So I think that point has to be made.

Again I come back, Mr. Chairman, to the concern of people who want to extend the authority of the board within Alberta, that if you take away this Act, you are going to throw the whole thing into the courts again. It's conceivable that federal legislation could stand, but it's also equally conceivable, Mr. Chairman, that without this complementary legislation on the statute books, the authority within provincial jurisdiction would be overruled.

Now, the final point I would like to make, Mr. Chairman, just comes right back to the basic amendment which is now being discussed. The amendment simply says that the matter should be put before the grain producers of Alberta, to the permit holders of this province so that they can render a judgment. It seems to me that the arguments for such a move are certainly very strong. Other members have discussed it in their remarks and I did when I first moved the amendment.

Mr. Chairman, it seems to me that if the minister is talking about leverage, as he was a moment ago in response to the Member for Westaskiwin-Leduc, the strongest possible leverage he could have in any move he makes with Ottawa is a plebiscite where the producers of the province back whatever he wants them to do, the repeal of this Act in fact. That perhaps would be leverage because it then is an indication, not only of what a government is doing but what the people back on the farms are thinking as well.

So, Mr. Chairman, I feel that the arguments are valid for the amendment to the amendment, and again I would urge the members of this committee to support it.

DR. HORNER:

Finally, Mr. Chairman, let's be very clear. There has been no request from the farm organizations for such a plebiscite. The only request is from the NDP for political purposes.

MR. RUSTE:

Mr. Chairman, just further to the reference I made to the minister earlier, and my understanding - I'm referring to Hansard, March 14 in which the minister had given second reading to the bill, and I asked him the following:

Now, I would just like to leave with asking the minister, and he might comment on this, what discussions on this matter he's had with the farm organizations, such as Unifarm and others ...

and then it goes on, and the minister's reply at that time - and I'm just quoting in part now:

In relation to the question from the hon. Member for Wainwright, the specific question of the repeal of this Act has not been discussed with Unifarm or the NFU, ...

and then it goes on to say,

... but the general feed grains policy ...

and this is the point I was referring to. I understood that you said that the particular repeal had not been discussed with them. Has this been corrected in Hansard or is this an error?

DR. HORNER:

That's not an error in Hansard, but the hon. member is referring to two different occasions. If he was here on Friday afternoon, and I'm not sure whether he was or not, I specifically said then that I had discussed it with Mr. Atkinson, Mr. Daskovich and with Mr. Lea.

So, you know, from the time of second reading until we came to the committee stage there have been discussions specifically with this regard. So both are correct.

MR. HENDERSON:

Mr. Chairman, just speaking specifically to the subamendment that is before the committee now. I think the thing that is uppermost in my mind - the whole issue is a very confusing one and I suspect it must be confusing to the farmers as well as the non-farmers such as myself. I really wonder, in practical terms, how meaningful a vote on the subject of repeal of the Act would be. I would have to conclude, in listening to the discussion, that it would be singularly non-productive. I'm not saying it would change anything one iota, as far as the provincial government's position. I don't think the question of leverage is really worth too much unless there is some question of whether Mr. Lang is bluffing over the constitutionality of the Canadian Wheat Board legislation.

I would think that, if there were to be a vote on this subject, the only vote that would be relevant would be the question of, do you believe that the Canadian Wheat Board should or should not have jurisdiction and control over the marketing of coarse grains to be produced and consumed within the province of Alberta? Now that type of question would be meaningful to the producer.

I would suspect - I don't know whether the minister would like it or not - after listening to discussion, I say this in all sincerity, I really would have to question the value of the outcome of a vote on the subject pro or con the repeal of the Act. I don't think it would be too significant one way or the other. So if there is need for a vote on the subject by the producers, I think it would have to be framed in language other than relating to the repeal of this Act.

Has the minister considered the desirability of such an exercise?

DR. HORNER:

[Inaudible]

MR. HENDERSON:

Well it would indirectly relate to this Act, but we're just setting aside the question of this Act for the moment.

