

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, May 27, 1974

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF BILLS

Bill No. 228 The Lie Detector Act

MR. WILSON:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 228, The Lie Detector Act.

[Leave being granted, Bill No. 228 was introduced and read a first time.]

INTRODUCTION OF VISITORS

DR. MCCRIMMON:

Mr. Speaker, it's with a great deal of pleasure that I introduce to you and through you to the members of the Assembly, 66 Grade 6 and Grade 9 students from the Bluffton school. They are seated in the public gallery and are accompanied by their teachers Mr. Keith MacDonald and Mrs. Rawji, and by bus drivers, Albert Dreichel and Warren Werner. I'd ask them now to stand and be recognized by the Assembly.

DR. WARRACK:

Mr. Speaker, it's my pleasure today to have the opportunity to introduce to you and through you to the members of the Assembly, Grade 9 students from Three Hills School. There are 19 students. They are accompanied by their teachers, Mr. Dale Jackman and Mrs. Myrna Bauman, and also by their bus driver, Mr. Leo Dumontier. I would appreciate it if they would stand and the members would welcome them to the Assembly.

TABLING RETURNS AND REPORTS

DR. HOHOL:

Mr. Speaker, I should like to table a reply to Written Question No. 167.

MR. MINIELY:

Mr. Speaker, as acting Minister of Telephones and Utilities, I wish to table draft copies of the natural gas rebate regulations.

MINISTERIAL STATEMENTS

Department of Education

MR. HYNDMAN:

Mr. Speaker, I wish to announce a new, schools' Building Quality Restoration Program.

This new program, which was drawn up in response to inquiries the department made to some 143 school boards, will enable existing schools to be updated, improved and modernized. The program also reflects other provincial policies regarding better use of existing school facilities, rural natural gas extension, energy conservation and fire safety.

The continuing usefulness of many structurally sound, older schools will be assisted by replacement or upgrading of parts of the buildings that are obsolescent or in a state of deterioration. For example, under this new program, school boards should be able to increase the pupil utilization of already-built schools in their systems and this will decrease the need for new pupil spaces in the various school systems. It will enable rural schools to be more easily hooked up to natural gas. Support will be provided for changes to school lighting systems, so lights in the schools can be turned on and off selectively, rather than in banks. Renovations required as a result of recommendations of provincial and municipal fire inspectors will be assisted for the first time.

One new feature: the province will pay the full cost of converting an existing commercial or private building to school use. Financing of the new projects will be streamlined. The program becomes effective in June of this year, applications to be processed by September 30. Most of the renovation work will take place starting this fall and in 1975.

Very shortly, school boards throughout the province will receive details of this very helpful new school building assistance program.

Department of Culture, Youth and Recreation

MR. SCHMID:

Mr. Speaker, some time ago the hon. Premier announced that the Alberta government, under a matching dollar program, would be giving assistance to organizations involved in international aid for the hungry and underprivileged.

Today it is my pleasure, on behalf of the cabinet committee for international aid, made up of the Hon. Dr. Horner, the Hon. Jim Foster, the Hon. Bill Yurko and myself, to announce the first international projects approved.

Provincial participation in these projects will consist of loaned personnel, food, machinery and other goods, and cash. Following are the approved projects:

The Canadian Save the Children Fund will receive \$28,000 toward a day-care community centre to serve families in the slum quarters of Erzurum, Turkey. Facilities will include play areas and a kitchen, and programs will include training in child care, nutrition and sanitation.

Oxfam of Canada will get an \$11,250 contribution toward three projects: a nutrition project in Senegal, a food-for-work program for tribesmen in Ethiopia, and an instructional program for officials from six North African countries.

The Canadian UNICEF committee will receive \$80,565 of aid, of which \$26,855 will be cash for a child feeding program in famine-stricken Ethiopia. Non-cash assistance will include 500 tons of Alberta wheat.

The Canada Foster Parents Plan will receive \$37,000 in assistance towards three programs in Indonesia: the repair of four schools, the construction of five, and the construction of a school for mentally-handicapped children.

CUSO will receive \$19,200 in assistance, \$7,200 of which is cash. This help is to be used for three programs: a rural development project in New Guinea, provision of a rice milling machine and store for a chiefdom in Sierra Leone, and the training of three CUSO volunteers to work in Africa and Asia.

Mr. Speaker, these are only the first in a series of projects where the people of Alberta will have their contributions matched by their government in the hope that some of the poorest people in the world can improve the quality of their lives.

ORAL QUESTION PERIOD

Oil Sands - Amoco

MR. CLARK:

Mr. Speaker, I direct the first question to the hon. Premier and ask if, since the announcement that Amoco made last week regarding its stepping aside until a variety of federal-provincial matters were dealt with, the cabinet has had face-to-face meetings, either as a group or individually, with senior officials of Amoco regarding their announcement not to proceed with the \$40 million in situ experimental program in the Alberta tar sands?

