

LEGISLATIVE ASSEMBLY OF ALBERTA

Thursday, May 16, 1974

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF BILLS

Bill No. 59 The Oil and Gas Conservation Amendment Act, 1974

MR. PEACOCK:

Mr. Speaker, I beg leave to introduce Bill No. 59, The Oil and Gas Conservation Amendment Act, 1974. This act is designed to assure maximum utilization by industry located in Alberta of Alberta natural gas resources, and the orderly and planned development of major industries consistent with Alberta's industrial development strategies.

This bill provides that this objective will be achieved by requiring that a permit be obtained from the ERCB to use gas or gas products in Alberta as a raw material for the production of fertilizer or petrochemical products. For example, 19 world scale fertilizer plants have been proposed for Alberta. It is necessary for the government to obtain an orderly means by which these kinds of plants can come on stream.

This bill further provides that a permit will be granted when it is in the best public interest to do so, with major considerations being the efficient use of the gas products, the present and future availability of hydrocarbons in Alberta, and an adequate supply of labour.

This permit system will commence on the day that this act is assented to by the Alberta Legislature.

[Leave being granted, Bill No. 59 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. SCHMID:

Mr. Speaker, it is with a great deal of pleasure that I introduce to you and through you to the members of this Assembly, Mr. Grettir Leo Johannson, the Consul General of Iceland, especially, of course, since we are thinking of the many outstanding contributions which have been made to this province by the pioneers who came to this country from Iceland.

I would like to have the Consul General and his wife stand in your gallery to be recognized by this Assembly.

MR. HO LEM:

Mr. Speaker, it is indeed a real pleasure for me today to introduce to you and to the hon. members of the Assembly Mr. and Mrs. John W. Dixon of Calgary, distinguished pioneers of this province.

They have, Mr. Speaker, recently celebrated their sixtieth anniversary. Mr. Speaker, today they are seated in your gallery.

Mr. and Mrs. Dixon, parents of the hon. Member for Calgary Millican, have travelled here today to attend a very special occasion, the ceremony of the unveiling of the former Speaker's portrait. May I ask them to rise and be recognized.

MR. ASHTON:

Mr. Speaker, I wish to introduce 58 Grade 4 students from Braemar School. They are accompanied by several of their teachers. I request they all rise in the members gallery and receive the recognition of the House.

DR. BUCK:

Mr. Speaker, I beg leave to introduce to you and through you to the members of the House, 70 Grade 9 students from Lamont School in my constituency. Some of these students are also from the constituency of the hon. Member for Redwater, Mr. Topolnisky, and I believe one or two are from the hon. member's constituency in Vegreville. They are accompanied by their teachers, Mr. Skladan and Mrs. Shymanski and their bus drivers, Mr. and Mrs. Danyluk. They are in the public gallery. I would like them to rise and receive the greetings of the House.

MR. YOUNG:

Mr. Speaker, it is my pleasure today to introduce to you and to the members of the Assembly, a class of high school students from Archbishop Macdonald High School. These students are from the constituency of Edmonton Jasper Place and from the constituency of the hon. Minister of Education, Edmonton Glenora.

Mr. Speaker, the students are in the public gallery. I would ask that they rise and be recognized.

TABLING RETURNS AND REPORTS

MR. MINIELY:

Mr. Speaker, I would like to table replies to Questions No. 115 and 124 on the Order Paper.

MR. CRAWFORD:

Mr. Speaker, I would like to table the response to Question No. 165, asked by the hon. Leader of the Opposition.

MR. PEACOCK:

Mr. Speaker, in reply to Motion for a Return No. 117, I beg leave to table the correspondence and copies of the agreement made between Dow Chemical of Canada and the Government of Alberta regarding the chemical plant located at Two Hills, Alberta.

MR. SCHMID:

Mr. Speaker, I would like to table a return to Order No. 111.

MINISTERIAL STATEMENT

Office of the Premier

MR. LOUGHEED:

Mr. Speaker, as hon. members are well aware, this government's natural resource and energy policy has as one of its basic foundations a maximum degree of upgrading and processing of our resources in Alberta before removal from the province; in short, to attempt to reduce the export of jobs from the province. The purpose of this policy is to diversify the economy of Alberta, to provide more and better secure job opportunities for our citizens in Alberta and to strengthen Alberta by making this province less dependent

for continued prosperity upon merely shipping crude oil and natural gas out of the province.

Mr. Speaker, unless we seize the initiatives to diversify the economy of Alberta as they occur, we accept the risk that creation of new jobs will decline as the conventional petroleum industry headquartered in Alberta and its related service industries begin to level off.

The most significant potential weakness in the Alberta economy is that well paid jobs in manufacturing are relatively limited due to the landlocked geography of Alberta and the cost, under existing freight rate structures, of shipping finished or semi-finished goods to market. At present, over 56 per cent of manufacturing in Canada is concentrated in Ontario alone, compared to only 4 per cent in Alberta.

Mr. Speaker, the two most promising areas for diversification and creation of new jobs in Alberta are the areas of agriculture processing and petrochemicals. Progress in agriculture processing using Alberta grown agricultural products is dependent upon major improvements in reducing the transportation inequities facing the West. Some progress has been made in this area in the past two years.

The other area, petrochemicals, offers a promising opportunity for Alberta now. Our Minister of Industry and Commerce, Mr. Peacock, has been working strenuously in this area as well. There is a need for new facilities in Canada to serve Canadian markets now, and Canadian markets are the key because of the high tariff barriers facing exporters. This opportunity is, however, one that can be lost for perhaps a decade because of the peculiar circumstances which have caused a temporary undercapacity in the Canadian petroleum, petrochemical and chemical industry.

Up to now, this industry has been concentrated primarily in Sarnia, Ontario and Montreal, Quebec; with only a very small portion at the source of the feedstock in Alberta. Expansion of petrochemical facilities in Alberta is promising now because of the critical need, due to the large investment, for having a long-term assured source of feedstock, which essentially means the by-products of natural gas or crude oil.

The petrochemical industry is attractive to Alberta for the following reasons:

- (1) It is an area where we have a natural economic advantage over other areas since the importance of assured feedstock under current energy conditions is becoming as significant as proximity to markets.
- (2) The jobs involved require a broad variety of skills and are highly paid. Sarnia consistently has the highest average salary and wage schedule of any city in Canada.
- (3) The industry provides great scope to branch out to small business enterprise with a multiplier employment effect illustrated by the Alberta Gas Trunk Line-Canadian Industries Ltd. announcement this week that with upgrading and derivative plants located in this province, the total employment derived from the complex would involve over time some 16,000 new jobs arising from 1,500 people employed directly in the primary and secondary plants included in the project.
- (4) The "third stage" processing can well be located by small businessmen in the smaller centres producing such diverse products as films, containers, antifreeze, and a host of plastic products now being manufactured in the East and shipped into the West and, incidentally, purchased by our consumers at higher prices than those in Central Canada.
- (5) The environmental impact, particularly if the derivative plants are properly spread throughout the province, can be effectively controlled.
- (6) In terms of the list of attractions of this industry to Alberta, comprehensive petrochemical manufacture in the province can make secure the long-term supply, during all market conditions, of finished products which are vital for other parts of our provincial economy and development - for instance, supply of plastic pipe to our rural gasification program and to agricultural uses.
- (7) It is well known that such processing industry brings science and research concentration with valuable throw-offs to the academic, cultural and other parts of the community.

Mr. Speaker, the key building block in petrochemicals is ethylene. It can be produced most economically and effectively from the natural gas by-product ethane. It can also be produced but much less efficiently and more wastefully from a naphtha-cracking process using crude oil.

At the present time, Mr. Speaker, large volumes of ethane are being removed from the province in association with natural gas as part of the numerous permits authorized under The Gas Resources Preservation Act before we assumed office.

Mr. Speaker, the Alberta government faces two major obstacles in creating these new jobs in petrochemicals in Alberta. The first obstacle is, that although Alberta has jurisdiction over its natural resources within Alberta, once the Alberta natural resources - be they natural gas or crude oil - enter an interprovincial pipeline then under our constitution, Alberta loses significant jurisdictional control to the federal government. In short, future federal policy, if dictated by established political power bases, could frustrate Alberta's efforts to process its own resources and provide jobs for Albertans.

Mr. Speaker, we felt we had extracted a commitment from the present federal government at the Western Economic Opportunities Conference in Calgary last July to support Alberta's efforts to build a strong petrochemical industry in this province of Alberta. This commitment was based on the principle that the most logical and economically feasible locations for future major petrochemical development should be closest to the source of feedstock supply in Alberta.

Mr. Speaker, we in the West will watch with interest to see if this commitment is met. It requires an unequivocal statement that federal policy of upgrading resources gives a preference to the natural economic advantage of processing at the source of natural resource supply, that is, Alberta.

Mr. Speaker, the second major obstacle is that, although there is a promising current market potential for petrochemicals in Canada, such market potential is limited. Our advice is that the Canadian market cannot absorb three new one billion pound per year ethylene plants in Canada all coming into production at approximately the same time around 1977-1978. Excess supply would be thrown into the export tariff-protected world market and could jeopardize the Alberta petrochemical industry.

Mr. Speaker, there are three proposals for such plants now being considered in Canada. First, there is the Alberta Gas Trunk Line-Canadian Industries Ltd. consortium officially announced this week using Alberta ethane as a feedstock. This complex would be entirely based in Alberta and involves extensive upgrading and derivative plants all located within our province. It does not require a pipeline and intends to ship its finished products by rail and truck as required.

The second project is the Dow-Dome project. The Dome portion involves a pipeline to carry a small portion of ethane to export in the United States. This was approved two years ago by the Alberta government on the strict condition that none of the ethane would be used for petrochemical feedstocks. The Dow portion of the project involves a world scale ethylene plant in Alberta with approximately one-quarter of its proposed production to be upgraded in this province. This project would create in excess of 2,000 new jobs in this province. A full one-half of the ethylene production from the Dow plant would be shipped by another pipeline to Dow's parent company in the eastern United States which would not compete - and this is most important - which would not compete with Alberta-based plants in the market place. The final one-quarter production would also be shipped by pipeline, but to Sarnia, to service Dow's existing facilities there. Because this project involves export by pipeline from Canada, it comes under federal jurisdiction and has been recommended, in a modified form, by the National Energy Board to the federal cabinet. We understand the federal cabinet's decision on this recommendation is imminent. Our government's current view of this project is contained in an important letter written by our Minister of Federal and Intergovernmental Affairs, Mr. Getty, to the Federal Minister of Energy, Mines and Resources, Mr. Macdonald, dated May 6, 1974, which, due to its significance, we are making public today, concurrent with publication in Ottawa, by tabling in the Alberta Legislature.

Mr. Speaker, this letter indicates that our evaluation of the project has recently been altered by a series of events initiated by the federal government which could permit the diversion of the ethylene shipment away from the non-competitive eastern [United States]* market to the Canadian market in Sarnia. This, in our view, could provide direct competition to Alberta-based plants and would endanger, due to the limited Canadian market, the feasibility of Alberta-based petrochemical developments.

*[Per tabled document]

Mr. Speaker, the third project is the so-called SOAP project being proposed for Sarnia - Sarnia Olefins and Aromatics Project - it is now called Petrosar. It consists of a consortium of companies headed by the federal Crown corporation, Polysar, whose entire Canadian operations have until now been located in Central Canada. SOAP proposes to take 170,000 barrels a day of Alberta-owned crude oil - over 10 per cent of our current daily conventional crude oil production - and, using a naptha-cracking process, converting approximately 40,000 barrels a day to ethylene. The balance of production from the SOAP process results in a heavy oil usable mainly for heating oils and power plant fuel.

Mr. Speaker, the Government of Alberta is opposed to the SOAP project as presently conceived. We believe the project, as presently structured, is not in the Canadian public interest, and is detrimental to the Alberta public interest for the following reasons:

- (1) It will jeopardize the possibility of new jobs in Alberta from petrochemical development as it will absorb a significant portion of the limited available Canadian market, and render Alberta-based plants less feasible.
- (2) It is, in our view, an inefficient use of natural resources in that it takes high-quality crude oil and converts the majority of it to lower grade products as compared to ethane-based plants which would permit the termination of the current wasteful disposal of ethane for export as a heating source.
- (3) It causes an enormous financial subsidy to the area with the highest income levels in Canada - that is, southern Ontario - relying upon a depleting Alberta resource priced at below world market price.
- (4) It forces a commitment, Mr. Speaker, over its 20-year life, to a questionable project of in excess of 16 per cent of Alberta's present proven reserves of conventional crude oil. At the present rate of production, Alberta's existing conventional crude oil reserves will last only 12 years.
- (5) It further concentrates job opportunity in the area of Canada's greatest concentration of industry - southern Ontario - and hence, works directly against regional economic development as a national policy.

Mr. Speaker, I communicated Alberta's concerns directly to the Prime Minister on April 24, 1974. The Prime Minister and myself have agreed to make public our exchange of letters and I now table my letter of April 24, 1974 and the Prime Minister's reply of May 3, 1974.

In essence, to summarize the implication of the Prime Minister's reply briefly - the situation of Canadian market potential is such, in the view of federal officials, [that it would be] able to absorb three world scale ethylene plants in the '77-'78 period, in terms of the Canadian market.

I welcome, Mr. Speaker, Mr. Trudeau's response of further discussion on the SOAP project and Canadian market potential. Unfortunately, the federal election may interfere with such plans but our officials will nevertheless be meeting soon. I intend to respond to the Prime Minister's letter after the officials have met and reported.

Mr. Speaker, I also wrote on April 24, to the Chairman of SOAP - a copy of which letter I now table in the Alberta Legislature - informing him that it would appear ill-advised for them to proceed with their project on the basis of reliance upon Alberta crude oil as an assured source of feedstock. The SOAP participants have responded by asking for a meeting with us in Edmonton in late May.