DR. HORNER:

Mr. Chairman, just in brief response, I think if a plebiscite were to be held, the time for that plebiscite is when some additional program or other things have happened. That's the time a plebiscite should be held. I couldn't agree more, that a plebiscite on the repeal of this particular Act would not really be very meaningful.

I can see down the road that there may come an occasion for a plebiscite. The best kinds of plebiscite that I know are provincial or federal elections.

MR. HENDERSON:

Don't muddy the water there, Mr. Minister.

[The subamendment was defeated.]

MR. RUSTE:

Mr. Chairman, now that the 'open' government part has left and the minister knows best ...

AN HON. MEMBER:

Are we having a vote?

MR. CLARK:

Mr. Chairman, I think the purpose of the three hon. members standing up was to ask you to call for the members of the committee to stand and [let] you count the vote. We recognize, under the rules as I recall them, that we can no longer challenge your ruling here and have the Speaker back in. But we're really asking you to ask the members to stand in their places and take a count.

MR. CHAIRMAN:

The only point, Mr. Clark, is that the Chair had no difficulty in determining, you know ...

MR. LUDWIG:

The Chair ... [Inaudible] ...

MR. CHAIRMAN:

Order, Mr. Ludwig.

Mr. Clark, there was no problem in determining whether the motion was carried or not.

MR. CLARK:

Mr. Chairman, I'm asking you at this time - I don't believe your ruling was right will you please ask members to stand in their places and will you count them?

MR. HYNDMAN:

Mr. Chairman, I don't believe there is provision for a standing vote in committee.

MR. LUDWIG:

Mr. Chairman, on that remark made by the Government House Leader, we've had standing votes in committee on numerous occasions. Where are all these new rules coming from? They're restrictive and they are not in the best interests ...

AN HON. MEMBER:

Right here.

MR. LUDWIG:

... yes - but we've had standing votes in committee and you can't record them, that's a fact ...

AN HON. MEMBER:

That's a fact.

MR. LUDWIG:

... but you can certainly stand and be counted. We think that there were more ayes than naves and therefore we challenge ...

DR. HORNER:

Mr. Chairman, just ...

MR. LUDWIG:

I'm on a point of order so the Deputy Premier has to sit down.

DR. HORNER:

Mr. Chairman, on a point of order - I'll resolve it for the hon. member.

MR. LUDWIG:

I'm on a point of order, Mr. Chairman, and there can't be two people speaking to it. Sit down.

MR. CHAIRMAN:

Order.

MR. LUDWIG:

Mr. Chairman, I want to finish my remarks on the point of order. And I don't like to be shot down by the Deputy Premier. He might be a big shot on that side but that's where it stops.

AN HON. MEMBER:

We're going to ... [Inaudible] ... for you Albert.

MR. LUDWIG:

Yes, so as far as I'm concerned, we're not asking for a recorded vote. We are asking for a stand to be taken in committee to determine whether your ruling as to the fact that the naves have it is correct. That's all we want, so what are you arguing about?

DR. HORNER:

I just wanted to tell the hon. member I agreed with him.

MR. HENDERSON:

I would just point out to the Chair, Rule 52(5), "In the case of an appeal to the Assembly, the Chairman shall ...", and I underline the word "shall" because we went through this exercise with the Chair last year and I hope we don't get started again, "... the Chairman shall leave the Chair immediately and report in writing the point of order which he has decided." There is no question on the responsibility of the Chair. It's "shall", it's mandatory; it isn't subject to discretion on the part of the Chair.

DR. HORNER:

We're quite willing, Mr. Chairman, to have a standing vote.

MR. CHAIRMAN:

Order. The Chair has just been waiting for a motion that the Chairman would leave the Chair and that it be reported to the Assembly. This is not an Assembly - my understanding of the rules - this is a committee.

MR. HENDERSON:

It's a standing order of committee, Mr. Chairman: Rule 52. It refers specifically to operation in committee. That's what I'm referring to, Mr. Chairman. The Member for Calgary Mountain View, Mr. Ludwig, has, in effect, challenged your ruling on the outcome of the voice vote. This is what we are talking about. It's incumbent upon the Chairman to leave the Chair.