MR. LOUGHEED:

Mr. Speaker, not specifically on that particular matter. There have been a number of discussions, which will be continuing, with representatives of the petroleum industry. My recollection was that the Amoco officer who circulated his employees referred to an oil sands development policy situation which appeared not to contain the facts that are before the members of the Legislature. It would be my intention to make him aware of the facts.

MR. CLARK:

A supplementary question. In light of the Premier's answer then, is it the government's intention that either the Premier or a cabinet minister will be in direct face-to-face discussions with senior officials of Amoco regarding this rather important plant in the oil sands?

MR. LOUGHEED:

Mr. Speaker, if the hon. Leader is referring strictly to the oil sands portion of the Amoco statement, I would anticipate that there will be a communication. The nature of it is such it will attempt to communicate to the Amoco people the status of oil sands development policy in the province. But I would hasten to add that on a general basis I believe it is the federal budget, which is academic, which is the heart of the matter. As I mentioned earlier in the House, I think the approach of Amoco is ill-advised under the circumstances. But there is a matter that was contained that appeared to relate to a lack of understanding of the factual situation regarding the provincial government's position in terms of the heavy oils in the province. On that basis and on that basis alone there will be communication with them.

MR. CLARK:

A further supplementary question, Mr. Speaker. As of this date, has there been a meeting arranged between representatives of the government and officials of Amoco to study the specific tar sands portion of their announcement?

MR. LOUGHEED:

Mr. Speaker, I thought I made myself clear. I doubt there would be an actual meeting. There will certainly be a communication because I think Amoco is labouring under a misapprehension as to the facts.

Bill No. 55 - Special Committee Hearings

MR. CLARK:

Mr. Speaker, a second question, to the Minister of Municipal Affairs. The question arises out of a suggestion that was made at the conclusion of committee study of Bill No. 55. We asked if the minister would be prepared to consider recommending to the Assembly that the Assembly go into committee one day so the people affected by Bill No. 55, The Northeast Alberta Regional Commission Act, would be able to appear before either the Legislature or a committee of the Legislature to express their points of view. Has the minister had an opportunity to finalize his thinking on this particular request?

MR. RUSSELL:

No, Mr. Speaker.

MR. CLARK:

Supplementary question, Mr. Speaker. In light of the fact that the Assembly may hopefully finish its business next week, is the minister in a position to indicate when he will arrive at such a decision?

MR. RUSSELL:

Well, I believe that is a hypothetical question, Mr. Speaker.

MR. LUDWIG:

It's the wrong minister, too.

MR. SPEAKER:

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

Mosquito Control

MR. TAYLOR:

Mr. Speaker, I'd like to ask a question of the hon. Minister of Agriculture. In view of the amount of money that we are spending on our provincial parks, is the government considering a province-wide mosquito control program so we can enjoy the parks?

MR. YURKO:

Mr. Speaker, we had announced earlier a start by the province in this regard. It was called the Biting Fly Control Program. We budgeted \$750,000 in the Department of the Environment budget this year in regard to taking a major step in this direction. All municipalities were, of course, informed with regard to the assistance they were offered in this regard. I might say that the department is getting into the area of research, supplying emergency equipment and emergency programs, but we are basically using the municipalities and their programs or trying to improve their programs and advance them in terms of much more effective mosquito control. I can discuss this in more detail when we discuss the estimates, Mr. Speaker.

MR. TAYLOR:

Thank you. A supplementary. We've done an excellent job in keeping the rats out of the province and possibly a program designed the same way, to put the bite on mosquitoes, would be very successful.

MR. SPEAKER:

The hon. Member for Hanna-Oyen followed by the hon. Member for Calgary Millican.

Matrimonial Property

MR. FRENCH:

Mr. Speaker, my question is to the hon. Solicitor General. What consideration has been given to an extension from, I believe, June 30 for the receiving of comments from various groups in the province with respect to the working paper on matrimonial property prepared by the Institute of Law Research and Reform?

MISS HUNLEY:

Mr. Speaker, I'm pleased to report to the Assembly today that the institute has found such great interest in this paper that they have agreed to extend the period of time to September 1.

Perhaps I could supplement that comment a bit more by saying that we, in the Women's Bureau, have found great interest in this, perhaps more so than in almost any other paper which has been published, and are undertaking an extensive advertising campaign to bring the study to the attention of all Albertans, but particularly rural Albertans.

MR. SPEAKER:

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

Meat Industry - Strike Threat

MR. DIXON:

Mr. Speaker, I'd like to direct my question today to the hon. Minister of Manpower and Labour, and possibly the hon. Deputy Premier, the Minister of Agriculture, might wish to add to the answer. It's regarding the threatened strike and a proposed total shut-down of all meat packing plants in Alberta on June 5.

I was wondering, what action is the government taking besides the mediation which was spoken of last Friday in the House? Are there any meetings planned with the company to try to avoid the total shut-down?