Mr. Speaker, we recognize the financial and industrial importance of Sarnia to the Ontario economy. Our policies contemplate a continued viable Ontario petrochemical industry based on maintaining existing facilities and normal growth using Alberta resources. What we object to is this major petrochemical development known as SOAP being supported by the federal government when we have a commitment to have the vast majority of new developments in Alberta closest to the source of the feedstock. Mr. Speaker, what better way to encourage regional development across our country than to provide leadership through a Crown corporation such as Polysar which is at the centre of the SOAP proposal?

Mr. Speaker, we are aware that federal actions and jurisdiction could be used to force-feed the SOAP project despite our objections because of their jurisdiction over interprovincial trade. Mr. Speaker, we believe Albertans will agree with our conclusion that it is unreasonable in the extreme to expect Alberta to supply crude oil, owned by the people of Alberta, at subsidized prices for further expansion of the petrochemical industry in Sarnia at the expense of development of our own petrochemical industry in Alberta.

Mr. Speaker, all these factors have caused the Alberta government to assess the implication of its endorsement of the two proposals for Alberta-based ethylene plants relying upon Alberta-owned ethane as a feedstock. The two projects, as mentioned, are the Dow-Dome project and the AGTL-CIL project.

Mr. Speaker, the Alberta government has concluded that the Alberta Gas Trunk Line-Canadian Industries Ltd. petrochemical project deserves the priority endorsement and full support of the Alberta government. Mr. Speaker, this, of course, would be subject to the required regulatory approvals.

The reasons for this conclusion are:

- (1) The Alberta Gas Trunk Line-Canadian Industries Ltd. complex will involve many more new jobs for Albertans and opportunities for small business in this province because of the high degree of upgrading and processing contemplated.
- (2) It has a high degree of Alberta and Canadian ownership potential.
- (3) It does not involve a pipeline as part of the project, and hence maintains greater provincial jurisdiction over the future development of the complex.
- (4) It is a major step in our plan to diversify our economic development, as the second and third level processing plants in particular can spread job opportunities all across this province.

Although important federal regulatory changes have been proposed affecting the Dow-Dome proposal, the Alberta government is prepared to continue to support the Dow-Dome project, subject to an important condition. The endorsement is made although the existing plans fall short of the Alberta Gas Trunk Line-Canadian Industries Ltd. consortium plans for petrochemical upgrading and processing in Alberta. There is, however, an adequate supply of ethane available for two large plants in Alberta, and this project has potential for substantial job creation in Alberta as well.

Mr. Speaker, the Dow-Dome project is preferable as well to the SOAP project as its proposed exports of one-half of the ethylene production are out of the competitive and limited Canadian market.

The important condition of continued Alberta government endorsement and authorization of the Dow-Dome project is adequate assurance from the federal government that if a major portion of the exported ethane or ethylene is diverted and held back in Canada as a result of federal government regulatory action, then, despite pipeline economics, the upgrading and processing should be undertaken in Alberta where the resources are owned and secondary industry is needed, and not create further concentration of population in Central Canada.

Mr. Speaker and hon. members, as this complex but important petrochemical situation unfolds, the government will further elaborate on developments to the members and to Albertans.

In concluding, Mr. Speaker, the national issue is fundamental: will all parts of Canada grow to their natural potential, or is this country going to continue to pay lip-service to the regions of Canada and continue to concentrate job opportunities in Central Canada. We trust the former, so that Confederation, over time, will unquestionably be stronger.

MR. TAYLOR:

Mr. Speaker, in the absence of the Leader of the Opposition, I would like to make one or two comments on the report we just heard from the hon. Premier.

Alberta certainly has sound economic reasons for the statement we have just heard. For too long we have been exporting our jobs, and for too long has there been a concentration of industry in Central Canada.

The position taken by the hon. Premier, that industry should be established where there is a supply of energy, is sound. Until every region in Canada has a reasonable share of industrialization, of the manufacturing plants of Canada, we'll continue to have economic disparities, and a Canada not as strong as it otherwise could be.

I'd like to say a word or two about the national and the world situation. The world today - and I suppose we could say Canada and the world today - is dependent on food and energy. Fortunately, Alberta has both. We have tremendous potential in agriculture production, and we have been blessed, possibly more than any other part of the world, in regard to energy. We have natural gas, oil, coal, water power and, of course, we have solar energy when that is developed. Consequently, there is a responsibility to Albertans, to Canadians and to the world that we use this food blessing and this energy blessing to the best possible degree.

The base for political power is in Central Canada, due to population. Unless Alberta is able to use leverage of some kind, it appears it will be a long time before our freight inequities and industrial inequities are corrected. For the first time in the history of the province, in my view, Alberta has that leverage. We have the energy that other provinces want. Consequently, I see nothing wrong - and I believe the people of Alberta would expect their government to use that leverage in order to get, not special freight rates, but equitable freight rates; not all industries, but our fair share of industry.

While I would not want the government to take the attitude that we have to have everything in Alberta - the statement by the Premier does not take that attitude [and]

I'm happy to read that - certainly we should have our fair share of industry in this part of Canada.

The next point I'd like to deal with for a moment is industrialization. I believe the vast majority of Albertans want to see more industry in this province, even though industry itself doesn't necessarily bring wealth, prosperity, happiness or a good quality of life. If making money becomes the god, we have a lot of dangers in industrialization. We could have machinery receiving the emphasis instead of people. We could have muscle receiving emphasis instead of brains. We could have natural resources being emphasized instead of human resources.

If the environment is controlled so we can make the best possible use of our energy and the best possible use of our other natural resources for the good of people, I think as long as we do that we are on very sound ground. That is the important thing, I believe, in industrialization; that we make sure we maintain our clean air, our clean water and our good topsoil.

The next point I would like to make is provincial overall strategy. I believe the direction our whole economy is going to take should be looked at in regard to industrialization. If we carry out our industrialization program on a piecemeal basis, there will likely be chaos down the road. But if an overall strategy is taken, so that we know where we are going in regard to this matter, then we will be acting in the interest of present and future Albertans.

We are fortunate to have natural gas and oil, but we will not have them forever. In our overall strategy I think it is essential now that we make the best possible use of that oil and natural gas and use it as long as humanly possible and that we then have plans for our coal, our water power and solar energy. That overall strategy, I think, is most important.

Third, in industrialization, in regard to people - a report from the hon. Minister of Manpower and Labour yesterday, I believe, indicated that we have nearly full employment in this province. If we are going to industrialize and require the mass of jobs mentioned by the hon. Premier, then we are either going to have to persuade our people to stop using the Pill, or import a lot of that labour. I see nothing wrong with importing a large percentage of that labour from other parts of Canada, from other parts of the world. But I think we should have a definite, overall strategy in regard to how we are going to handle labour requirements, skilled and unskilled, in regard to the massive industrialization which is possible and potential in this province.

I would suggest to the hon. Premier and his government that every attempt be made to secure the input of the people in regard to this particular project. The man on the street has his views. I would like to see the government establish some type of public hearing, so that the man on the street, our organizations, our labour unions, our industrial plants, our chambers of commerce and those, too, who invest their money might have a chance to have some input. The government would then be in a better position to carry out and reflect the thinking of the vast majority of the people of the province.

Last, I would like to suggest that we are our brother's keeper. I would not want to adopt the attitude that because we have the energy in this province which other provinces don't have, we should take advantage of that, where our own development - with the depreciation of development in other places. I think it is proper to use it as a lever to secure proper development, with the view of not trying to take from other places, but first of all trying to get our fair share of industry, something we have been trying to do for many years.

With the industrialization of this province, with our energy and with our agricultural production and processing, we can have a good quality of life. I think that should be one of the major objectives of an overall policy, [that we] make sure we do have a good quality of life for our people, that we maintain the clean air and the topsoil, that we make sure we have clean water and that we have conservation of those energies which have been given to us.

Rudyard Kipling once said in speaking about Medicine Hat that it had all hell for a basement. I believe with the resources under our ground in this province, we could paraphrase Kipling's remarks and say the first floor of all of Alberta - at least that all heaven could be the first floor for the province of Alberta.

In conclusion, I would like to say once again that Alberta is possibly more self-sufficient in regard to energy and food than probably any other place in the world and we should use that for the benefit of Alberta people, for the benefit of Canadians and lastly for the benefit of the world. If we do that, then surely no one can say we are making ill-use of the energy which has been given to us in this province.

ORAL QUESTION PERIOD

MR. SPEAKER:

The hon. Member for Wetaskiwin-Leduc followed by the hon. Member for Bow Valley. I'm sorry ...

Gasoline Tax Reduction

MR. TAYLOR:

I have a question, Mr. Speaker, for the hon. Premier. Is the government in a position to indicate when it will be announcing a further reduction in the gasoline tax?

MR. LOUGHEED:

Mr. Speaker, I'll refer that question to the hon. Provincial Treasurer.

MR. MINIELY:

Mr. Speaker, it will require the monitoring of prices for the month of May, which as hon. members know we have been doing for several months. As I stated yesterday and some hon. members might have heard, our objective will be to ensure that Albertans continue to receive the benefit of the lowest prices at the pump in Canada.

MR. TAYLOR:

Supplementary, has the hon. minister some time [by which] this will be done, or has he anything to announce in that respect?

MR. MINIELY:

Mr. Speaker, I'm not in a position today to indicate when we would be able to have all the figures because we monitor the prices in all the major centres in Canada. So I wouldn't want to tie a firm date at this point in time.

MR. LUDWIG:

Supplementary to the hon. minister. Can he give us some indication why the prices of gasoline in Alberta have to be dependent on prices in other jurisdictions, Mr. Speaker?

MR. SPEAKER:

Order please. Possibly the hon. member might avail himself of the research service in the library.

MR. TAYLOR:

A further question to the hon. Provincial Treasurer. In light of the announced increase in gasoline prices by as much as 12 cents, will the government be monitoring these price increases in Alberta?

MR. MINIELY:

Yes, Mr. Speaker. The prices are monitored on an average basis, and in particular in the cities of Edmonton and Calgary, and we also obtain information from the other major centres throughout Canada.

Just to say that - relative to an erroneous question, Mr. Speaker - but nevertheless to say that we believe Albertans have the right, as owners of the oil and gas, to have the lowest prices at the pump ...

MR. LUDWIG:

Well, get with it.

MR. MINIELY:

... in Canada, and that will be the government's policy.

MR. SPEAKER:

The hon. Acting Leader of the Opposition with a supplementary.

MR. TAYLOR:

A further supplementary to the hon. Provincial Treasurer. Will the government be undertaking to keep a close eye on the price increases of gasoline to make sure our consumers are not gouged by any retailers in the province?

MR. MINIELY:

Mr. Speaker, I thought I just answered that question earlier by saying that we'll be monitoring the prices at the pump.

MR. TAYLOR:

One further question. Does the government intend to prosecute retailers who do not pass on the benefit that the Alberta government intended for the consumers, but who grabbed that profit themselves?

MR. MINIELY:

Mr. Speaker, I must say that I do not agree that the judgment of gouging is one of other than assessing what the profits are, which is a totally different question. If there were excess profits, one could say they were gouging, which is a totally different question from what the prices at the pump are. Certainly, I indicated the other day in the session that we have a lot of competition, in the free enterprise system in Alberta, in gasoline retailing and a wide choice for the consumer in the province.

MR. TAYLOR:

One further supplementary. Would the hon. Provincial Treasurer not say that every Albertan would expect that 5 cent benefit when the government gave it to them?

MR. SPEAKER:

With great respect, the hon. member is asking a question which suggests its own answer and is specifically covered in 171 of Beauchesne.

MR. LUDWIG:

Mr. Speaker, I have a supplementary to the hon. Provincial Treasurer and it's with reference to the remark he made that they are monitoring prices in other parts of Canada to determine when we might establish a price level in Alberta. I'd just like to know why it is that we are required to monitor the prices in Ontario to determine prices in Alberta? What is the reason for it, Mr. Speaker?

MR. MINIELY:

Mr. Speaker, in reply to the hon. member, if, as a matter of government objective and policy, we are going to ensure that Albertans continue to have the benefit of the lowest average price for gasoline at the pump of any citizen in Canada, as they have [had] in recent months, I think the monitoring of prices in other parts of Canada is a natural and important analysis in arriving at that government policy objective.

MR. LUDWIG:

Mr. Speaker, has the hon. minister given consideration to establishing a price for Alberta based on a just price, rather than by a comparative price through other jurisdictions? I think his own position is ridiculous.

[Interjections]

MR. SPEAKER:

Order please.

Propane Price

MR. R. SPEAKER:

Mr. Speaker, a supplementary to the Provincial Treasurer. Will the minister give consideration to a subsidy for propane which is used in farm equipment such as tractors,

irrigation pumps or even cars, at the same time that he is considering a further reduction in the present tax for gasoline?

MR. MINIELY:

Mr. Speaker, I'd refer that question to the hon. Minister of Telephones and Utilities, who, I think, can clarify again for the hon. members the fact that propane is controlled by the Public Utilities Board.

MR. FARRAN:

Well, Mr. Speaker, I seemed to have answered this question about 12 times during the current session and at least twice for the hon. member, but I'll say it again.

[Interjections]

Propane is under the jurisdiction of the Public Utilities Board as a result of the proclamation of The Gas Utilities Amendment Act of 1973. Over the summer, when just and reasonable prices have been established, the government will consider whether or not it is desirable to introduce a propane rebate plan. The other day there was a study in the city of Calgary by the Mayfair Taxi company which purported to show that propane at 36 cents a gallon was more than competitive with gasoline.

MR. SPEAKER:

The hon. Member for Wetaskiwin-Leduc followed by the hon. Member for Bow Valley.

Crown Leases - Oil Production

MR. HENDERSON:

Mr. Speaker, I'd like to address a question to the Premier. I wonder if the Premier could advise the House as to how soon oil production from rapidly depleting Crown leases might become subject to oil export control, as is now the case with natural gas? By that I mean provincial oil export control.