MR. HYNDMAN:

Mr. Chairman, I think the hon. Member for Wetaskiwin-Leduc is correct, if a person objected. But insofar as the House itself can change its rules unanimously, if it wants to and it appears that the feeling now is unanimously that the House would wish to have an unrecorded standing vote, then it can do it on this one occasion.

AN HON. MEMBER:

Without calling the Speaker back.

MR. HYNDMAN:

Without calling the Speaker back.

MR. NOTLEY:

That's the point I was going to make, that the hon. members opposite have agreed to a standing vote and, therefore, since there is unanimous agreement, I see no reason why we can't proceed with it.

MR. CHAIRMAN:

Do I have unanimous agreement then of the committee for a standing vote?

HON. MEMBERS:

Agreed.

[The motion was carried.]

[The subamendment was defeated.]

MR. LUDWIG:

Mr. Chairman, for purposes of clarification, I didn't notice who all voted on the other side. Is it clear that not a single Conservative voted in favour of the amendment? I believe that's a fact, isn't it?

MR. CHAIRMAN:

Order. Any further comments on Bill No. 17 and the amendment?

MR. RUSTE:

Mr. Chairman, now that the air has been cleared as to what open government is and what the producers ...

SOME HON. MEMBERS:

Order, order.

MR. HYNDMAN:

It is not permissible to comment on votes after they have been taken in this House. The honourable gentleman has been long enough in the House to know that, I believe.

MR. CHAIRMAN:

Order. Mr. Ruste, any further comments on Bill No. 17 or the amendment, please.

MR. RUSTE:

You mean there is freedom of speech in this Assembly?

MR. HYNDMAN:

Order!

MR. TRYNCHY:

Do you want to talk about the bill or don't you?

AN HON. MEMBER:

Go ahead.

MR. RUSTE:

Mr. Chairman, speaking to Bill No. 17 and the amendment we have before us, it is rather interesting to have listened to the discussion and the debate and the apparent lack of concern, lack of understanding, possibly, in many areas.

The minister indicated that the federal grains policy is due August 1, 1974 and he has not been able to fill us in on what that might be. And I think that's right because ...

DR. HORNER:

Surely I'm not responsible for the federal government?

MR. RUSTE:

This is true. But I mean in his introduction of this bill he indicated that this was looking forward to a federal grains policy on August 1, 1974. I submit, Mr. Chairman, that we have a session coming up in the fall, and certainly we could deal with items such as this at that time.

But it is rather interesting, I think, to look back a little bit. History has been touched on. I can go back to this very Assembly, back in 1970, when there was a federal program that was announced in this Assembly dealing with, I believe it was called the wheat acreage reduction program, the LIFT program, and many other things.

AN HON. MEMBER:

You weren't here.

MR. RUSTE:

The hon. member mentions I wasn't here. True enough. I was ill at the time, but I followed very closely what went on. I was, in fact, involved in some of the discussions and I followed the transcripts that took place at that time. So whether I was here or not, I was certainly aware. I was the minister whether I was here or not. The acting minister was the one ...

AN HON. MEMBER:

That's obvious.

MR. RUSTE:

... who represented this to the House. And it goes on. I am just going to outline briefly what happened at that time where the acting minister announced they had been thoroughly briefed with the federal government on this program and he was bringing it into this Assembly. And this is the one that was:

... the basic purpose of this plan was to take a massive attack on the reducing of presently unmanageable inventory of surplus wheat.

I was the one - as a producer, I know what the score was at that time because I farm. I depended on the sale of grain for my living. And certainly I knew what had taken place. At that time, when that announcement was made, it was indicated that we had in western Canada the equivalent of two full crop years of grain on hand. That storage space was being utilized and certainly unless something was done, we wouldn't be able to handle more production. And I know the argument can go on about the marketing capacity, and so on.