DR. HOHOL:

Mr. Speaker, I could predate some information preceding the remarks I made in the House on Friday by saying that for several weeks officials of our department worked with both management and labour trying to work out the situation. When that wasn't possible, it was at that time that we appointed Mr. Dickie of the Ontario government to mediate. The mediation talks have been moved to Edmonton to be closer to support staff and the staff of our own department. The mediation talks are on and have been over the weekend. They are on at the present time, this afternoon.

MR. DIXON:

Mr. Speaker, I wonder if either the minister, the Premier or one of the members of the cabinet ... Are there any plans to talk with the plants which are not going to be placed on strike by the union, but are threatening to shut down? I was wondering if there are any plans to have discussions with the officials of these other plants which would not be affected by the strike planned for Swift Canadian?

DR. HOHOL:

I'm sorry, Mr. Speaker, that the hon. member didn't catch the full meaning of my response, or probably it was inadequate. I did say that we held such meetings with management and labour over some number of days, probably two or three weeks preceding the mediation. So, talks with the owners of these plants have been held by department officials over a period of time. These continue now, but at the level of mediation.

MR. SPEAKER:

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

Syncrude - Housing

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister of Municipal Affairs. I would ask the minister whether or not he can advise the Assembly whether the government made a commitment to the officials of Syncrude that in the fall of 1973 that company would receive top priority in obtaining housing lots in the so-called Area II of Fort McMurray?

MR. RUSSELL:

Mr. Speaker, there was a commitment given to Syncrude with respect to a limited number of lots - I believe it was in the neighbourhood of 18 or 20, but I could stand to be corrected on that specific number - which they required at that time. That commitment was given to them.

MR. NOTLEY:

Supplementary question to the minister. Can the minister advise whether or not the government has received any offers from the federal minister in charge of housing for any special federal assistance, either directly or through CMHC, to deal with the housing problems in Fort McMurray?

MR. RUSSELL:

Mr. Speaker, I am not quite sure what the hon. member is getting at. I have only discussed on an informal basis with the federal minister the matter of Fort McMurray, but I am quite certain that we have not received anything in writing.

MR. SPEAKER:

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

Split Mill Rate - Calgary

MR. HO LEM:

Thank you, Mr. Speaker. I would like to direct my question today to the Minister of Municipal Affairs. It is in regard to the expressed concern of the minister over the mill rate as set by the Calgary city council last week.

Can the hon. minister advise the House whether or not he will enforce Section 93(1) of The Municipal Taxation Act as it relates to the split mill rate passed by city council last Wednesday?

MR. RUSSELL:

Mr. Speaker, I think some clarification is necessary. It wouldn't be up to the department to enforce the by-law if it should be contested. That would be a matter for the courts.

The advice that was given by the department officials to both the cities of Calgary and Edmonton dealt with the interpretation of that particular clause. In the case of Edmonton, they agreed with the department and adjusted their mill rates accordingly. In the case of the city of Calgary, they do not agree and I suppose at their council meeting tonight they would proceed accordingly.

MR. SPEAKER:

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

Law Firms - Incorporation

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Attorney General. Is he contemplating bringing in legislation to permit the incorporation of law firms in view of the support expressed by the Law Society for this type of legislation?

MR. LEITCH:

Mr. Speaker, that is a matter we have had under consideration and have not yet reached final decision. I wouldn't expect any legislation to be introduced during the spring portion of this session.

MR. SPEAKER:

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

DREE Program

MR. WYSE:

My question, Mr. Speaker, is to the hon. Minister of Federal and Intergovernmental Affairs. It's regarding the DREE program. As of May 15, has the program been suspended for six months?

MR. SPEAKER:

Is the hon. member asking about the DREE program?

MR. WYSE:

Yes.

MR. SPEAKER:

Possibly the suspension of that program doesn't come within the duties of the hon. Minister of Federal and Intergovernmental Affairs.

AN HON. MEMBER:

It never does.

MR. GETTY:

Mr. Speaker, it's not a suspension that I'm familiar with, in any event.

MR. WYSE:

A supplementary question then. Is it still possible now for industry to submit applications and have grants approved?

MR. GETTY:

To the best of my knowledge, industry can still deal with the federal government and, to some extent, with the provincial government on DREE applications. However, just for clarification, the general DREE agreement which was signed between the province and the federal government, which will come into effect when subagreements are signed, has not yet come into effect. The federal government had extended their programs to June 30, 1974, to allow for the signing of subagreements.

MR. NOTLEY:

A supplementary question to the hon. minister. Could the minister advise the Assembly what progress is being made with respect to the subagreements, in particular the subagreement dealing with agricultural processing?

MR. GETTY:

Mr. Speaker, about the only thing I could say is that that particular subagreement is progressing faster than the others. We hope to have it signed and perhaps one or two others, as quickly as possible.