MR. LOUGHEED:

Mr. Speaker, that's a subject which is under active consideration by the government. The report we are essentially waiting for before we come to any real consideration of whether or not any action should be taken, legislative or otherwise is that from the Alberta Energy Resources Conservation Board on future energy requirements for Alberta.

Mr. Speaker, the Alberta Energy Resources Conservation Board is planning its final stage hearings on June 4 on that subject. I believe they anticipate being able to provide the government with a report during the month of July. When we receive that report we will take into consideration the issue and the matter which is raised by the hon. member.

MR. HENDERSON:

Mr. Speaker, I'd just ask the Premier a supplemental. Would it be unreasonable to conclude that the government will have arrived at a policy position before the fall sitting?

MR. LOUGHEED:

Mr. Speaker, there is certainly some possibility of that, but it will depend, naturally, upon the nature of the report, and the legal advice we receive in terms of the options available and open to us. It's certainly something that we are well aware of - as the hon. member has expressed on a number of occasions. But I certainly wouldn't want to commit myself to a statement on it at the fall session. It may be possible.

MR. SPEAKER:

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

Rural Gas Co-ops

MR. MANDEVILLE:

Thank you, Mr. Speaker. My question is to the hon. Minister of Telephones and Utilities. What is the government's policy for rural gas co-ops where the capital cost goes over \$3,000 per consumer?

MR. FARRAN:

Mr. Speaker, the basic target of \$3,000 in the Rural Gas Plan was apportioned thus: \$1,700 on a loan to the co-op against liens on a particular farmer's property and a \$1,300 direct grant from the provincial government.

If the costs exceed \$3,000 per capita due to inflation, there are these alternatives. One, the co-op may not go and the farmer can apply for a \$250 grant towards a propane tank. Secondly, if they decide to go, they can have a special grant for lengthy, high pressure transmission line. If, after deducting all those things, their costs are still in excess of the \$3,000 economic contour or target of last year, the excess costs will be split as follows: half by a direct loan to the co-op itself against the collateral, Mr. Speaker, of the distribution system itself - and [this] can be financed by surcharge on the sale of natural gas; the other half by way of a special grant, for the special conditions, from the provincial government.

MR. SPEAKER:

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

Rural Gas - Pipelines

MR. MANDEVILLE:

Mr. Speaker, a supplementary question. Has his department set a specific capacity or size for pipelines designated as transmission lines qualifying for the government subsidy?

MR. FARRAN:

Mr. Speaker, there is a certain grey area but the definition is this: when the Rural Gas Plan started, the pressure strength allowed in plastic lines was 50 pounds per square inch. It has now gone up, because of efforts by my department and the Energy Resources Conservation Board, to an allowable pressure of 80 pounds per square inch. At pressures above that, plastic pipe is not allowed, so it has to be aluminum or steel. I would say that a rule-of-thumb guideline is above 100 pounds per square inch pressure rating.

MR. SPEAKER:

The hon. Member for Cypress with a supplementary, followed by the hon. Member for Calgary Mountain View.

Rural Gas Co-ops - Farmer's Advocate

MR. STROM:

Mr. Speaker, I would like to direct my supplementary question to the hon. Minister of Agriculture. I understand that the Farmer's Advocate was sent down to meet with the gas co-ops. Is the minister in a position to advise the Legislature what proposals the Farmer's Advocate was making to the gas co-ops?

DR. HORNER:

Mr. Speaker, he was making the same proposals that the hon. Minister of Telephones and Utilities has just made and has repeatedly made in this House and, I might say, has had to sort of recover from the political interference that took place in southern Alberta.

[Interjections]

AN HON. MEMBER:

What an idiot!

MR. STROM:

Mr. Speaker, I appreciate the hon. minister's usual courteous answers to me, but may I ask a further supplementary question then? Were no new proposals made by the Farmer's Advocate when meeting with the gas co-ops?

If I may just add another point that I am sure the hon. minister would like to answer, and that is in regard to the parameters of the gas co-ops; is there any consideration to change them, to make the costs more within the guidelines of the original proposal?

DR. HORNER:

No additional or new proposals were made, Mr. Speaker, because the proposals are, in our view, adequate as long as they are fairly explained. I think that was the real role of the Farmer's Advocate at the meeting in southern Alberta.

MR. SPEAKER:

I overlooked the hon. Member for Little Bow, followed by the hon. Member for Calgary Mountain View.

MR. R. SPEAKER:

Mr. Speaker, I didn't have a supplementary, just my normal question.

MR. SPEAKER:

The hon. Member for Calgary Mountain View followed by the hon. Member for Lethbridge East.

Vulcan Land Sales

MR. R. SPEAKER:

Mr. Speaker, I have a question to the Minister of Municipal Affairs and he is absent at this point in time. I'll put the question on record anyway for information's sake.

Is the minister aware of six or seven sections of land purchased west of Vulcan ...

AN HON. MEMBER:

Order. That's information.

AN HON. MEMBER:

Carry on.

MR. R. SPEAKER:

... by foreign syndicates? Mr. Speaker, I'll ask my question of the Premier at this particular time.

MR. LOUGHEED:

Mr. Speaker, perhaps the hon. member could identify it a little better for me so that I can pass it on to the hon. minister.

MR. R. SPEAKER:

Mr. Speaker, the information given to me via telephone was that in the last week six or seven sections of land west of Vulcan were purchased by a German syndicate. Those are the details I have.

DR. HORNER:

Perhaps, Mr. Speaker, I might be allowed to answer in this way. A recent review of the real estate transactions in Alberta - and it will be public information very shortly as soon as the printing is done - is very interesting indeed. It shows that there has been a major turnover in land in Alberta. But the amount of land bought by non-residents is very minimal indeed - as a matter of fact 2.7 per cent - and of those non-residents, by far the great majority are other Canadians. I would caution the hon. member particularly, with regard to the question of creating rumours about foreign syndicates and others buying substantial amounts of land, because the facts don't bear them out when we look into them.

But I'm quite willing to have a look at the situation with regard to my colleague, the Minister of Municipal Affairs and the chairman of the land use forum to see, in fact, if there's anything behind the rumour.

MR. R. SPEAKER:

Mr. Speaker, there's no way that I'm attempting to spread rumours. These are information questions ...

SOME HON. MEMBERS:

Oh, oh.

MR. R. SPEAKER:

... from my constituents. The Minister of Agriculture always has to answer questions on a political basis rather than on fact. My question to the minister was: were they aware of it? My second question, which he has partly answered at this point was: will the land use forum committee obtain the details? He said, yes, they will, and I'm satisfied at this point.

MR. SPEAKER:

The hon. Member for Calgary Mountain View followed by the hon. Member for Lethbridge East.

Calgary Youth - Aerosol Fatality

MR. LUDWIG:

About two days ago I posed a question to the hon. Solicitor General, who is not present. I'd like to relate that question to the hon. Attorney General. It's with reference to the report that a young man in Calgary, a 16 year old, died of inhaling an aerosol vegetable oil sold under the name of Pam. I had requested that the matter be looked into and I wonder whether anything has been done in that regard to date?

MR. LEITCH:

Mr. Speaker, as I understood the hon. member, he said he'd posed the question to the Solicitor General some time ago and was repeating it now. Was that the question?

I have no knowledge of it, Mr. Speaker, but I'd be pleased to look into it.

MR. LUDWIG:

Mr. Speaker, the hon. Solicitor General had indicated that she would look into it but no report was made. I'd like to ask the hon. Premier if he would take it upon himself to see that this matter is looked into immediately and that something is done. This is a matter of some urgency, Mr. Speaker.

MR. LOUGHEED:

Mr. Speaker, we'd be happy to do that.

MR. LUDWIG:

Mr. Speaker, furthermore, I had advised the hon. Solicitor General that this death occurred about four or five days ago, and it's about time something was done.

MR. SPEAKER:

Order please.

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

Heavy Water Manufacture

MR. ANDERSON:

Mr. Speaker, my question is to the Minister of Agriculture. Is the government taking any part in the plan to manufacture heavy water in southern Alberta along with ammonia to be manufactured by Alberta Ammonia Ltd. of Calgary?

DR. HORNER:

Mr. Speaker, I hope the hon. member is aware that the manufacture of ammonia from natural gas is the subject of the amendment the Minister of Industry and Commerce introduced today. In addition to that, any plant producing ammonia has a capacity to produce heavy water.

MR. SPEAKER:

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

Consolidated Cash Investment Fund

MR. WILSON:

Mr. Speaker, I'd like to direct a question to the hon. Provincial Treasurer. What controls, if any, presently exist to ensure that successful bidders for the funds from the Consolidated Cash Investment Fund use the funds in Alberta, or even in Canada?

MR. MINIELY:

Mr. Speaker, I think I've said in the Legislature with respect to public funds - which as far as the government is concerned are managed in terms of their investment for the citizens of the province, other than [in] areas in which the funds are utilized to achieve direct Alberta objectives - the balance of the funds should be invested with the overriding consideration that Albertans are receiving the best return from the investment of those funds.

MR. WILSON:

A supplementary, Mr. Speaker, to the hon. minister. What representation has the minister had from Alberta credit unions regarding accommodating their short-term borrowings?

MR. MINIELY:

Mr. Speaker, I have had a meeting with the representatives of the Credit Union Federation relative to their particular problem and I do have this matter under consideration along with my colleague, the Minister of Agriculture.

MR. WILSON:

A supplementary, Mr. Speaker. Has the minister considered changes which would facilitate credit union borrowing from the Consolidated Cash Investment Fund?

MR. MINIELY:

Mr. Speaker, I have not made any decision on the matter as yet. I will have to have further consideration and examination of it that before making a decision.

MR. SPEAKER:

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

Calgary Housing Authority - Missing Funds

MR. HO LEM:

Mr. Speaker, in the absence of the Minister of Municipal Affairs I would like to direct this question regarding missing public funds to the hon. Premier. I am referring, Mr. Premier, to the recent discovery of moneys missing from the Calgary Housing Authority account. My question is: could the Premier advise whether a report has been received from the appropriate authorities in this regard?

MR. LOUGHEED:

Mr. Speaker, I'm not sure whether that has anything to do with the jurisdiction of the minister. Perhaps the hon. member could elaborate?

MR. HO LEM:

Well, Mr. Speaker, I understand that the Calgary Housing Authority certainly has some relationship or communication with the Minister of Municipal Affairs under the Alberta housing authority.

MR. LOUGHEED:

Mr. Speaker, it's my understanding of matters raised in the question period that they have to pertain to the responsibility and jurisdiction of the minister.

MR. SPEAKER:

Obviously if the question does not relate to the hon. minister's official duties or functions, it's ruled out by 171 of Beauchesne.

The hon. Member for Vermilion-Viking followed by the hon. Member for Little Bow.

Closure of Schools

MR. COOPER:

Mr. Speaker, my question is directed to the hon. Minister of Education. Is it necessary for a county school committee to receive the permission of the minister in order to close a school within the county?

MR. HYNDMAN:

Mr. Speaker, that matter is covered in quite some detail under the regulations. Essentially, it relates to the question of the amount of outstanding debenture debt that may or may not be available. But if there is a decision or a tentative decision by a board to close schools and purport to centralize, that is a matter solely within the discretion of the local county council or other school jurisdiction.

MR. COOPER:

Supplemental, Mr. Speaker. Would the hon. minister use his powers of persuasion with county school officials when the school in question is a chief factor in the continued existence of the hamlet in which several small businesses are located?

MR. HYNDMAN:

Mr. Speaker, the small school jurisdiction grant, this unique program which we introduced, I think, two or three weeks ago, may be of assistance there. I think essentially it's the obligation and should be an objective of the local residents there - and the hon. member who asked the question - to talk to the councillors and insofar as they are locally elected people, persuade them as to the rightness or wrongness of their ways.

MR. SPEAKER:

I misread a signal from an hon. member. The next is the hon. Member for Clover Bar.

Dow-Dome Project

DR. BUCK:

Mr. Speaker, I would like to address a question to the hon. Premier, on the announcement he just made. This affects the people in my constituency with the Dow-Dome project. I don't have a copy of the news report. I just missed the point on what the Dow-Dome project hinges on. What are the things that it hinges upon?

MR. LOUGHEED:

Mr. Speaker, perhaps if I could - and I realize the complexity of the statement and the difficulty that hon. members would have - so if I could, Mr. Speaker, with your permission, specifically refer to the wording because it is important.

The hon. member in his questions referred to conditions. It was "condition" - singular. There is one condition. We take the view that the Dow-Dome project, and particularly the Dome operation, certainly provides a creation of jobs factor in the province. We are prepared to assure them continuity of supply with regard to ethane

feedstock. But we are concerned about the fact that if one-half of the production proposed for the ethylene plant is sent by pipeline to a non-competitive market in the United States - non-competitive in the sense that it will be absorbed in the eastern United States and hence, in no way competitive with other Alberta based ethane plants or the petrochemical market in Canada - because of the recent proposed move by the federal government in having the National Energy Board license the export of ethylene and by the proposed export-import act controlling the processing in Canada, it might be possible for the federal government, after the plant has been constructed and the pipeline constructed, to divert that ethylene from the export market into Sarnia in direct competition with the Alberta Gas Trunk Line-CIL complex, for example. We feel that as a condition of our continued support by Dow, we do not find that a tolerable position in the Alberta public interest.

So what we look to is an undertaking and assurances from the federal government that they will see that, if at any time the federal government feels it's not in the Canadian public interest to continue to export that ethylene, that pipeline economies' economics aside, they will see that that ethylene is upgraded, not in Sarnia, but in Alberta.

DR. BUCK:

A supplementary, Mr. Speaker. Just to make sure that I am clear on this point, will that mean that the project will be hung up until after there is a new government to make policy?