But I think in this program it was outlined that certainly there was going to be a direct payment of, at that time, some \$130 million of acreage payments to increase summer fallow and this could bring \$20 million, \$25 million to the farmers of Alberta. This was called the wheat inventory reduction program.

It goes on to deal with 2 million acres of forage maximum. It goes on to deal with the equity of the small producer and quotas, a change in the quota system to enable the small producer to deliver. It goes on to explain the differences in the quota system altogether. And it went on further - I won't go into all the details - but certainly there is an assurance to farmers they will have a 4 bushel per acre grain delivery in the 1969 crop year on the existing basis of quota. And that will be equivalent to last year's sale. And then it goes on to say: "... Of importance as well to small farmers special applications under the new program. ..."

What I am saying, Mr. Chairman, briefly is that the program and the problem that was facing the members of this Legislature and the members of the federal government at that time was that if they could roll back the surplus that was on hand, and certainly with the

payments that were made this could be achieved and they saw it at that time. Mr. Reiersen at that time indicated:

I think the program is an imaginative one. It is one that has potential of great success. And if this is an example of an approach that is being taken to endeavouring to get western agriculture on a planned production basis, to endeavour to help production in the areas that are needed when we could look for the national government, the provincial government, our farm organizations to rather be working with what information can be current and available to them that we are on the right track.

Now, a rather interesting point, Mr. Chairman, I want to refer to is the remarks of the Leader of the Opposition at that time, who is now the Premier of Alberta. And he said as follows:

Mr. Speaker, just a comment upon the Acting Minister of Agriculture's statement. I'm sure that members on both sides of the House welcome the initiatives of the federal government in this field and welcome the program that he has described that the federal government has established.

I think, Mr. Speaker, that what all members should now be considering is an effective analysis of the program described by the minister to determine perhaps at the time that the agriculture estimates are before the House, some way in which supporting and substantial provincial programs may be added to the situation to give it greater impetus to move ahead.

I am going on a little further. I won't trouble the members of the committee with all of it. But the hon. the Premier at that time, the Member for Cypress now, Mr. Strom, made the following comments:

I want to make it very clear, Mr. Speaker, that if we are looking for areas that we could criticize, possibly we could find it. But the situation facing agriculture is such today that I do not believe that it behooves us constantly to be looking for those areas that we can criticize, but to assure the farmers of Alberta that we are going to cooperate with the senior government to provide this assistance to them at this time.

Now I mention this, Mr. Chairman, just to point out that even members of this Assembly have had change of mind in some of these things when they look at it over a period of time. It is easy to look back and to say, this is what should have been done. But certainly when you are faced with a situation - and I think of those who were faced with this situation back years ago; I know my dad was one of the pioneers in this western country - and when you hear some of the stories they told you of the way they were handled by some of the grain trading organizations, then it is no surprise that we have arrived at a point that we got to the establishment of the grain companies, of the farm pools, and yes, indeed, into the Canadian Wheat Board.

I would certainly hesitate, Mr. Chairman, to see that this is treated lightly by the government in the matter of doing away with The Coarse Grain Marketing Control Act. Because I feel strongly that if we do this without having something in its place, then we are taking a step in the wrong direction. And certainly I, for one, do not intend to support the repeal of this act at this time.

DR. HORNER:

... [Inaudible] ... correct the hon. member pretty directly. While the present Premier, the then Leader of the Opposition, said exactly as he said in relation that we would analyze the program as announced, in agricultural estimates, if he had been here, he would have heard my speech in that regard in which we condemned the LIFT program as one which didn't do anything for western Canada and which, as a matter of fact, was one of the deathknells of his government. It is rather remarkable that the hon. member continues to get up trying to refight the 1971 election. He still hasn't got the message. He is no longer the Minister of Agriculture and a lot of farmers are saying, thank goodness for that.

MR. HENDERSON:

On a point of order. I would like to ask the Chair, how relevant those last contributions were from the Deputy Premier?

DR. HORNER:

As relevant as the entire remarks by the hon. Member for Wainwright.