MR. NOTLEY:

A supplementary question to the hon. minister. Can the hon. minister be a little more specific in giving us a time frame?

MR. GETTY:

I'm afraid I can't, Mr. Speaker, other than to say that it is our intention to have it signed and operating as quickly as possible.

MR. SPEAKER:

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

School for the Deaf - Superintendent

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of Education. Would the minister advise when the position of superintendent of the Alberta School for the Deaf will be filled?

MR. HYNDMAN:

We have been advertising and interviewing for that position for some time, Mr. Speaker. I would hope that it wouldn't be too long before we would be able to find a successful applicant.

MR. WILSON:

A supplementary, Mr. Speaker. Would the hon. minister accept this petition I hold here, signed by 49 professionals and parents ...

MR. SPEAKER:

Order please. Order please.

The hon. member might perhaps wish to present the petition outside the question period so that the time of the House would not be taken up with something which is not provided for at all under the rules.

AN HON. MEMBER:

Agreed.

MR. SPEAKER:

The hon. Leader of the Opposition.

Hog Marketing Board

MR. CLARK:

Mr. Speaker, I would like to direct a question to the Minister of Agriculture. In light of the announcements made by the Alberta Hog Producers Marketing Board both Friday and today regarding deliveries, has the minister or his officials had discussions with the hog marketing board regarding this situation which, in fact, prevents Alberta hog producers from marketing?

DR. HORNBER:

Mr. Speaker, we're having continuing discussions with the hog marketing board, trying to work with them in very close liaison during this very difficult period of time with regard to the marketing availabilities.

MR. CLARK:

A supplementary question. Has the minister or his senior staff had discussions with the Alberta Hog Producers Marketing Board since Friday when this announcement went out to Alberta producers from the hog marketing board?

DR. HORNBER:

Yes, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview.

Indian Association - Access to Files

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister Without Portfolio responsible for northern affairs and ask him whether he can advise the Assembly if it's true that access to provincial files dealing with the natural resources transfer agreement of 1930 is being denied to researchers of the Indian Association of Alberta.

MR. ADAIR:

Mr. Speaker, I cannot. I saw the article relating to that particular question in the paper. I've had no discussions with the gentlemen involved and certainly will be getting in touch with them to see what problems they are having.

ORDERS OF THE DAYBill No. 57 The Alberta Heritage Day Act

MR. SCHMID:

Mr. Speaker, I would like to move, seconded by the hon. Minister Without Portfolio responsible for northern affairs, Bill No. 57, The Alberta Heritage Day Act.

In so moving, Mr. Speaker, may I just mention a few of the concerns which I have regarding this day. Culture, as we are all aware by now, is many things; language, music, art, dancing, drama and even economics. Every people has a characteristic culture of its own. Ultimately, Mr. Speaker, many cultures evolving together produce a distinct culture, a new culture.

That is where we stand today in Alberta, helping the more than 50 ethno-cultures from which we came to preserve the best from each to build an enriched, distinct Canadian culture of our own. Because of this, Mr. Speaker, we feel it is fitting that one day of the year be set aside to recognize and to think about the contributions of our many groups and the composite nature of our people. This day will be known as Heritage Day.

It is not simply a nice gesture on our part. In an age when human needs are crying desperately for priority position we must do this for the good of our souls, for our self-fulfilment and as a legacy to the Alberta we must leave behind to our children's and our grandchildren's keeping.

Let us consider the philosophy behind this day - to find a keystone for Alberta's cultural tomorrow. If we do, it will make our work in the months ahead not only that much easier, it will make it wonderfully worth while. Life is all a piece and culture is simply an exterior expression of our lives individually and collectively.

What one has been is related to what one becomes. To cast off completely the cultural traditions of the past is a tragic, dangerous thing, Mr. Speaker. But to bind ourselves completely to the past is equally hazardous, the sure road to disunity and distrust.

The man who tries to dissociate himself from his past is an unknown to himself and in many ways he rebels against this unknown. He lacks a sense of belonging, a sense of continuity with his own people. Yet he who will not recognize that culture is also a changing, living thing is likewise at war with himself and with society. He is chained to the past and forever at odds with the present, a source of great unhappiness to himself and a stumbling block to his children and his neighbours.

Mr. Speaker, it is only now, perhaps because we have finally resolved the age-old problem of production, that it has dawned on us that, as scientific laws are real, so social laws are equally real, and society, down to its smallest unit, is starving for their recognition and application in the lives of all. That is why Heritage Day is of such importance.

Our culture heritage is real. As indicated earlier, it is the sum and substance of our social expression, reaching into the distant past, influencing our lives today and pre-shaping the lives of our children of tomorrow. It is not just a game with words, not just a new game that rich politicians must play.

We can begin by asking ourselves whence we came. Probably many have done this already in some measure, around their own firesides. But we should beware of seeing only what we want to see, of looking into the past with a romantic and unrealistic eye. Let's look back honestly, Mr. Speaker, see what we must see, see who our forbears were and see what brought them here to this great country of ours. For all that, we should not be afraid to look back.