MR. LOUGHEED:

Mr. Speaker, that's a difficult question and I think the answer would have to be affirmative. We're under under a 60-day period - and I recognize the financial commitment and investment involved with Dow - that it may be that meetings are taking place by officials as early, I believe, as tomorrow. It may be that as a result of those meetings there will be an approach made which may make it possible to accelerate that, so if the hon. member wishes to raise the matter early next week we may have something further to report.

But I do think it is important to understand - if I might just elaborate slightly, Mr. Speaker - that the Dow project involves essentially first-stage processing of ethylene. From then on, it is shipped out with the exception of one-quarter of the production that goes into the derivatives. That is not nearly the same degree of upgrading and processing that is contemplated by the Alberta Gas Trunk Line-CIL project. And that is why that project, the Alberta Gas Trunk Line-CIL project, has priority endorsement by the Alberta government.

But I wouldn't want it to mean that if the condition is met we would not support the Dow project in Alberta.

MR. DRAIN:

A supplementary on the same subject, Mr. Speaker, to the hon. Premier. In the Premier's view, is the protective tariff structure amiable to petrochemical development in Alberta to the extent of overcoming the freight differential that presently exists?

MR. SPEAKER:

The hon. member is clearly asking a question of opinion. Perhaps it could be rephrased in some way to relate to an official government function.

MR. DRAIN:

Does the Premier view the present protective tariff structure as an amiable environment for the development of a petrochemical industry in western Canada?

MR. LOUGHEED:

Mr. Speaker, the answer is no. Despite the Canadian market potential, we face a situation of some considerable demand in the United States and there is a very natural market for Alberta petrochemicals, particularly in the Pacific northwest of the United States. However, the tariff situation that exists there and the prospects for changing that are such that, due to the very large investment involved in building these petrochemical plants, it's difficult for an investor to consider that it would be a reasonable risk to build these plants which are dependent upon the export market to survive, in Alberta, because of the tariff barriers faced, both in the northwestern United States and in Japan.

I suppose when the hon. member has a chance to read the Prime Minister's reply it may be implicit, the hon. member will realize, that the nature of the Prime Minister's reply is perhaps the feeling that the Canadian market, in terms of its existence, its growth and

its potential for export, does provide [for] all these three projects to go ahead at the same time.

Frankly, our assessment is that that is not so. But we await further discussions with the officials of the federal government on the issue.

Calgary Housing Authority - Missing Funds (Cont.)

MR. HO LEM:

Mr. Speaker, on a point of privilege, regarding your ruling of my question. Is not the Calgary Housing Authority a Crown agency operating under the portfolio of the Minister of Municipal Affairs?

SOME HON. MEMBERS:

Agreed.

MR. SPEAKER:

That may be so. If the minister has a direct responsibility in relation to the subject matter of the question then, of course, it would be in order. If it's a function of an independent body with respect to which the minister has no direct responsibility, then we're getting into a doubtful area.

ORDERS OF THE DAY

WRITTEN QUESTIONS

177. Mr. Ludwig asked the government the following question:

How many convictions were there for impaired driving and what were the total fines paid for said convictions, during the period of time between December 31, 1964 and May 1, 1974, in,

- (a) The City of Calgary, Alberta,
- (b) The City of Edmonton, Alberta?

MR. LEITCH:

Mr. Speaker, the form of Question No. 177 poses some difficulties. I thought I might outline them and perhaps the hon. member who has placed it on the Order Paper might then consider withdrawing and restructuring the question.

MR. LUDWIG:

In the event we should want to discuss it, could the hon. minister move that it be made a motion for a return and we can then discuss it because I thought questions were not debatable.

MR. SPEAKER:

Perhaps the hon. member is under a misapprehension. The consent of a minister makes the question an order for a return, not a motion for a return. If it is to be converted to a motion for a return it would have to go through the usual procedures.

MR. LUDWIG:

Mr. Speaker, I thought in order that the hon. minister wanted to debate whether the question should be accepted - he wanted to debate it and I felt that questions were not debatable. If we want to debate it, let somebody move that it be made a motion for a return and we can debate it. That's my point.

MR. LEITCH:

Mr. Speaker, I certainly didn't propose to debate the question. I thought I would merely call to the hon. member's attention the difficulties it posed in its present form

and ascertain whether there wasn't a form in which his request could be met. In its present form, Mr. Speaker, I have to reject it.

MR. LUDWIG:

Mr. Speaker, the question is certainly clear ...

SOME HON. MEMBERS:

Order, order.

MR. LUDWIG:

Well, I don't want the question rejected and you just gave the minister a chance to say why he should reject it. I want it answered. It's a proper question.

MR. SPEAKER:

This is not the appropriate occasion for either the minister or the hon. member to debate the acceptability of the question. I would respectfully suggest that a practical way in which the hon. member might deal with the matter is perhaps to discuss it privately with the hon. minister. If he has difficulty in that direction, perhaps he could put the matter on the Order Paper in another way.

MR. LUDWIG:

Mr. Speaker, I did attempt to put it on the Order Paper in another way, as a motion for a return, but I'm stating that if the minister says he can't accept the question in this particular form, would he give me some reason. After all, he's being vague - he just said it shouldn't be accepted.

MR. LEITCH:

Mr. Speaker, that's what I was trying to do until the hon. member arose and took his usual procedural objections. Now if he had just been patient and listened for 30 seconds he would have gotten all that.

MR. LUDWIG:

Mr. Speaker, I'm still waiting for the minister. He can speak as long as he likes. Let's hear what the reasons are now. We're sort of left up in the air on this, Mr. Speaker.

MR. SPEAKER:

My understanding of the matter is that the hon. minister attempted to make a suggestion to the hon. member as to a form in which the question might be acceptable, and that the hon. member rejected that initiated by the hon. minister.

If that's a misunderstanding and the hon. member now wishes to give the hon. minister that opportunity, with leave of the Assembly, perhaps we might proceed on that basis.

MR. LUDWIG:

Mr. Speaker, I will gladly give the hon. minister a chance to say anything he likes and I'd also like the chance to respond if I may. Is that ...

AN HON. MEMBER:

Read Beauchesne.

MR. SPEAKER:

If we're going to be in the area of debate, I would suggest we proceed to the next question.

MR. LUDWIG:

Mr. Speaker, I will not respond. Let the minister tell us why that question isn't acceptable to him in its present form.

AN HON. MEMBER:

No, no.

MR. LUDWIG:

Well, it's your House, not mine.

AN HON. MEMBER:

No, no. It's too late.

MR. LEITCH:

Mr. Speaker, I would like to help the hon. member ...

MR. LUDWIG:

Help yourself.

MR. LEITCH:

... and I will now endeavour to do so, although his attitude makes that normally a very difficult task.

Mr. Speaker, the question asked for statistics on impaired driving convictions from December 31, 1964 to May 1, 1974. We have the statistics on a computer starting in 1971 entirely, and in part, starting in 1969. So we could gather the information he requests relatively easily for the period, certainly back to January 1, 1971, and likely back to January 1, 1969. But to gather it for an earlier time would involve manually going through perhaps as many as a million charges, or it's approaching a million - several hundred thousand a year. For that reason, Mr. Speaker, I would be bound to reject the question in that form. But certainly we can get this information for a period back to 1971, perhaps back to 1969.

The one other difficulty, Mr. Speaker, is that I wasn't entirely clear whether the hon. member wanted just the impaired driving convictions or the care and control convictions which were included in the same section under a section in the old code and are now included in the same section, the amendments. So I'm not clear whether he wants us to sort out the charges under that section which were for impaired driving or the charges under that section which were for having care and control of a vehicle while impaired.

MR. LUDWIG:

Mr. Speaker, I'll meet with the hon. Attorney General and explain what I want. He obviously can't understand what's there ...

MR. SPEAKER:

Order please. Order please.

MR. LUDWIG:

I'll draw pictures for him. He can understand that.

181. Mr. Barton asked the government the following question:

1. How many grants were given by the provincial government, its boards and agencies, towards the construction of arenas in High Level and Valleyview?
2. What are the sources of each grant?
3. What are the amounts of each grant?

DR. HORNER:

We'll accept the question, Mr. Speaker.

182. Mr. Dixon asked the government the following question:

Regarding Sessional Paper No. 120, May 14, 1974:

1. What are the purposes and the amounts of remuneration paid or to be paid under each of the 133 individual contracts awarded under Section 46 and 47 of The Public Service Act?

2. What is the address of each person of the 133 contracts awarded named in the return?

DR. HOHOL:

We accept the question, Mr. Speaker.

MOTIONS FOR A RETURN

179. Mr. Clark proposed the following motion to the Assembly:

That an Order of the Assembly do issue for a Return showing:

A list of all studies which the Department of Manpower and Labour and the Department of Advanced Education and any other government agency or commission have done, either separately or collectively, on manpower needs in Alberta since 1972, and copies of all said reports which have been completed.

MR. TAYLOR:

Mr. Speaker, on behalf of Mr. Clark, I move Motion No. 179.

DR. HOHOL:

Mr. Speaker, the government accepts Motion for a Return No. 179.

[The motion was carried.]

180. Mr. Taylor proposed the following motion to the Assembly:

That an Order of the Assembly do issue for a Return showing:

1. The avenues that the government is using to monitor prices of farm machinery in Alberta;
2. A copy of the contract that the government has completed with Unifarm.

MR. TAYLOR:

Mr. Speaker, I move Motion for a Return No. 180 standing in my name on the Order Paper.

DR. HORNER:

That's agreeable, Mr. Speaker.

[The motion was carried.]

MOTIONS OTHER THAN GOVERNMENT MOTIONS

1. Mr. Wilson proposed the following motion to the Assembly:

Be it resolved that the Government of Alberta facilitate rather than discourage the establishment of a Christian College at one of the Alberta universities.

[Mr. Diachuk in the Chair]

MR. WILSON:

Mr. Speaker, I am satisfied from studies I have seen and work which has been done by various organizations and individuals throughout Alberta that a case has been made for the need for a non-denominational Christian college on the campus of an existing university in Alberta, with recognized credit affiliation.

Mr. Speaker, it seems to me that in recent years the Christian College Association of Alberta has been the prime mover of such an institution and I would like to spend a little time referring to some of their material.

But first of all I would like to say that I understand that perhaps the wording of the resolution is distasteful to some hon. members of the Legislature. I would like to add it is not my intention to alienate anyone and if the wording of the resolution is in any way unpalatable or unsatisfactory and they would like to change the wording to a more acceptable form, Mr. Speaker, I certainly would have no quarrel with that. Because the principle contained within the resolution, that there is and should be established in Alberta a Christian college of a non-denominational nature, I think is what we would like to put forward. Perhaps we could have a free expression on the principle by all hon. members who are interested in participating, Mr. Speaker. I would not want to get the debate hung up on any side issues of any kind.

Also, Mr. Speaker, last Friday when we were debating the budget estimates of the Department of Advanced Education, the hon. Minister of Advanced Education and I contributed a few thoughts and opinions. I think I would like to comment briefly on a couple of statements the hon. Minister of Advanced Education made, just to try to clarify the ground we both stand on and [so] we both have a clear understanding. I believe the hon. minister at that time said the Christian College Association of Alberta was not, in fact, an interdenominational association. It could well be that the hon. minister's expression "interdenominational" and my expression "non-denominational" might have become confused in the uses to which we each put those terms. I would like to continue to use the expression "non-denominational" in describing the type of facility for which I think there is a need in Alberta.

The minister also said the people who form the Christian College Association of Alberta are members of a specific religious denomination. Then the minister went on to advise that the other existing private colleges in Alberta were interdenominational. But I believe that at that stage of the debate, Mr. Speaker, he was referring to student backgrounds, to the backgrounds of the students prior to coming to those colleges and not to the brand of religion that was being taught at those colleges.

Perhaps when we get back into the estimates of the Department of Advanced Education, the minister would be able to set the record straight on his understanding of those situations. Because I am convinced, Mr. Speaker, that the Christian College Association of Alberta is desirous of establishing a Christian college which does not teach students any particular brand or denomination of Christianity. If their submission were approved, Mr. Speaker, I think that would be a first in Alberta.

Mr. Speaker, it is my understanding the make-up of the Christian College Association of Alberta includes not only members of the Christian Reform Church but members of the United Church, the Roman Catholic Church, the Presbyterian Church and several others. Their provincial board of directors is made up of representatives from eight different denominations in Alberta, so it is not strictly a church-sponsored organization.

Mr. Speaker, I think there are several reasons for a Christian college in Alberta. I won't get into many aspects of those reasons. As a matter of fact, I would like to keep my remarks very short because I understand there are several members on both sides of the House who would like to participate, in the short time available to us today. We do find there are several students attending colleges in the United States because there isn't a non-denominational Christian college available in Alberta to satisfy their needs. Thus we are putting students to the expense of going to colleges in the United States when their preference would be to remain in Alberta if at all possible.

Mr. Speaker, in reviewing the work done by the Christian College Association I also find they have prepared several documents and briefs. Frankly I am impressed with the amount of work and expense they have gone to in presenting their case. We find they have prepared policy papers and background information. It has obviously taken considerable time and research.

One of their policy papers further states that the Christian College Association is not a church-sponsored organization. I think that's an important point we should keep in consideration. Also, Mr. Speaker, we find they have gone into extensive research in establishing a recommended committee structure which, I think, is certainly important and shows they have looked at their proposal to establish such a college in Alberta in depth.

We find they have a policy position on trustee development and I find that it is, Mr. Speaker, of considerable interest and has what I feel are some very innovative concepts which would certainly be of benefit if the college were allowed or encouraged to proceed in Alberta. We also find that they have done extensive research in regard to the book, A Choice of Futures, and the Christian college approach. The visions of the Worth report and that of the Christian College Association of Alberta support and reinforce each other in many areas. That policy paper is of considerable interest should any hon. members wish to pursue it, Mr. Speaker.