MR. RUSTE:

Well, Mr. Chairman, it is quite interesting that the hon. Minister of Agriculture likes to make fun of what has happened. I was just reviewing to him what had happened in this House. I know his position since that time has certainly been opposed to the LIFT program. But I also want to make ...

[Interjections]

I want to make it pretty clear, too, that circumstances change. It is easy to make judgments looking back. I would certainly point out that if the Minister of Agriculture is referring to the fact that I was Minister of Agriculture and so on, how many times in this House in the simple question period has he made snide remarks about well, the guy should know because he was the minister at one time. I submit, Mr. Chairman, there we are.

MR. CHAIRMAN:

Title and preamble? Mr. Henderson.

MR. HENDERSON:

Mr. Chairman, I just want to make - I thought somebody else would keep the argument going and so I slipped out for a minute. I just want to speak briefly ...

MR. CHAIRMAN:

I am sorry. The Chair thought that Mr. Henderson was leaving the committee.

MR. HENDERSON:

I know I don't usually - I don't get - I'm not acclaimed when I leave anyway. Maybe I should be.

I just want to come back to the question of leverage. I must suggest that I'm surprised at the amendment that the minister has introduced on the bill to bring the bill into effect by proclamation as opposed to assent. I think that weakens his only real argument in the repeal of the bill. I just want to point this out. I think it's a little bit inconsistent with the whole exercise we've gone through. I myself think we're going to take the vote on the amendment first, I presume, or the bill as amended?

I'd like to suggest that we strike out the words in the amendment, "... on a date to be fixed by proclamation", and the bill should proceed as standing and find out how the House feels on the amendment.

DR. HORNER:

Vote against the amendment then.

MR. HENDERSON:

That's what I'm talking about - voting against the amendment. But I want the Chair to call the question. That's the whole point of the exercise on the amendment.

MR. BENOIT:

Now that that has been brought up, Mr. Chairman, I want to express another viewpoint on this thing. If this Act hasn't been used for 14 years and there is no hurry to repeal it, then I wonder what the big argument is against taking the time to look into it a little more thoroughly?

The minister may say that he has had a lot of talks with a lot of people, and we've been talking about it here quite a bit. But I don't think that amending it by proclamation or grinding it through right now is going to do what we are looking for. Number one, doing it by proclamation is doing the very thing that we've been doing with a lot of other bills. First of all it was in here that it was to be by assent. Then we have an amendment that says it will be done by proclamation. So then the Lieutenant Governor in Council can do it in its own time and the Legislature doesn't determine it. So many of the bills come out like that with an open end on them so that the Lieutenant Governor in Council does it and the Legislature doesn't do it.

This is the very thing that I am opposed to so much, Mr. Chairman, this thing coming up. The minister gives us his verbal commitment that he will communicate some more before the proclamation. Then we're going to have the proclamation. Now the hon. Member for Wetaskiwin-Leduc gets up and he says, let's have it right away. What happened with The Communal Property Act and some of the others that have been repealed is going to happen on

this one the same way if we're not careful. We repealed The Communal Property Act in a big hurry and then there was nothing to take its place. We could have held off for a while. It was doing all right and nobody was complaining about it, and we could have had something by way of land use for the whole province. Instead of that, we repeal it and then we wait for two or three or four years for a land-use policy and in the meantime we have all kinds of frustrations and frictions in the province as a result of it.

If there is no hurry to repeal this and it doesn't die on the Order Paper, then we should have done what was suggested in the previous subamendment. But that's been done for now. Now we come to this discussion of whether we should go back to the bill. If it's going to be done by the Legislature, then it should be done at the time of the assent to the bill. But if it's going to be done by proclamation, then I say, let it die on the Order Paper and wait and bring it in another year after we've had a good discussion on the thing and something has been put in its place in case it was needed.