Were our forefathers Native Indians, the people of the plains? Did they come from a white-washed cottage in Bessarabia, or from a little village on the Rhine? Were they Irishmen who sang in the turf bogs to keep alive and fresh their own illustrious history? Were they the French who sailed on wooden ships so low they could touch the water's foam, to find freedom in a new land? Were they Chinese or people from the Philippines?

Mr. Speaker, if one were trying to understand what I'm asking, one would also understand what I am saying, that if we cannot look back on our heritage with pride, we cannot find much meaning in our present or our future. Because if we are ashamed of what our fathers were, we may well be afraid of what our children will become.

The next thing, Mr. Speaker, in introducing The Alberta Heritage Day Act, is to ask ourselves why they came, because this is what we sometimes forget. Mr. Speaker, what I

say is that our fathers came here, not to find what they were leaving - another Ukraine, another Germany, another France, another China - they came here, Mr. Speaker, to build a new life, a common culture, richer, better and more truly expressed in freedom than could ever have been theirs in any other land. In other words, we have fulfilled a concept, unspoken though it may have been, which our pioneers brought with them in their hearts.

As a simple example, we enjoy the art of William Kurelek, not because he's Ukrainian, and Ukrainian-Canadian rural life is the theme of his paintings, but because he is a great artist and his art is distinctly Canadian.

We take pride, and well we may, in the masterful playing of Marek Jablonski who played again only recently in the Jubilee Auditorium. And is there anyone who does not thrill to the pageantry of our Native Indians riding in full regalia in the annual Calgary Stampede, soon to come?

These, Mr. Speaker, are illustrations only of the social law I mentioned that, though the individual finds meaning and self-fulfilment in his own particular cultural heritage, it can only be truly rewarding to him when it is shared, offered to and accepted by the rest of our society. And again, Mr. Speaker, for those reasons we ask for passage of The Alberta Heritage Day Act.

Mr. Speaker, we all, unworthy though we may feel, are the builders of our culture tomorrow right here in this province of Alberta. Each one of us has a responsibility, each must have respect for the rights of the others. Each must see in his neighbour the dignity and worth he wants in this life for his own. Each must play his part, even as we in government will try to play our part through programs and services wherever feasible, but especially now with the introduction of The Alberta Heritage Day Act.

I have faith that we will think beyond the moment, that we will not ask the absurd or the unreal, that we will build well, remembering what brought our fathers here and their sacrifices to build the Alberta we share today. We will work in the only way that befits Albertans, together on that keystone of true freedom so that we may pass on to our children a finer, richer cultural legacy than even our own fathers ever dreamed of.

That, Mr. Speaker, I suggest is the philosophy which should mark our celebration of Heritage Day, a day I urge all our people to share and enjoy as befits the people who live in this great province, this great Canada of ours.

MR. LUDWIG:

Mr. Speaker, I appreciate the hon. minister's remarks. I believe he is doing a fairly good job of following the very good example and the leadership provided in this matter of recognition of ethnic groups in this province by the previous government. I hope this attitude will continue ...

SOME HON. MEMBERS:

Oh, oh.

MR. LUDWIG:

... I'm sure the hon. minister wouldn't want to create the impression that he invented all this, Mr. Speaker, because a lot of acts and a lot of leadership were provided, not only in Alberta but examples of what Alberta did were followed by other provinces.

I think the hon. minister's remarks are very nice to hear, but the real test of what we are doing and what progress we make is in the real, sincere efforts in the field. I'm concerned about action.

First, I'd like the minister to explain whether he will support the first Monday in August; if it is not a holiday now, would he declare this very important day to be a holiday, a provincial holiday, Mr. Speaker? He may have that intention, but if we're going to give credit and give people an opportunity to participate in this great day, then perhaps we should arrange for time for them to do it. Now this might be his intent but he didn't express himself.

The second point I would like to make, Mr. Speaker, as sincerely as is possible under the circumstances, is to do something from the government position to involve as many young people as possible. The older people who still have their ethnic ties and who often become quite nostalgic about their past and how they left and survived, who still perhaps visit, will continue that way with their past and their culture and the fine things they brought over with them to this country. They will continue, but as time goes by, notwithstanding the fine words we use and the things we like to see happen, there is a strong process of assimilation. Younger people, even though they will attend their ethnic banquets, their activities become busier, become absorbed in business, become taken up. As time goes by all these heritages become eroded, not because of anyone's intention but

in the passage of time [there is] an absorption into the helter-skelter of activities so that things decline if no real effort is made to perpetuate them.

I know that in the fields of education and government activities a lot of priority is placed on young peoples' activities, but I believe this is where you can notice whether this is something for real, or whether 50, 60 or 100 years from now these things will become part of the dim and distant past.