Mr. Speaker, I think what I would like to do now is just reiterate that I feel there is a need for a non-denominational Christian college in Alberta, sponsored by a non-denominational organization, if you please, and we have such a case presently existing in

Alberta. If there are some minor points which need to be ironed out to make the proposal acceptable to the government or to any of the existing universities in Alberta, I think it would be in the interest of all Albertans to see that those adjustments are negotiated and that we do end up, hopefully in 1975, with a Christian college on a campus teaching from a Christian viewpoint [but] of no particular denominational philosophy, with credit affiliation in the province of Alberta.

MR. GRUENWALD:

Mr. Speaker, I'd like to make a few remarks on this motion and clarify what I would see as my position as far as the functions and guidelines that a Christian college would or could or should come under if established in the province of Alberta.

In general I would support the motion and I think it should be supported only if we should draw attention, Mr. Speaker, to the need for a greater choice in our educational system and certainly a more complete education for students who are attending our universities. I think we must do what we can to achieve equality of educational opportunity with the extension of Christian schools for those who would desire it and to provide alternative methods of achieving specific educational goals. I think these choices are important. I believe, though, to add to what the former speaker has just indicated, that a clear and effective statement of the philosophy of a Christian college as proposed is desirable if not essential.

I think it is safe to say that the development of Christian or denominational schools in the past, no matter where they have been, was animated principally because of a concern to ensure that students would be schooled in an environment which reflected the thinking of certain religious denominations. This was true in the past. Also [it was] to provide a means of counteracting the more secular orientations of a system which, to some, had little to offer as far as Christian values were concerned. Those people, very much in the minority, but certainly dedicated and prepared to make considerable personal sacrifices in order to attain their goals, certainly had hoped for a system that was unique. It was designed to be distinct in character and noticeably different from its counterparts, in particular as pertains to curriculum and to instruction and presentation. At the same time, hopefully, it would be worthy of universal support. True, they tended to serve a clientele which was usually in a minority, both ethnically and linguistically, and of course whose economic and politic resources were limited, to say the very least.

In considering the objectives of a Christian college, I would hope that its ultimate purpose would not be to indoctrinate any particular denomination, as has been stated, but to develop a Christian attitude amongst students along with their education which we hope would be as complete as possible. There are no less than three different concepts I have read about and heard about from time to time that have been taken regarding the goals and purposes of Christian education or Christian colleges, whichever you want to call it. The moralists always had a position. The intellectualists had a position and what they call the 'integralists' had a position.

The moralist's position would be fulfilled or satisfied if a student or a person practised the concepts of his religion without really knowing the reasons behind those concepts. But of course the moralist certainly would be more than pleased if the student or the person knew the foundation of those concepts. To me this seems insufficient and I would suppose, on the other hand, that it was a means to an end.

Then there was the intellectualist's position. He felt his needs would be filled if the person grasped the teachings of the faith or the denomination, even though he didn't practise them. In other words, he thought such a student could come off with very excellent grades in theology and things like that but still not be a very good Christian. I hope and I am sure that that would not be the concept of the Christian college.

Then there was what I called the 'integralist' position. That would be fulfilled only if a student understood, acted and cared enough about his religion or Christianity and the rest of the school as well. In other words, he would be required to know it and to live it. This seemed important. This would include, of course, social advancement, instruction in subjects of education for citizenship and the whole gamut of education.

But I think the important thing about it is that choices must be available. I think this is very basic and it's very fundamental. Naturally this freedom of choice always carries with it the responsibility of people and the risk of some people making wrong decisions. But in spite of that, I think no one should deny a student the right to have a choice. Sometimes it is difficult to sit back and watch young people trying to make these decisions and being concerned about the possibility of a wrong decision being made. But interfering with them or not permitting the opportunity to make these decisions is even worse. So if a Christian college can be an institution of some authority, some respect and some higher values, and if it can have an effect on our total environment rather than just fatalistically accepting it, then surely the concept should be worth supporting.

I think it must be recognized that being a good Christian is important. Values, of course, are important. But there are also other things that are very important. I think some of the basic things that must come forward, particularly from our post-secondary institutions today - if this concept, the allowing on our campuses of Christian colleges, as asked for, would facilitate other things that happen every day, then it would be worth while.

In other words, Mr. Speaker, it's high time we had our students realizing that when they come out of a college or go to work or no matter what they do, one of the most important and the first things that they must do is to establish their credibility. After all, until such credibility has been established, no matter how they approach life, no one is really going to pay a great deal of attention to them. This is a type of value and a type of general judgment that I think has to be made. Nevertheless, I think most people would agree that credibility must first of all be established. I think you can look around this Legislature or anywhere you want to look, the people who have established credibility get listened to. Those who have less credibility don't get listened to very carefully. This is true of life.

MR. WILSON:

We're listening, Rick.

MR. GRUENWALD:

I think also it's important that emphasis be placed on the attitude of people coming out of university, that they not adopt the here I am, come and get me attitude, because they just aren't going to come and get them.

I think also it's important to recognize and realize that all the academic training in the world isn't going to help them that much unless it's a proper application of that academic training which, in a couple of very simple words, means the use of some common sense. It's pretty hard to get along without as a matter of fact. It's also important, I think, that we make the point that our students, when coming out of school, realize the value of productivity, productivity in an economic sense. A lot of young people don't like to hear this referred to anymore. They think it isn't important that they have to produce - just quality of life is important and doing the things that they want to do and letting someone else worry. Paying for it is important.

I'd say it's a fact that a certain amount of goods and services just must be produced. It's important that they have bread on the table, that they have clothes on their backs, that they have a place to live and all these things. I think it's up to them to see that those things are provided for. Also, it's pretty important that they address their minds to that type of productivity rather than to whether it's better to live off unemployment insurance or welfare or any type of government handout. Too many of them are available today.

I think we should point out that this business of welfare and unemployment insurance and government handouts is for the sick and the disabled and the extremely unfortunate, not for a bunch of big, lazy lunks who just don't want to work, who would prefer not to go across the street or to the next town or to do some job that might get their hands dirty or their clothes dusty. That isn't what those things are for. I think that work should be looked on as a blessing as well as an obligation.

If they were wise and if they would just think about it, they should just thank the good Lord that they have something to do and that they are able to do it. It's not the job of an educational institution to destroy the work ethic, much of which is happening today. Too, I think that the students and people in universities and colleges have to be taught that they have to make decisions, because decisions are something that are with them all the time.

It's a constant series of choices and decisions that people are faced with today. It involves change; it creates change. But it has a tremendous effect on their lives because, you know, if they want to live a life of their own which is meaningful to them, certainly the choices and decisions they make are going to have a very profound effect on them and are going to tell us a great deal about those people. The kinds of choices and the kinds of decisions they make will certainly tell you the kind of people they are. I would hope that the types of values I have been talking about would be imparted to kids in the universities and colleges. If a Christian college - if, you know, there was someone there to teach these types of values, I think it is pretty important that we have a good look at it.

Now, it's also important, if they are going to make these changes that I've been talking about, that they be prepared to cope with change. Change is probably one of the most constant things we have in our lives. It's with us always. If you can't roll with the punch, if you can't cope with change, of course you are going to be in real trouble.

I think, too, it's important that we try to indicate and make known to people in university, and I refer to them because we are talking about colleges, that they must respect others for what they believe and what they stand for. Everyone has something of value to offer if we just allow him to do that.

Also, if we want to have a world that is nice to live in and not get into a situation like we've just read [about] the other day in Egypt where all these kids were held hostage and killed - you know, it makes you ill - don't you think it is pretty important that we try to counteract that kind of thing, and to create the greatest possible friendship and happiness amongst people. Isn't it pretty important that we look on happiness much as we do wealth; that we shouldn't consume it without trying to produce some. I think one is just as important as the other.

So if some of these fundamentals of everyday living can be accelerated, I would say that we were doing a lot for some of our young people. And if a different type of education, some more choices, will provide these types of things, Mr. Speaker, I'd say let's go for it.

MR. R. SPEAKER:

Mr. Speaker, I would like to make one or two comments in support of this resolution. Certainly I feel that a non-denominational college such as this can add a lot to the educational process and [to] understanding in Alberta. But I don't want to re-give the arguments of my two colleagues. I would like to touch on two basic points.

One, that such a college could give us a broader understanding, and secondly, a broader opportunity for our young people in Alberta. When a young person has the opportunity to discuss various approaches to Christian life, I think that is certainly an understanding in itself, not only for that particular purpose, but for the purpose of understanding on a broader basis community living, social and economic and various other aspects. To me it is very important for young people to have the opportunity to decide, to weigh, to consider and to make their own decisions about their own commitments and personal directions in life.

In the other area of broader opportunity, I've always felt that it is most important that the parent and the child have the opportunity of making the decision with regard to the educational process for themselves, either the parent or the child, whatever the case may be. I feel that this is one area where we have certainly had a vacuum in the province of Alberta. This opportunity has not existed in its truest form or in its broadest possible form.

I think that if we can move ahead in the area of a Christian college, as outlined and as presented to us, young people will have an opportunity to make a choice to be confronted by various knowledges and understanding. In a way this would certainly bring about the desire of many parents across the province of Alberta - many I have talked to - particularly in this time of values which they question and don't quite understand.

We all can recognize the contribution to our growth of Christians historically in Alberta and in Canada. The college is one specific way we can recognize that contribution.

I must say that I have a number of constituents who are certainly prepared to participate in a college such as this. I can only urge the government to establish this Christian college at one of the universities in Alberta so that they can participate and have an opportunity that is certainly necessary.

MR. YOUNG:

Mr. Speaker, very briefly I would like to offer a few comments on this particular resolution. Apart from some of the wording which really is not essential to the body or the substance of the resolution itself, I'd like to say that in general I'm sympathetic with the idea of religious studies and religious education and Christian education, and the contribution it can make to our society. I am satisfied personally, and I think it is a personal matter, that it makes a contribution to the betterment of our society, especially if, as the hon. Member for Lethbridge [West] mentioned, the philosophy and principles are lived as well as thought of occasionally.

I have a second reason, Mr. Speaker. I believe that the particular reason for sponsoring this resolution is an interest of a particular group of citizens who are quite well represented in my constituency. I'm not sure if there are more of this particular Christian persuasion in my constituency than in any other, but I must have the responsibility of representing a good proportion.

Mr. Speaker, I'd like to say that two items of the proposition which has been advanced by the Christian College Association of Alberta have given me some pause. I say that in order that the Christian College Association might better appreciate how I view their

requests. I have read, I believe, all their material carefully once, twice and some of it more than that.

The first, Mr. Speaker, is the matter of whether the proposed college is, in fact, denominational or non-denominational as suggested. A considerable argument has been made that it will be different from some of the colleges which exist in Alberta today, the Lutheran college et cetera.

Mr. Speaker, I would draw the hon. members' attention to a question and answer [brochure] distributed by that association, and in particular to question 20 in that brochure. I would like to quote from the answer provided to that question. The question itself is, "Who will support the college?" They say in response:

This may include people of various church backgrounds and theological convictions, since Christian education is not intended to be sectarian and exclusive. The governing body of the college and the faculty shall have a Reformed Christian world-view (a designation that is not denominationally restrictive). These provisions are spelled out in the Basis and the Statement of Principles of the Constitution of the Association.

Mr. Speaker, I think the argument that this is non-denominational should be looked at rather carefully. With respect to the proponents and the fact that the statement of principles may be acceptable to a number of denominations, the fact of the matter is that, as I read this, to say it is not denominationally restrictive is correct. To say also that it is not denominationally acceptable to very many denominations would be equally correct. I think there is a key issue here.

I would submit, Mr. Speaker, that this point has been demonstrated in some of the argument that has been advanced to us by that association, where they indicate the number of students from Alberta who might be available to attend such a college and the distance they are now going and the price they are paying to attend an institution of their particular choice. In fact, many of them go over 2,000 miles, to about three colleges in all of the United States. I do not mean to belittle the request but rather to put it in its true perspective, that, in fact, the college as proposed would not be acceptable to a wide range of religious denominations.

There was another point I wanted to advance to the attention of the Assembly, Mr. Speaker, if I can find it now. Right.

In a document dated December 1973, again a position paper of the Christian College Association of Alberta, on the first page, it states as follows:

Public education assumes that at best one's personal values are to be added privately to the conclusions of scholarship. In these respects, public education is monolithic - one's choice among public colleges and universities produces no choice of religious perspective or value system.

Mr. Speaker, that is not a correct statement as applied to the Alberta scene. In fact, there are a number of religious colleges in Alberta. The point I make again is to substantiate the position I took with respect to their question 20 and the response to that question. In fact, what is being asked for is a college which would teach certain Christian precepts but from a point of view which would be acceptable to a limited number of persons who would classify themselves as Christians. Mr. Speaker, I think, in fairness, this should be considered.

Finally, Mr. Speaker, I would like to say that I did receive a copy of a petition on a related matter from a number of students now at The University of Alberta. The petition simply indicated their support for religious studies and the growth of that program. Mr. Speaker, this I support. And I am sympathetic to the views of the Christian College Association. But I think it behooves the Christian College Association, as well as others of us who are interested in the concern they express, to examine closely whether there are not some other alternatives that have not been advanced in the proposition before us. It's quite clear, Mr. Speaker, that if we were to satisfy all the different interpretations of Christian belief, theology and practice, we would have to have a very large number of Christian colleges.

Mr. Speaker, I did wish to put my view of this on the record. I support the intent of the group. But while I don't refute their claim that it is non-denominational, I do argue that it is very restrictive in terms of the denominations which would find it acceptable. I think this is important because it does mean that they are for a restricted clientele. I would like to see, and I would like the Christian College Association to consider, if it would not be possible in their striving for a Christian college and an opportunity for Christian teaching at that level, if they could not arrive at some system whereby the main courses which they propose to offer would be acceptable to a much broader and larger number of persons interested in Christian teaching and education than the program would be, as I interpret their literature - and whether at the same time they might not be

able to add as an adjunct to that program, through their own resources, the particular emphasis which they wish to give.