MR. BUCKWELL:

Mr. Chairman, I don't want to prolong the agony much more, but I am in favour of the amendment because I feel if we don't amend the motion, the Act is then repealed and we have nothing. By holding the bill and having it assented to at proclamation, the minister then has an opportunity maybe to not proclaim this bill appealed until the federal government comes down with its act, or we can at least have the advantage of weighing, taking the new act and then seeing in the repeal of this one whether we can bring in some other type of legislation to give us the type of grain marketing in this province that the farmers want.

MR. NOTLEY:

Mr. Chairman, I too have to rather reluctantly favour the amendment for the simple reason that, as the Member for Macleod pointed out, at the very least you have a little longer, perhaps a sober second thought so that we don't, in fact, throw the baby out with the bath water. In that sense, Mr. Chairman, I would have to support the amendment.

I wonder if the minister would advise the committee what the response of the Alberta government has been to the domestic feed grain market principles and operational details paper of March 1 and the specific proposals contained therein?

DR. HORNER:

Quite frankly, just in response to the question the member posed at the end, our response is still in the five principles that we have enunciated. While we intend to have some input into the mechanics, we're not sure, and in my most recent discussions with Mr. Lang he's not sure about the mechanics. We intend to see that the principles that we have enunciated are there insofar as we possibly can.

I think the hon. member asked me earlier with regard to what the status was in Ottawa. I simply say that I've written many letters to Mr. Lang and I've had some discussions with him, particularly about moving forward on the changes in the interim policy so we could possibly live with it until such time as we get the final policy. As I understand it now, there are some changes in those mechanics that are going to come forward very shortly. We are waiting to hear from them in that regard.

MR. NOTLEY:

Mr. Chairman, just one additional question. I've read over the five points of the program very carefully and many of them I agree with, but the one area that the government doesn't seem to have very clearly enunciated is what the position is with respect to feed grains going on the open market. Is the government side-stepping that one or is the government in favour of the proposition that feed grains would go on the open market and that there would be all types of choice - farmers could sell to the wheat board if they like, they could sell to grain companies on contract, they could sell through the grain exchange? What is the position? I've heard Mr. Moore remark on it, but it's not specifically contained in the five points. I think, Mr. Chairman, the minister should specifically advise us.

DR. HORNER:

Mr. Chairman, the remark "open market" is the hon. member's, not mine. I've said that we intend to have, as far as is possible from the provincial government, a feed grains policy which will contain the principles we've enunciated. The mechanics, in fact, have to be such that our producers are protected and have the maximum advantage in a comparative way for grain that is produced in Alberta. The term "open market" is his, not mine. I've not used the term "open market" because I don't think there is such a thing.

MR. NOTLEY:

Mr. Chairman, let me just pursue that a little longer. One of the points in the five points, perhaps one of the more important points, in many respects I think one of the key points, is the argument that there should be a freight rate reduction on red meats going east. Mr. Chairman, I asked that question on Friday and while the minister answered in great length on other subjects, he didn't specifically advise the Assembly what the present status is of that particular question. I think, Mr. Chairman, that is really one of the most important issues that has to be settled, because if we aren't going to get a commitment on that score from the federal government, our livestock industry is in pretty serious trouble.

DR. HORNER:

I thought I'd made it relatively clear. As far as I'm concerned, I have a commitment from Mr. Lang with regard to the freight rates on meat. The question that's still up in the air is how you do that, whether or not you increase the rates on domestic grain going into central Canada or reduce the rates on meat? In our view, the one is an inflationary move when you increase the rates. We think there should be a reduction in the rates on meat.

MR. NOTLEY:

With great respect, Mr. Minister, that has been in the works for some time now. That was in the works last November. I agree with you. I think the best approach would be the reduction of freight rates on meat going east.

But the point I want to get is, what is the hold-up on the commitment from Lang on this matter? Because it would seem to me that, I know, we'll get the old argument about the particular status in Ottawa at the moment. But Mr. Chairman, unfortunately my New Democratic friends in Ottawa are not able to change the feed grain policy. I wish they could. The fact of the matter is that I think there is still a hold-up on that crucial issue and I wonder what it is? Has Lang accepted the proposition that the latter course is preferable?