One other remark I would like to make is that we often give a lot of recognition to Indian activities in this province, the contribution they have made and the fact they were here first. But I wonder whether the Indians are, in fact, aware of all the things we are perhaps doing for other groups. I shouldn't say are they aware - do they know how to take advantage of the help that is available for them? In this instance, we might need to take the initiative and not say, well, you didn't find out that we might help you acquire something, some kind of centre, some place to meet and perpetuate your own friendship and your own cultural activities and whatever you most wish to do, perhaps meet and enjoy each other's company. I think some initiative should be taken - if it has not already been taken - because I know the minister is rather favourably oriented towards these matters so he may have done something. But I think we have to impress the Indians with the fact there is help available, there is leadership available, and in particular that funds are available for the Indians, to help them on an equal basis with others, because they are sometimes not as acquainted with what is available, and perhaps because of modesty or uncertainty or some other reason they do not step forward and demand help as some others may do.

But all in all, this Alberta Day Heritage Act is a good bill, Mr. Speaker. I am very pleased with it. I would like the hon. minister to comment on those several points I made.

I was going to state that when we talk about an artist like Marek Jablonski, who certainly has done very much to place Alberta on the map, it should be recognized that he has performed in the past. Some of the programs in this province have made it possible for him, and others like him, to progress and achieve the high levels of perfection in their particular fields of art.

So Mr. Speaker, to emphasize the remarks I made: one is, let's look at declaring a holiday. I am not sure whether August 1 is a holiday now. If it is, then let's have the following day a holiday. After all, if a thing is worth doing, it's worth doing well. The second is to involve the young people in a meaningful way. The third is to make sure the Indians know and are given leadership and guidance on how to take advantage of the programs and the situations which are available in this province.

Thank you, Mr. Speaker.

MR. TAYLOR:

Mr. Speaker, I want to just say a few words. I think every part of Canada has a a distinctive culture, a distinctive heritage. We also have a responsibility towards building a Canadian culture and a Canadian heritage. Consequently I welcome this bill. I think Alberta has an opportunity of presenting a culture which will include the Indians who were first here, the early explorers, the Metis and the people who came from all parts of the world. They can form a very distinctive part of the Canadian culture.

When I was in Mexico at the opening of the Pan-American Highway several years ago, I attended a number of programs in which I saw the development of the Mexican culture. I saw not only traces of the Spanish and the Portuguese, which you would expect, but also touches of the Highland fling, touches of the sword dance, touches of the costumes of the Ukraine. The Mexican people had tried to bring into their culture and into their dances touches of all the peoples who now form part of that country. And if they can do it in Mexico, I think we have even a better opportunity in Alberta and in Canada, because we have people from every part of Europe, every part of Asia, from every part of the world. Together with our Native and our Indian people, we have an opportunity of developing a tremendous culture which can be added to the Canadian mosaic and give us something of which we can be really proud.

So I congratulate the government on declaring a Heritage Day and I hope it will be an opportunity for the people of all races to remember their home origins and bring to the fore the fine things of their own native lands. Certainly, loving Canada more doesn't mean that they love their own native lands less, but it does mean they can bring to Canada the important parts of their culture and thus strengthen Canada, give us a more beautiful culture and a more beautiful Canadian mosaic. I congratulate the government on declaring a day as Alberta Heritage Day.

MR. KOZIAK:

Mr. Speaker, the hon. minister who introduced the bill, the hon. Minister of Culture, Youth and Recreation, suggested that culture is many things. Perhaps he'll include in that my speech.

It is indeed my pleasure
To vote "Aye" on this measure -
Giving a day of leisure
For all Albertans to treasure.

The first Monday in August each year
Is declared a day very dear
For us to recall and revere
Natives - and all who came here.

Mr. Speaker, Honourable Members, - in this way
Grateful tribute to their memory we pay
By setting aside in each year - one day
To celebrate "Alberta Heritage Day".

The poetry is weak and I know it
So I apologize to our poet:
The Member for Sedgewick-Coronation,
"Poet laureate of our nation".

MR. DRAIN:

I think, Mr. Speaker, that there was one particular verse missing from this great rendition from the hon. member. What I would like to see added to this is:

Keep alive each glowing
Ember of your sireland
But remember that your
Country is Canadian
Over all.

SOME HON. MEMBERS:

Question.

[The motion was carried. Bill No. 57 was read a second time.]

Bill No. 60 The Forests Amendment Act, 1974

DR. WARRACK:

Mr. Speaker, I am pleased to move second reading of Bill No. 60, The Forests Amendment Act.

As I mentioned upon introduction, Mr. Speaker, there are two important principles involved in the amendment before the House and a couple of simple administrative changes having to do with the location of the section numbers and also respecting the rights legislation with respect to changing the word "workmen's to the word "workers' ".