Mr. Speaker, I thank you for the opportunity.

MR. KING:

Mr. Speaker, I too would like to make a few comments with respect to the resolution we have before us. As the hon. member who introduced the resolution properly anticipated, I do have some concern about the wording of it and will return to that in just a moment.

The resolution, in spite of my concern about its wording, does raise some worth-while issues. The question of the ethical context within which the educational function is carried on is an important one for the government, for the parents and for the participants in the educational process. The question of diversity of opportunity in education is an important one for government and for parents. These are two critical issues that have to be considered and I hope we would have some additional discussion of them during the course of this motion.

I would first like to raise some questions. The question of government support for sectarian educational activities is a constantly recurring one, not simply in this province but in all other Canadian provinces and in American states. Should the secular state support the denominational interests of religious groups or the progressive education interests of the Montessori school of education or the Outward Bound schools - whatever might be the case? If you grant that we should support sectarian interests, then an equally important question is, how far should that support be carried? Should it be on a par with the support which is provided to children and young adults within the conventional system? Should it be discounted by some amount? If so, how do you rationalize the discount and how much should it be? That is to say, what should be the level of support, if you presume that it's desirable? How do you justify the higher costs of overhead, administration, infrastructure? And to what extent should these higher costs be met?

I would like, briefly, to state my own position, Mr. Speaker. I believe, first of all, very sincerely in the importance of an ethical context for formal education. I think others have spoken to that, spoken to it well, and I would just like to say that I share that belief. It is impossible - and I think most educators are coming to appreciate that it is impossible - to educate any instructor, any teacher, so that when he or she goes into a classroom situation, they are going to be objective about every aspect of the educational process. I believe in the ethical context.

I believe in providing diversity of opportunity, and I believe, ideally, that the grant should follow the student. But as Mr. Gruenwald can appreciate, that is complex, and another debate. I believe that in any educational environment different perspectives must be presented in an even-handed way. Mr. Benoit will recall that we previously had that debate in this Legislature. I believe that the government may legitimately set certain criteria of achievement.

Mr. Speaker, I am afraid I am not going to have time this afternoon to make all the remarks I would like to make, but before requesting leave to adjourn the debate I would like to introduce an amendment to the resolution so that hon. members can have it during the interim before this motion next comes to the top of the list.

I would like to move that the words "facilitate rather than discourage" be deleted and replaced by the word "consider", so that the resolution, if amended, would read: "Be it resolved that the Government of Alberta consider the establishment of a Christian college at one of the Alberta universities." And I would continue my remarks when next the debate comes up by speaking directly to the amendment.

Mr. Speaker, having introduced the amendment, I would beg leave to adjourn the debate.

MR. DEPUTY SPEAKER:

Is it agreed?

HON. MEMBERS:

Agreed.

PUBLIC BILLS AND ORDERS OTHER THAN GOVERNMENT ORDERS

Bill No. 210 The Legislative Assembly Amendment Act

MR. HYNDMAN:

Mr. Speaker, Mr. Purdy is unavoidably absent from the House this afternoon. Therefore, on his behalf, I'd like to ask leave of the House to proceed to Bill No. 205 and to have Mr. Purdy's bill, No. 210, remain on the Order Paper and retain its place on the Order Paper.

MR. HENDERSON:

Just speaking to the motion made by the Government House Leader, Mr. Purdy contacted me yesterday and asked me if I was prepared to proceed, and I said, yes, I was prepared to support such a motion. It's also my understanding that the Member for Spirit River-Fairview concurred with the suggestion, as did the Leader of the Opposition. But I can't speak for the Leader of the Opposition.

MR. WILSON:

Mr. Speaker, I'm just wondering if the hon. Government House Leader would advise us if we could regard this as a precedent for future similar situations?

MR. HYNDMAN:

I think, Mr. Speaker, it has been done on a number of occasions. I think where there is a specific request, unanimously agreed to by the House, to have an item stand on the Order Paper, this can certainly be done. The Legislature is its own master in terms of abridging the rules from time to time.

MR. HENDERSON:

Usually that arrangement has been accepted by the House when it has been by prior arrangement.

MR. DEPUTY SPEAKER:

Is it therefore agreed unanimously that the bill remain on the Order Paper?

HON. MEMBERS:

Agreed.

Bill No. 205 An Act to amend The Clean Air ActBill No. 206 An Act to amend The Clean Water Act

MR. HENDERSON:

Well, Mr. Speaker, my comments on Bill No. 205 and possibly, Bill No. 206, will be very brief. I think the intent of the bill is self-evident. One either agrees with the principle or disagrees with it.

But proceeding to speak just briefly to the bill, I would beg the indulgence of the House to speak to the two bills simultaneously. Bills No. 205 and 206 are almost identical and it seems somewhat redundant to me to consider them separately. If I could have unanimous leave of the House in that matter, Mr. Speaker ...

MR. DEPUTY SPEAKER:

Does the hon. member have unanimous leave of the House to speak simultaneously on both bills, Bills No. 205 and 206?

HON. MEMBERS:

Agreed.

MR. DEPUTY SPEAKER:

Please continue.

MR. HENDERSON:

It's also my understanding, Mr. Speaker, that with that decision the two bills are being considered simultaneously by everybody in the debate.

Mr. Speaker, the intent of the amendments in Bills No. 205 and 206, I think, is pretty straightforward and simple. I think there have been some concerns expressed in various parts of the province at various times that the Minister of the Environment, in the execution of his responsibilities, often seems to lose sight of the concern that the consequences of some of his actions have on people, and ...

AN HON. MEMBER:

Name them.

MR. HENDERSON:

... I know the position he's in. You know, sometimes you have to look at it as fish vote and people don't, but in actual fact it's the other way around.

I'm not saying this to be critical. He's charged with some pretty serious responsibilities under the act and, I think, in carrying out those responsibilities, has to pursue the legislation rather zealously. So I think we present it with the possibility that the actions of the Department of the Environment in issuing environmental orders to industry could create some serious economic situations in some of the communities in the province. And while, to my knowledge, it hasn't happened yet, I think it's only a matter of time until it does happen. I'm also aware that one of the favorite tactics of an industry which does not wish to comply with reasonable environmental orders - one of the first arguments put up is, of course, that the cost of it will put them out of business.

I can recall [during] my brief time on the Executive Council on the other side of the House, having to write some rather nasty letters back to people who tried such arguments, and telling them that their arguments just didn't hold water. I'm also convinced that it's only a matter of time until there is a miscalculation on that particular argument in trying to resolve an environmental problem with industry, or a particular industry, and the result of an order will shut down an industry. Now in some cases, I think, probably industries are going to be shut down intentionally. But whether it's intentional or unintentional, my concern and, I think, the concern of the members, has to be for the people who might be adversely affected.

I can't imagine in a city such as Edmonton an environmental order on a particular industry or company having a major economic impact. Well, I suppose if it shut down one of the major refineries, that could have pretty serious consequences. But certainly in some of the smaller one-industry towns, an order from the department, which places the company in a serious uneconomic position, could force the company business to close, and the livelihood of a number of people in that community and the whole viability of the community could be seriously affected by it.

The intent of Bills No. 205 and 206, Mr. Speaker, is very simple. It simply would provide provisions in the environmental legislation, The Clean Air Act and The Clean Water Act, that where the environmental consequences of the industry are restricted to the municipality in question and an industry in the community is forced to shut down because of an order of the Environment Department - and the order from the department in the overall scheme of things of environmental management in the province may be quite consistent with government policy, but applied in that particular instance it could have some pretty serious consequences.

Where the environmental problems are confined to the municipality - they don't go beyond the municipality - under such circumstances the electorate should have the prerogative in that particular municipality of having a vote taken on the subject. Where the voters favour having the industry continue in operation, the minister must issue an order rescinding the stop order, or whatever the environmental order is that has forced the industry out of business, and could not reissue a similar or related order for a period of at least two years.

I don't think that is unreasonable. I also suggest it might be to the minister's advantage at some time. Because if he's pushed into the position by a general standard or policy which, applied in a local circumstance, will create this particular problem - and I suggest that the minister could be forced into the situation, even though he doesn't want to do it, where the situation is strictly localized, the environmental consequences are localized - I think it would provide an opportune way of getting the minister off the hook on the issue.

I think the proposition contained in the bills is very simple and straightforward, Mr. Speaker, and one either accepts or rejects the principle of it. It's as simple as that.

MR. TRYNCHY:

Mr. Speaker, in entering the debate, I'd like to offer a few brief comments on some of the things that have occurred in my area, and when I speak of pollution I will refer mostly to Bill No. 205 on clean air.

In my constituency we have a number of gas plants and these are affecting eight farmers in the area, in a valley just east of Whitecourt. The emission from these gas plants seems, in certain weather, to hang in the air and then comes down at a certain time and affects the farmers in a very serious way.

The farmers who have complained to me over the past year - and we've done quite a bit of work with the oil companies, who have been very cooperative and, of course, with the [Department of the] Environment - have lost a number of animals from emphysema. It has been confirmed by the veterinarians that this goes back to pollution in the air.

Now, the thing that bothers me a little is the way Bill No. 205 is worded. It says, under Section 7.1(1)(b) "...pollution relating to the emission control order or stop order is confined within the municipality wherein the plant, structure, thing or industry is located." Now, that's the thing I want to speak on for just a moment or two.

We have a gas plant that's within half mile of the boundary of a LID and a county. It's situated in the northeast corner of the ID. The winds being from the west 99 per cent of the time, it has no effect on anybody in the ID. The people in the county complain, but they can't get to vote on it. They can complain all they want, but according to the bill the plant is in the ID. So there is one thing I just can't follow. I'm sure the hon. Member for Wetaskiwin-Leduc is sincere in what he wants to get across, but there are a few things missing, in my opinion, Mr. Speaker.

The same plant is next to the Athabasca River ...

MR. HENDERSON:

Mr. Speaker, without trying to just give the member static, would he clarify what it is he's talking about voting on?

MR. TRYNCHY:

On the plebiscite.

MR. HENDERSON:

I see.

MR. TRYNCHY:

You can ask for a plebiscite by the people who are affected, but they can only vote in the area where the plant is located.

MR. HENDERSON:

After the plant is shut down?

MR. TRYNCHY:

Yes, yes, after the plant is shut down.

The people in the ID that the plant is located in, and is shut down, don't really care because it's not affecting them. Yet the people in the county, which is a half mile east of the plant, can't get a vote.

MR. HENDERSON:

The bill wouldn't apply then.

MR. TRYNCHY:

The bill wouldn't apply then? Thanks for the clarification.

But the same thing goes with the river stream that flows through the same area ...

AN HCN. MEMBER:

Is that a legal opinion? As him if it's a legal opinion.

MR. TRYNCHY:

The waters from the plant downstream do not affect the people in the ID. They affect the people in the county. Therefore, if it doesn't apply, possibly we're not talking about the same thing.

Another thing I'm not certain on is that if you read Section 7(7) of The Clean Air Act - and I've read it over thoroughly - it states that within 15 days, the plant can request the minister for an inquiry into the stop order. Well now, if this should happen, the plant can apply within, say, two days. Let's say they have a problem. They find out what the problem is, rectify the problem and within two days, they can reapply to the minister and say, we've corrected it, have an inquiry. Within two or three days, the board of inquiry can get to work and have the report back to the minister, and within a week the plant can be operating again.

Under this bill - if I read it correctly - it can wait seven days after the plant is closed. Then you have to wait thirty days for a plebiscite. Then you have to wait another seven days - or you can wait seven days, I should put it in those terms - after the vote is taken before the minister can decide whether he wants to open the plant or not - and we're speaking of a plant. So in total, you've got 44 days. Whereas if you go through the original Clean Air Act that's on the statutes right now, and if you do it the way I imagine the minister would do it, in an inquiry, you could have this all done within a week. So I can't see Bill No. 205 really helping us.

Another thing that disturbs me is that you can't have another stop order for two years if it duplicates the order you had before. Let's say the order was for controlling the emissions of SO₂ or H₂S and they find out it wasn't as dangerous as they thought it was and they let the plant go. For the next two years, this plant could emit all they want of these two emissions beyond the controls and the limits of this act and get away with it because you can't go back for two years. So there again, Mr. Speaker, I don't think it's fair to the people.

[Mr. Speaker in the Chair.]

I would just like to read into Hansard a letter I received last year. This is a short letter from eight farmers. They say:

Dear Sir:

I wish to ask for your help in correcting the air conditions in our area. I believe the air is being polluted (at times) far beyond any level tolerable to human living conditions.

There seem to be two (2) distinct odors here that cause distress:

1. a foul-smelling offensive odor that seems very objectionable to most people.
2. a hard to define odor, or sharp smelling one, that seems to stop the sense of smell and then sharply cuts off breathing. This is the one most people are alarmed about.

Everyone is concerned by the excessive rusting of all unpainted metals; wire, machinery, buildings etc.

All cattlemen are concerned by the increase of white-muscle disease in cattle herds. It seems to be an accepted fact that gas plants, by spewing out thousands of tons of sulphur, have increased the clover and hay yields. But this same sulphur also increases problems with white-muscle disease.

They go on to have this verified by Dr. Cole, veterinarian, Rocky Mountain House, and by an article put out by their veterinary department.

Another problem pointing a finger at the excessive fall-out is the seriously increasing incidence of emphysema which has and is attacking herds all around and also here at home. The losses, although not serious to the national economy, are damned serious to us as farmers.

The general farming opinion is quickly changing from passive acceptance to militant resistance. There is no doubt in my mind that unless our government does something to help us in the near future, we as residents will help ourselves.