DR. HORNER:

Well, no I can't say that he has accepted that the latter course is preferable. He has accepted and given us the commitment that the comparative advantage will be there. Now, you know my honourable friend can - indeed maybe one of the things that the federal government should be doing with regard to inflation, and I think there are a fair number of arguments and the reason that I'm inclined to agree with the reduction in freight rates on meat, but you know we have that commitment so that our comparative advantage for the livestock producer will be there. So that's, as far as I'm concerned, the cornerstone of any feed grain policy.

MR. NOTLEY:

Mr. Chairman, a further question. Is there going to be a resolution of this one way or the other prior to August 1? Have you got a nailed-down, iron-clad commitment from the minister that, in fact, one choice or the other will be taken before the feed grain policy comes into effect?

DR. HORNER:

Well, my honourable friend said that he was knowledgeable about Mr. Lang's, I think he said intellect or something like that. I suggest that to get what he calls an iron-clad, tied-down commitment, if he can get that from any federal politician, I would like to see it. I was never able to see it. I have to take it, you know, that he is a Canadian who has said to us, this is one of the guideposts with which we will bring in a new feed grain policy. And I have to accept that commitment.

MR. STROM:

Mr. Chairman, I notice the minister and the hon. Member for Spirit River-Fairview refer to five points. Is this a paper that has been given to the members of the House? I don't read everything that comes over my desk and I might have missed it, I wonder if ...

DR. HORNER:

I thought it had. If it hasn't we will certainly make sure that it is made available.

MR. STROM:

Is it a long paper or could the minister give it to us briefly right now?

DR. HORNER:

Briefly, it is, just off the top of my head now, access - that Alberta farmers should have access to grain, that there should be a reasonable supply of grain, or a necessary supply of grain for Alberta uses; thirdly, at the time the paper was put out we were having a great deal of difficulty getting any price whatsoever from the federal government, and from the APB, and all of the red herrings that were dragged through - number three were to give us a price so at least our livestock producers would know where they were at. The other point was that if we were going to subsidize feed grains into eastern Canada, there should be a payment by the federal government to the coarse grains pools - and I'm sure my honourable friend knows what I'm talking about there - to make up that difference. And the fourth point that we are just talking about is the relative position of feed grains and meat in regard to freight rates.

MR. STROM:

Yes, thank you, Mr. Chairman, I think I recall it now. Just for further clarification, is the minister then thinking in terms of cancellation of the existing feed grain subsidy that was on for eastern Canada? The one I'm referring to is the one which was established during the last war. We fought over it ever since the war, and it is still continuing. Then also I would ask if the minister might clarify for me if this is what has been referred to as using the Crowsnest Pass agreement to subsidize grain going east? Maybe you would comment on those two points?

DR. HORNER:

Well, there are two points, Mr. Chairman, number one, the feed freight assistance program which the hon. member refers to which came out during the war and which has continued. A great argument has ensued as to who really got the benefit, the western grain producer or the eastern feeder, and that's been an argument through the years. The federal government has said in a major way they would remove that except for the Maritimes. Our view, as I said the other day, was that it was up to the Maritimes as to how they wanted their assistance from the federal government and they could either take it as freight assistance or indeed the federal government could give them money for their own priority uses in agriculture.

But of more concern was this other matter that feed grains have been moving into central Canada on a subsidized or on a rate to which they were not entitled. They went by Crowsnest Pass rates instead of by the domestic rate. And the differences in the two areas are feed freight assistance costs about \$25 million a year, the other is a discrimination of about \$75 million a year. And that really ties into the fourth point in our document on feed grains that said we had to have more equity in the comparative advantage in relation to freight on grain and freight on meat.