The two items of policy substance, Mr. Speaker, are these. First of all, The Forest Act as it reads now, and members who might be looking at the Act would refer themselves to Section 48, covers forestry roads and, as I understand it, in 1971, when the Act was rewritten and passed in this Legislature, it was not contemplated that airstrips might also be a problem with respect to illegal use. There has been some experience, Mr. Speaker, of some illegal use of airstrips, some vandalism and other acts of questionable use that have, on occasion, rendered these airstrips not fully safe nor fully utilizable. As a result, Mr. Speaker, we've been in a position where we have not always been fully certain, when our fire-fighting operations require the use of an airstrip, that it is protected, that it is intact and can in fact be used safely.

In addition, Lands and Forests forestry airstrips are included on the maps that all pilots have access to and use. It is essential that we be as careful as possible to be sure that those airstrips are safe in the event that they are needed as emergency landing places by other pilots flying aircraft for their own reasons.

So for those reasons, to ensure the use of these airstrips in the effectiveness of our fire-fighting operations, and also to ensure their being intact and in safe, usable condition for emergency purposes for members of the flying public, we feel that it is

necessary to protect the airstrips in just the same manner as the forestry roads are protected in The Forests Act as it stands now. So that's the first item of substance involved in The Forests Amendment Act, Bill No. 60, Mr. Speaker, and that has to do with including the protection of airstrips in addition to the present situation which protects forestry roads from illegal uses.

The second item of substance which is involved in Bill No. 60, The Forests Amendment Act, involves specifying the punishment when one is guilty of an offence against the use of forestry roads or, with the contemplated amendment, of airstrips as well.

The former situation is one of an individual who might illegally use forestry roads and be guilty of an offence, but no punishment is specified. The amendment we propose would set forth, as in Bill No. 60, the punishment which would be involved. That would be the cost of restoring any damage which occurred on forestry roads or on airstrips and, in addition, be subject to a fine of not more than \$500 and in default of payment, imprisonment for not more than six months. These penalty provisions are in line with other provisions in legislation in Alberta for this kind of breach of legislation. We felt it was better to specify the punishment rather than to leave it unspecified as it is now. In that event, the person who might illegally use a forestry road or an airstrip would be subject to the judgment of the minister alone, and not have the benefit of a court decision with respect to the magnitude of the punishment.

So in review, Mr. Speaker, there are two parts. The first is to include protection for airstrips as well as forestry roads. The second is to specify the punishment for illegal use of forestry roads and airstrips, whereas the present situation does not specify that punishment.

MR. LUDWIG:

Mr. Speaker, in reference to this bill I'm sure that the reason for these sections is well-known to the hon. minister. I wonder whether he can give us the regulations and any known ministerial orders, which are out at the present time, with regard to the use of these roads. I'm sure that in the event of very dry weather or a fire hazard, no one objects to ministerial orders.

I would like to bring something to the hon. minister's attention which is very annoying and very unfair to people who sometimes drive 15, 20 or 30 miles on rough road, then come to a forestry road sign saying that it is closed. There is nothing more aggravating than to know that some bureaucrat decided to close it. They never tell anybody there was a good reason for closing it. But after a party drives for 25 miles to go fishing at some river or lake in the hills, to find a chain on the top of the hill and a sign saying Road Closed is unfair and there is a temptation to by-pass it. It's aggravating when it's not done properly and I think that in a case like that it would be justifiable for a person to say, well, is this serious, did they forget this or what did they do? After all, it's people's property and people's land. These things have to be done properly.

It has happened. I have seen line-ups of people during hunting season come to an area which is open for hunting and, lo and behold, there is a chain across the road and it is closed. In this case the authority for closing the road was not there and the parties present by-passed it. There was not a fence.

But these are things which have to be watched. Something else that has to be watched is that they will, for instance, sometimes close a forestry road because of fire hazard. It rains for ten days and somebody drives up and finds the road is still closed because there is a fire hazard. Instructions have to go to those involved, and the reasons for closing down or for giving ministerial orders have to be sensible, not because somebody feels, I'm going to be hard pressed for staff and I don't want to patrol that area so we'll close it.

There are instances where people might have to use roads and airstrips in emergencies. All sorts of things can happen. People can go into the wilderness and get lost and have to get on, whether it's legal or not. I believe some provisions should be made in these instances. I suppose that it would be a good argument in mitigation of penalty, but if these are absolute prohibitions, that once it's closed you can't use it, if you use it then violation of the closing of the road or the minister's orders that the road be closed for whatever reason, then you are guilty with no discretion left to the judge.

These are some of the points I want to raise. I am sure most hon. members will understand that in order to protect property and to protect the wilderness, roads sometimes have to be closed. Sometimes if it rains too much and the roads become so wet that using a four-wheel drive or some heavy vehicle would damage it beyond future use, that also is a factor.