It's signed by the eight farmers in question.

MR. LUDWIG:

What's the date of that?

AN HCN. MEMBER:

May 15.

MR. HENDERSON:

I wonder if the hon. member would mind tabling the documents? Then we would have the benefit of the information there.

MR. TRYNCHY:

Mr. Speaker, I would table it at the concurrence of the eight farmers who signed it. I'd like to get their permission.

MR. SPEAKER:

The hon. member may find himself in a difficulty. I think if he reads the letter, he may be required to table it.

MR. TRYNCHY:

It's no problem. I'll table it.

MR. LUDWIG:

What's the date?

MR. TRYNCHY:

The date of the letter? I'll table it and then you can find out for yourself, sir.

MR. LUDWIG:

Are you afraid ... [Inaudible] ...

MR. JAMISON:

You'll have to wait Albert.

MR. TRYNCHY:

Another point I'd like to bring out in this bill, Mr. Speaker, is: let's say we follow along the thinking of this bill and have a closure and a plebiscite in an area such as ID 15, which I'm talking about. The area is vast [but] only eight people are affected. Now let's say this is a serious offence and should be stopped. Yet there are only eight people who will go out and vote to have the plant stopped. Let's say there are 30 or 40 people who work at the plant, and they all live in the ID. They can go and vote and get the plant back in operation very easily. Let's just look at it that way. There again, I just can't follow Bill No. 205. Unless the hon. member can explain it to me a lot more clearly than he has, I just can't see my voting for it.

Thank you.

MR. MCCRAE:

Mr. Speaker, I'd like to offer a few comments on Bill No. 205 and also Bill No. 206. I find generally, Mr. Speaker, that I'm able to agree with the Member for Wetaskiwin-Leduc. I think he offers a lot of sage advice in the House. But Mr. Speaker, I have extreme difficulty in accepting the wisdom of these bills.

Local autonomy, Mr. Speaker, I think is carried to an extreme in these particular bills, An Act to amend The Clean Air Act and An Act to amend The Clean Water Act. I see a number of problems in the bills, and I just can't see them being acceptable to the people of Alberta at large.

The number one problem I have with it, sir, is that it states that in the case of a closure of an industry "the Minister shall" cause a plebiscite and so on to be held. There's no discretion there. It could be a very, very small industry of very little consequence, say, to a major city. There could be a number of industries in the course of a year that have closure orders. Because of that, the minister would be required to run a continuing series of plebiscites which would be a nuisance to the town or to the city at large. I think from that point [of view], Mr. Speaker, it isn't a good bill.

Another problem I have with it, Mr. Speaker, is that I'm not sure in certain circumstances that the majority should have the right to impose their will on the minority. I can envisage a circumstance where a plant is closed down because it violates

the provincial statutory requirements as to pollution controls. Without assessing whether or not the controls are too rigid - the controls are such as they are in the books - if the plant violates those controls and a stop order is issued, it is probably because of some serious health hazard or physical hazard to some thing, some person or buildings or farms or what have you in the area of the plant. Merely because it suits the convenience, financial or otherwise, of the majority of the people who have an opportunity of voting on this thing, merely because it suits their satisfaction, even though it might impose a hazard to the welfare of others, I don't think in that case the minority should have the majority will imposed on them, as long as the pollution control order is based on an infraction of the regulations.

Another problem, Mr. Speaker, with the bills is the question of who the voters might be. I can envisage two or three situations there where the voters affected, who might vote on the question, may not, in fact, be people who are exposed to the problem. That is, we could have workers, say, coming in from one area to work in a plant who are detrimentally affected financially by the closure order, if the plant is closed down. Yet it might be other people in the municipality who are voting on whether or not the plant should be maintained. In other words, the people who are directly affected by the closure may not, in fact, be the people who are going to vote on the question of whether or not the plant will be reopened or maintained.

The other question is, I'm not clear, by just looking at these amendments to the bill, just who voters are. Are they property owners, or are they simply residents of the municipality? I think on that basis, Mr. Speaker, I would also have trouble accepting the bill.

Mr. Speaker, as I said, I generally have no difficulty in agreeing with many of the words of wisdom of the hon. Member for Wetaskiwin-Leduc, but in this particular bill, I think, on the basis of championing local autonomy, he may have gone beyond the bounds of discretion.

So for those reasons, Mr. Speaker, I cannot support this bill.

MR. DRAIN:

Mr. Speaker, just a few brief words. In assessing this particular bill, although generally I can go along with remarks the hon. members have made, there could be a place where this type of bill could be accepted as something that would be strictly in the purview of local interests.

I think you can evaluate pollution from the standpoint of several aspects. There is the visual one which is an affront to the eye; aesthetic, which is an affront to the artistic background; and environmental, which has an adverse effect on the environment; and finally, a health pollution effect.

Now you talk to a cattleman who has a feedlot that is stinking up the countryside, and he's overwhelmed that there is any consideration that this lovely odour that drifts up toward the sky and befouls the atmosphere could be unpleasant because to him it smells of money. For this reason it's acceptable.

Then it may well be that you could look at it from the aspect of - I can think of a poem, I feel poetic today - Kipling said in one of his poems, the sow must return to its wallow and the dog to its vomit again. Really some people haven't got any comprehension as to what other people think of as being pollution. In other words, one man's meat is another man's poison. You have to be educated along the aspect of what pollution consists of.

You know, I can look at a valley which has been logged off and I look in terms of what has been produced and how carefully the operation has been logged, and what has been recovered in the potential for another growth. But someone coming from the city and not understanding what has occurred could well say that here is a case of aesthetic defilement, something that should be prevented, something that should be avoided. But in reality, if the whole picture is assessed, this is not the case.

It is so true, believe me, in this constituency I represent - we have certainly had a tremendous number of aches and pains in the matter of pollution. It is something that hangs like a skeleton in front of the whole constituency at all times and does affect, to a great degree, the livelihood of all the people. Looking at the Pincher Creek situation and what occurred there as a result of the emission of H₂S, how much of it was real pollution and how much it was psychological pollution is difficult to say.

I remember attending a meeting of the health unit and talking to one of the representatives who lived some 50 miles east of the area. He told me that as a result of raising the elevation of the stack he was having great difficulty and felt quite ill because of the emission that was occurring and travelling further through the atmosphere. So I brought the matter up and discussed this with some of the plant personnel and I

discovered that, in fact, the plant had never raised its stack, it had not thus occurred. So this is one example.

A public frenzy is very easy to develop. We had that in this lead poisoning scare we had in Pincher Creek where someone announced that the water contained an exceptionally large amount of lead. It was about .5 parts per million. It upset a lot of people until it was discovered that apple sauce - not apple sauce, I'm talking that now - but canned apple juice has in excess of [.5] parts per million and has been accepted as a standard. But when you say there is lead pollution in the water people become alarmed and they respond. The minister knows about alleged arsenic pollution.

Probably the thing we have been faced with in the Crowsnest Pass for many, many years is coal dust pollution - definitely a very difficult thing to deal with. If coal were diamonds and each one could be gift-wrapped and packed out of the mine and delivered onto a piece of velvet and loaded into the cars and shipped to Japan, we would not have this occurrence. If the west wind would properly conform in the manner that it should and not blow up vast hurricanes of 50 or 60 mile an hour breezes, the coal dust would stay where it's supposed to stay instead of blowing away and thereby creating a tremendous pollution condition. But unfortunately these things don't occur. If the CPR would spot cars when they are supposed to spot cars, and if you could load the coal as it comes off the cleaning plant, you would not be faced with a huge pile of coal in your backyard that blows all over the Pass.

So then how do people face this particular thing? Well in the past we pretty well accepted it as just sort of part of the way of life. Fortunately, I suppose, the processes of civilization have finally reached our area, a little bit late. Anyone who has ever lived in a coal camp or was originally involved in the development of any coal mining area, always had in mind, especially in the era of the vast influx of people from Europe, that they were going to work in the mine for a while, make a large amount of money, go back to the old country, buy a farm and live happily ever after. Unfortunately that was something like the wheat farmer who was going to start out with a quarter section and then develop into 4, 5, 6, 7 sections. Some fellows got a long ways along, but crop failures occurred and the rain did not come and all these particular situations.

But the point I'm trying to make, Mr. Speaker, although it may appear obscure right at the particular moment, is, there is a place where people who live in an area would be prepared to accept this as a natural course of events. Now, my personal thinking, for instance, on a sawdust burner - I love the smell of sawdust burning, I love the smell of wood smoke. For me to consider that this would be something that would be reprehensible, something that would be offensive, I would say this is like perfume, Chanel No. 5, descending and being fed into your nostrils. All of these things are, you know, nice things. I suppose probably it goes back to camping out in the woods and the little campfires and then the vast forest fires we are faced with. Really, I guess the smell of the wood burning in the burners, the sound of the head rigs, the production and all of these things, combined with the sweet odour of pitch from new sawn lumber, all this creates a sort of aromatic perfume which could well be acceptable to a lot of people in a given area but still would be reprehensible and something which could not be enjoyed or acceptable to others who come into the area.

You can even look at a coal pile - it's pretty hard for me to say nice things about a coal pile. The only thing I could say is that it is black. It could well be used as a sombre monument for those who have worked in the industry and departed prematurely in mine accidents and so on. We can look at that and say, this is a hallowed trademark of these people whose lives have been destroyed in industry and this is their memento and tombstone of the future.

Hence, Mr. Speaker, having made these few remarks, I urge the hon. members not to look too close to the ground when they are assessing this masterpiece of legislation.

[Interjections]

Because sometimes, Mr. Speaker, the obscurity of the meetings may lead to a delusion on the greatness which is hidden therein.

Thank you, Mr. Speaker.

MR. HENDERSON:

I wonder if I could ask the hon. member a question? Does he support or oppose the bill?

MR. DRAIN:

Mr. Speaker, in reply to the hon. Member for Wetaskiwin-Leduc, I have given firm assurance that there are great things hidden in this, but they have to be sought out.

MR. HENDERSON:

Mr. Speaker, I don't think the hon. member heard the question. I asked him did he support or oppose the bill?

[Interjections]

MR. YURKO:

Mr. Speaker, I am pleased to get up and speak on this bill. I'd like to make a few points.

The first point I would like to make is the fact that I have always had a great deal of respect for the performance of the hon. Member for Wetaskiwin-Leduc, but I must say this bill hasn't enhanced my respect for the honourable gentleman because I don't really think he has thought it out.

What he has really said - and I might say in talking to some of the members of the department - my understanding is the hon. member was quite vociferous in his support for the stop order idea, in fact, the emission control idea when he was the minister of the Department of the Environment. What he has really said in the bill is that if a plant is shut down, then a plebiscite should be held to decide whether or not that plant should reopen.

Furthermore, the third thing he said was that the minister shall then not issue another stop order for some two years after that episode.

I think it is important to point out - some of the members did point out - that air pollution certainly doesn't respect boundaries and that you can't 'bound' air pollution by saying you're going to refer it to the people within a municipality. I might also say some of our problems are not within municipalities, they are within counties and within IDs. Many of our gas plants are, in fact, in IDs rather than in municipalities.

I would also like to explain that an emission control order doesn't shut a plant down. An emission control order just lays down conditions which have to be met, or which it is suggested be met, by the director of pollution control. The only thing which shuts a plant down is a ministerial order which is really an order issued by the government. It has to have direct sanction and direct signing by the minister himself.

We have issued several stop orders, Mr. Speaker. One was basically to a government department itself to relocate a pipeline. Another one was to Burnco Gravel in Calgary and I think there was a minor one apart from these two. But these things are not issued lightly because the political consequences, as well as the real consequences, are very grave when you issue stop orders. So really it is a government decision in most instances as to whether or not a stop order is issued.

However, there is also appeal from a stop order as has been pointed out. The appeal is, of course, immediate on the part of a company if it is asked to shut down. The appeal is immediate through the MLA to government. It is also immediate through virtually every elected member of government because the appeal is instant to the Premier and to the various members of the cabinet and also to the various MLAs. The company which has had its plant idled simply doesn't sit idle and do nothing. It appeals immediately so that, in fact, in most cases the total government is involved.

The second area of appeal, of course, is to the minister himself. This may not be too effective or he wouldn't have issued the stop order in the first place. But the second area of appeal is to the Environment Conservation Authority.

The Environment Conservation Authority can hold a hearing - and regulations have now been structured with respect to the Environment Conservation Authority holding hearings - so that an almost immediate hearing can be held if it is a critical situation. Then an independent report is put out by the Environment Conservation Authority which goes to government, which must be tabled. As a result, this comes down like the hammer of Thor upon the minister as to whether his judgment was right or not. He has the opportunity to change his decision, to either change the conditions in the stop order or, in fact, rescind the stop order or make some other decision. I might also say the act reads such that when a stop order is issued, that, in fact, the company doesn't have to shut down. It can continue to operate. The minister's only action then - he doesn't have an army or a force to shut that plant down - is to take it to the Supreme Court of Alberta to get the stop order made effective through the Supreme Court of Alberta.

I am just trying to point out there are all sorts of protection now. I would also point out if you read over Section 7, which incidentally relates only to stop orders and not emission control orders, you will note the reasons for issuing a stop order are reasonably well defined. Mostly our problem has been with the fact that a company hasn't obtained a permit or a licence, and as a result it was necessary to issue a stop order.

However, you will find most of the conditions for a stop order are fairly well defined and they are just not issued for frilly purposes.

Also, Mr. Speaker, I might say that apart from where a permit hasn't been obtained or issued, there are always mitigating conditions, almost invariably very highly technical reasons, highly technical conditions. It just seems totally unfounded for anyone to suggest that these highly technical conditions - and sometimes very hazardous reasons - can be adjudicated by private citizens in a municipality. They are so complex in some instances that it is the most difficult task to sort out the reasons.