MR. STROM:

Mr. Chairman, is the minister in his bargaining trying to get the federal government, then, to provide the subsidy in freight rates as it applies to these various areas? Or is the minister suggesting that the federal government, and I realize that he can't speak for the federal government but he may know from discussions he has had with them, is he expecting that the federal government will be able to force the railways to transfer costs that they have levied against the agricultural industry to some other industry? Because the one thing that is bothering me a little bit, Mr. Chairman, as I look at the problem from a Canadian point of view, is that I recognize that the railways have been receiving very substantial subsidies from the federal government and when we're talking about getting a better deal as far as freight rates are concerned, I have to ask myself, as a Canadian taxpayer, where is the next subsidy going to come from in order that we can enjoy a better rate - I wasn't going to say special, and I really don't think we are talking in terms of special rates for western Canada, because we think we have had a rather bad deal. But just how does the minister propose that this is going to work? I simply ask it because of the five points that have been raised.

DR. HORNER:

Mr. Chairman, that is exactly what we have been discussing with the hon. Member for Spirit River-Fairview. That is, you know, they have two alternatives. One is to raise the rate on the feed grains going into central Canada to the domestic rate and therefore give us that kind of comparative advantage. The problem in that particular approach is that it is surely inflationary. At this present time it might perhaps be better to go the other route and, indeed, give us substantially better freight rates on dressed meats going east. In my view, the latter way is the best way but the final decision, as I understand it, has not been made by the federal government as to which route it will take. We do have a commitment that there will be a restoration of the comparative advantage for western Canada in this area.

MR. BUCKWELL:

I would like to ask the minister one final question. Has the minister or the government any mechanism at the moment that would assure us supplies in Alberta if, say, this fall the export market is so bouyant that we might end up with no - is there any mechanism at all that we have?

DR. HORNER:

We have two mechanisms. One, again we have the assurance of the federal government that there will be a supply of grain that will meet our domestic needs in western Canada. Secondly, we are looking, through the grain commission in conjunction with our pools and other elevator companies particularly into the use of elevators that they may want to abandon, to establish a storage program in Alberta.

MR. STROM:

Mr. Chairman, on the matter of the provincial government assuming a greater measure of control, we have the minister dealing with this in generalities. I would like to cover another phase that to the best of my recollection hasn't been covered this afternoon. That is, is the minister saying that he wants the federal government to be totally out of the control of coarse grains? If not, then what is the mechanism he is looking at that is going to provide the alternative? Because I don't see it yet.

DR. HORNER:

We haven't established any mechanism as yet. We are hopeful that the feed grains policy will look after that question in feed grains. We're hopeful that negotiation will give us a change in the regulations with regard to processing grain in a different sense. I am speaking now of the malting houses, the grain processing plants and so on, so that our people will have a better marketing opportunity in processing plants within Alberta. I can't be more specific at the moment because until such time as we can develop negotiations with the federal government, there is - you know, we can continue to negotiate. That's about our present position.

MR. HENDERSON:

Mr. Chairman, I've got one or two more questions I would like to ask on the matter, so I beg leave to adjourn the debate.

MR. CHAIRMAN:

Is it agreed?

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

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

MR. CHAIRMAN:

Is that agreed?

HON. MEMBERS:

Agreed.

[Mr. Diachuk left the Chair.]

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[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bills; Bills No. 1 and 14, and begs to report same. The Committee of the Whole Assembly has had under consideration Bill No. 17 and begs to report progress on same and asks leave to sit again.

MR. SPEAKER:

Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Speaker, before moving to adjourn, the House will sit on Monday, Tuesday and Thursday this week. On Wednesday we would probably proceed with second reading of Bill No. 32, The Alberta Energy Company Act.

This evening the four subcommittees will meet. In Subcommittee A the Department of Health and Social Development followed by health commissions; Subcommittee B, the Department of Lands and Forests followed by the Department of Mines and Minerals; Subcommittee C, the Department of the Attorney General followed by the Department of Highways; and Subcommittee D, the Department of Education.

I move that the Assembly do now adjourn until tomorrow afternoon at 2:30 o'clock.

MR. SPEAKER:

Having heard the motion for adjournment by the hon. Government House Leader, do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

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

[The House rose at 5:34 o'clock.]