The justification for a stop order simply cannot be adjudicated by a plebiscite of individual citizens. Political matters can. Health matters - if you read the act, you find the minister can in fact issue a stop order where health is in danger, either human health or property is in danger or, in fact, both. So it's not possible to suggest that the government which has taken over the enormous task of running the province to suddenly abdicate its responsibilities and say this matter can be adjudicated by a plebiscite at a local level of government.

The fact is that the act itself is terribly drafted - it's inaccurately drafted. Second, it's a major abdication of the responsibility of government to a local level of responsibility, and this is just not possible on very highly complex matters, or certainly not advisable; and the fact that stop orders are only issued under the most extreme circumstances and there is ample opportunity for protection with respect to appeal through the various channels; and fourth, the fact that a company doesn't really have to shut down when a stop order is issued, though it is subject to a fine if the stop order is, in fact, substantiated.

Also, the fact that industry has now recognized that environmental considerations are real, that they have to conform with them and that they are in the best interests of protecting, first of all, the health of people and animals, secondly, conserving the resource and thirdly, minimizing the effect on other resources - even to suggest at this time, after three years of education of industry, the public and everybody else - to suggest that we need an amendment like this to the Act, I think borders - well, I was going to use the word foolish, but I'm going to be kind to the honourable gentleman from Wetaskiwin-Leduc.

This amendment to The Clean Air Act and The Clean Water Act is simply not needed at all. It's simply a foolish thing to contemplate at this time and I can only think that the hon. Member for Wetaskiwin-Leduc received some advice from the sage of the Crowsnest area in regard to structuring this bill.

MR. DRAIN:

Point of order, Mr. Speaker. This is really something now. I am very well acquainted with the hon. Member for Wetaskiwin-Leduc. I have endeavoured to advise him [but] he's too bull-headed to listen to me and there's nothing you can do with him.

So whatever canoe he paddles, he takes his own oar and falls into the rapids by himself. Thus far he has not been drowned so I anticipate that he'll carry on, Mr. Speaker.

[Laughter]

MR. YURKO:

I'm not all certain that was a question, Mr. Speaker - a point of order - or in fact, just a series of vibrations that emanate from that particular part of the House. Perhaps that's why I called him the sage of the Crowsnest.

But I think, Mr. Speaker, in light of what I've said, the only conclusion that the House can come to is that this attempted effort to bring in a bill and do something with it before the House should be given the 'heave-ho' at the earliest opportunity.

MR. LUDWIG:

Mr. Speaker, it's very interesting in this Legislature that when we have legislation which perhaps deals with the very reason for our being here, the hon. members opposite can sit there and ignore it and ignore principles. We beg for information from the ministers in the front line. Nothing happens. But when some hon. member on this side brings in an idea for consideration - we know that the other side, Mr. Speaker, is not likely to consider any kind of legislation even though some very good ideas have come from this side. They can shut their minds and sit pat, knowing that their majority will carry them through.

But when we plead for information and plead for some explanation of things that really concern us, ministers will sit pat. Somebody gave them the word and they're mum. When we

get a recommendation from some hon. member who has a problem - perhaps a local problem - they will give it minute examination and the big guns will come forth and say that this is, indeed, not very bright.

I don't think that anyone - if you look at textbooks dealing with legislation there is no one all-knowing and all-seeing, or any group of people, who can draft legislation to cover every possible problem that might arise within a statute. Some of the best draftsmen of legislation have sat and studied something for years and found out that there was something very obviously wrong with it. For an hon. member to raise a situation in this House through a bill - because that's a good vehicle for him to bring an idea to this House - to say there are circumstances where a little bit of local consideration - when their lifeline may be at stake, if they want to live with a problem rather than lose their jobs, then it's a worth-while thing to consider.

Maybe the thing wasn't drafted as wisely as some of the hon. members opposite - I've seen them amend their own legislation within a week and they've got all the legal advice and all the Legislative Counsel's advice and the benefit of experience and the benefit of previous legislation, statutes from other provinces. They can flub it. But they'll all jump on like a pack when some hon. member on this side brings an idea primarily - they'll pick everything possible. Everybody has an ax to grind.

When we have legislation in this House that could wipe [out] the very reason we're here, that could destroy the supremacy of the Legislature, they all sit as if they know everything and they don't need to bother because they're right.

Sometimes ideas don't have to be entirely right but the principle of bringing an idea before the Legislature to be discussed by a member of the Opposition does not mean that he can actually review and study every facet, every ramification of what can happen. He has discharged his responsibility of bringing in an idea of concern. I know that one can easily be positive and say well, if it isn't good we'll make it good. You could be negative and say well, there's a little fly in it, we'll jump on it because we don't want this kind of thing to be brought in. After all, if the minister isn't bringing it in, it can't be much good.

So it's just a point I want to make, Mr. Speaker. I believe the hon. members on this side - and there are a lot of bills brought in by hon. members who just haven't got perhaps - but I'm not referring to the hon. Member for Wetaskiwin-Leduc because he made some tremendously capable contributions in this House ...

MR. HENDERSON:

Hear, hear.

MR. LUDWIG:

... when the hon. members opposite would sit on their hands and say well, we don't hear you, because it's common sense but we're not interested, we've got enough of our own. They invite input but will turn a deaf ear to it. It's interesting how they'll jump on something rather picayune sometimes and try to rip it apart because it's the thing to be done. It might look bad if an Opposition man did push a bill through. It would show that they're not quite as advanced in their thinking as they might think they are.

I'm saying this on principle to a lot of bills. I have introduced several bills that I don't expect to be passed in the form they're in. If I did, I would take a lot more time to prepare them in detail. But I want to debate the principle of the thing. So hon. members who get rather touchy about the fact that it isn't entirely applicable then jump on it.

So, Mr. Speaker, with just that observation I commend all hon. members who bring a bill in here. If it isn't in the best possible language, we could make it better.

Thank you, Mr. Speaker.

MR. HENDERSON:

May I close the debate, Mr. Speaker?

MR. SPEAKER:

May the hon. member close the debate?

HON. MEMBERS:

Agreed.

MR. HENDERSON:

Mr. Speaker, I'm very pleased to hear the comments - at least some of the comments - from the hon. Minister of the Environment. I think he probably straightened out the hon. Member for Whitecourt because obviously the bill has very limited application. That's why it was written that way.

I suggest one of the problems with the gentlemen opposite is that it's a little too profound for them. The member from Calgary who was concerned about the environmental order allowing a condition to continue that was detrimental to health - of course there are Board of Health orders to deal with those problems. So we're not talking about health orders under this particular bill either.

When I heard the comments from the hon. Minister of the Environment about the inability of the average layman to understand such complex issues, it reminds me of one of the campaign planks in the last election. If you gentlemen seated opposite would remember, it was to sell out AGT to private enterprise. Then, I think as the campaign wore on, it got down to a 50 per cent sale of AGT. The Conservative candidate for election in my constituency was asked a question from the floor, for an explanation of this policy. His answer was that it was so brilliant that only Peter Lougheed could understand it. I gather the minister is saying that these issues are so complex that only the hon. Minister of the Environment can understand them.

I don't get too worried about the comments of the hon. Minister of the Environment about the bill being foolish because I recall his remarks along a similar line when legislation was brought into the House to set up the Department of the Environment in the first place. I recall him getting up and saying some very derogatory words about stop orders - what kind of foolish thing is this? So the minister has some peculiar definitions of "foolish" just as I have in that regard.

I must say, Mr. Speaker, that I'm particularly disappointed in the presentation of the hon. Member for Pincher Creek-Crowsnest. Having some knowledge of his constituency, I thought this would be a bill he would be particularly enthusiastic about.

But I suggest, Mr. Speaker, that once again, in closing the debate on the matter, I'm not surprised that the Minister of the Environment doesn't want the local electorate looking over his shoulder and second-guessing him. He's quite right in saying that a stop order doesn't shut down a plant immediately. Of course, anybody who is familiar with the procedure is well aware of that.

Secondly, as far as the question of the time factor and the general application of it, as the minister well knows, many of these issues are complex and it would be a rather difficult situation to try to prove whether the stop order shut down the plant or not. So there would be a lot of soul-searching done, and probably some legal action, in order to establish whether the action of the minister had shut the plant down.

But I still have to suggest, in principle, that in spite of all the administrative machinery that goes on and the complexity of the manner in which the department operates, a situation is going to develop as sure as we are standing here, where the government overshoots the mark and issues an order which eventually shuts a business down or forces it out of business because of environmental standards and requirements.

Where environmental consequences are local in nature and the viability of a community or employment in the particular community are significantly affected, I don't think it is unreasonable to allow the people in that community to express their opinions as to which they prefer - employment with some environmental disadvantages, or unemployment and a nice environment. I think, when it is only their livelihood that is being affected, it is neither unrealistic nor particularly foolish to allow them to make that decision themselves - as opposed to the minister and a number of the bureaucrats in Edmonton sitting down, playing God and making those decisions for them.

MR. SPEAKER:

Having heard the motion for second reading of Bill No. 205, An Act to amend The Clean Air Act, would all those in favour please say aye. Those opposed, please say no.

[The motion was lost.]

MR. SPEAKER:

And having heard the motion for second reading of Bill No. 206, An Act to amend The Clean Water Act, would all those in favour please say aye. Those opposed, please say no.

[The motion was lost.]

Bill No. 203
The Refined Petroleum Products Wholesale Prices Control Act

MR. LEE:

Mr. Speaker, in those last few moments that I had in adjourning debate when this bill was introduced some weeks ago, I reacted to one aspect of the bill which was to the effect that it identified gasoline and other refined petroleum products as public utilities. At that time I expressed the view that, in my view, there are two components to any consideration of a product being identified as a public utility.

First of all, a particular product would have to be identified, in my opinion, as a public necessity - a basic human requirement, one that an individual just couldn't do without and consequently would have to purchase as a necessity. Under the first criterion I, at that time, expressed the view that by no stretch of the imagination could we really identify gasoline as a public utility or as that kind of basic necessity. Granted, there is a great deal of dependence in our society on the automobile and, of course, flowing from that, on gasoline products and upon many of the refined products that are identified in the bill. But still, especially in light of the advances we have, the extensions in public transportation within our cities and rural areas, we can't identify the use of the automobile as a public necessity.

A second component which I did identify [but] didn't elaborate on last time - perhaps I will just take a few minutes at this time to do so - one which I think would have to flow concurrently with the first one is the idea that the price of a product is determined by the competition of the market place. We have seen various products [which are] public necessities placed under the Public Utilities Board for the simple reason that in the market place itself it's not true, competitive pressures that are determining the price. In fact, there is a monopoly position by one company, or a group of companies, and thus the price of the product is not affected by the purchase of the consumer, but by some other monopoly effect.

Having said that, having rejected right from the outset that gasoline and refined petroleum products are not a public utility, I would like to express, though, some concern about the manner in which gasoline and refined products do operate in the market place; I have some real concerns relating to the extent of competition that does occur in the sale mainly of gasoline. But probably this could be extended, if some of the fears I am going to express were to become warranted, to other refined products.

I would like to point out that in the sale of gasoline we are really talking about two market places. We are talking about the wholesale market place in which the price of gasoline is determined by a number of companies, mainly four large companies and identified as a dealer tank wagon price. This dealer tank wagon price is the price at which a company will sell its entire product to the various dealers. There is an exception to this. There is a certain amount of refinery capacity which is in excess to this. In many cases these large companies will sell a certain amount of their gasoline, under a tender kind of situation, to various private brand operators, as an example, Simpson-Sears or Turbo. It would be a private brand company that would purchase its gasoline under a tender kind of competition.

Before I go on to the second market place, I might say that the greatest amount of gasoline that is sold now at the wholesale level is to the franchised outlets of the company itself. So we have a large company that sells most of its gasoline to either its leased outlets or to its franchised outlets which are owned by - there is a very small number owned by the dealers themselves. I would point out that when the greatest majority of gasoline supply is sold to these tied, franchised outlets, then, in fact, there really isn't complete competition. The only competition that really occurs for price at the wholesale level is to those sales to private brand operators.

The second market place, though, that we are talking about in gasoline, and the one I think the hon. member is trying to identify in his bill, is that retail market place for gasoline. The retail market place where each of us drives up to the pumps and see a certain price displayed there - this is perhaps the market place that this bill is referring to.

I might say that I have some real concerns also about some of the competitive pressures in the retail market place. In particular, I would like to reflect some of the concerns that are now being expressed by the Automotive Retailers Association. I would like to state that these are probably becoming more and more of a critical nature.

I am just going to take one particular aspect of this in the next two minutes. This is the situation which is starting to develop in the retail gasoline market place now, where the major companies are going into the direct sale of gasoline themselves, either through their own employee-operated stations or through their subsidiary companies.

I think this has a potentially damaging effect, a potential monopoly effect on the gasoline market. The reason is this. Let's take the situation where one of the large companies decides to open up its own outlet. It opens up its own outlet opposite either one of its own franchised outlets, or opposite some other private brand operator. The situation can be this: this particular major company can now choose to take its profit at either one of two levels. It can take its profit at the retail level, or it can lower its price to meet the competition of this other station. It can lower its price even below the dealer tank wagon price.

In a superficial way this seems to have a short-term positive effect for the purchaser. For those people who purchase gasoline for price alone then it would seem to have a short-term effect. But it's my expression just in closing that this could have a long-term damaging effect if, in fact, this kind of flexibility in competition could wipe out and eliminate other aspects of franchised outlet.

I have other comments I'd like to make on this bill, Mr. Speaker, and I beg leave once again to adjourn the debate.

MR. SPEAKER:

May the hon. member adjourn the debate?

MR. HYNDMAN:

Mr. Speaker, tonight we will continue with committee study of Bill No. 55.

MR. SPEAKER:

The House stands adjourned until 8:00 o'clock this evening.

[Mr. Speaker left the Chair at 5:30 o'clock.]