But I would like to urge the hon. minister that his policy directives to his staff ought to be that there must be a reason other than just convenience sometimes. If they do

close a road for any length of time, some announcement ought to be made that it is closed. I have had it happen too often. I am not saying that it happened under the administration of this government, but I have had complaints from people who will drive for miles and miles to go somewhere, and for no apparent reason the road is closed.

These are a few of the gripes I would like to voice, Mr. Speaker.

SOME HON. MEMBERS:

Question. Question.

DR. WARRACK:

I would just take the opportunity, Mr. Speaker, if I might, to respond to the points made, some of them well made, I might add. I believe there were some four points, the first one having to do with the matter of road closures.

I think the most essential thing to notice here, and what I have learned in dealing with complaints on this matter, is that it is essential to distinguish between the forestry trunk road itself and the spurs off that road that are often developed by individual companies and paid for entirely by those individual companies on a licence-of-occupation basis, rather than actually being forestry roads or public roads in that sense. Often that is the difficulty. And there remains an argument, even in that instance, of whether or not it is adequate to have any provision to prevent the use by the public in a particular case that is on public land. Nonetheless that is the situation that often comes about. It is only in those kinds of situations that there are road closures and complaints do emerge.

I would just mention also that, dealing with the question of closures due to fire hazard, it's the typical situation in the middle two months of the summer where our worst sources of fire problems are lightning fires. These are worst of all when it is dry lightning, that is to say lightning without rain. When we have a very disturbed weather situation we might have a major rainfall in one place and only a very short distance away there would be none at all. So, on a regional basis, it might very well be that you are left with a remaining serious fire hazard situation, even though it might have rained heavily in the form of a heavy shower in one particular location. That is often a typical situation.

I would like to undertake to see that we have made adequate provision in the question of emergencies, Mr. Speaker, and I shall do that. My final comment would be that we do indeed try to be as careful as we can, both with respect to having a reason for the closure of public roads, as they would be within the green zone, handled by the forestry service, and also that we do try, as well as we can, to communicate with the public about the road situation with respect to which areas are open and which are not.

For example, the forestry trunk road that is south of the Trans-Canada Highway goes over the Highwood range. It's very high. I know I went there last year about June 8 and it was still snowed-in. So we try to have up-to-date weather and road reports in such a position that a person can pretty readily find out which roads are open and if any are closed, why they are closed.

[The motion was carried. Bill No. 60 was read a second time.]

Bill No. 61 The Department of Public Works Amendment Act, 1974

MR. PURDY:

Mr. Speaker, I move second reading of Bill No. 61, The Department of Public Works Amendment Act, 1974.

There are a couple of amendments to this bill. One is to allow the Alberta Opportunity Company to keep property that has come into its possession and not to sell it for one year. Presently, articles are stored for three months and then sold under the section of The Highway Traffic Act which deals with vehicles left after three months.

The other change in the Act is, previously the Act only covered Crown ownership of land if you could go on there or be allowed by Lieutenant Governor in Council restricting or prohibiting or permitting people on the use of this ownership of land. Now it's going to be expanded to occupy it as well as Crown-owned land and premises.

MR. LUDWIG:

Yes, Mr. Speaker, I have a few questions concerning this. I would just like to make the observation that by increasing the time within which the government can dispose of vehicles from three months to a year - I'm wondering whether, in closing debate, the

hon. member can advise whether we will not be running into some storage and handling problems? How serious is the problem now dealing with storage of vehicles which the Public Works Department has to dispose of? What was the real reason for the change? Has a problem arisen as a result of the shorter period of holding these vehicles? What is the real purpose for this bill?

MR. PURDY:

Well, Mr. Speaker, it's obvious ...

MR. SPEAKER:

May the hon. member close the debate?

HON. MEMBERS:

Agreed.

MR. PURDY:

Mr. Speaker, it's obvious that the hon. Member for Calgary Mountain View hasn't read the bill in its entirety because I just stated in the House that vehicles will be kept. There will be no change in regard to automobiles. The only change is in regard to other items which may be picked up by the government, finder or things that haven't been claimed. But if he will look at the bill in Section 5, this section does not apply to vehicles as defined under The Highway Traffic Act. That's covered in Sections 157, 188 and 189.

So at the present time vehicles are kept for three months and they will continue to be kept for only three months. If we did go up to a one-year period as the hon. member thought, we would have a real problem with storage and so on.

MR. LUDWIG:

What happened to the other items? What is the real purpose for increasing it from three months to a year? Has a problem arisen and this was to correct a problem? What was the exact problem?

MR. PURDY:

I think that the Department of Public Works and the Alberta Opportunity Company found that articles were being turned in and sold in three months. Then people were coming back and claiming, through the police forces and so on, that these articles had been stolen or lost or such like. It wasn't giving the general public the opportunity to claim these things. So with the period of a year they will now have the opportunity.

[The motion was carried. Bill No. 61 was read a second time.]

Bill No. 47 The Oil Sands Technology and Research Authority Act

MR. DICKIE:

Mr. Speaker, I'd like to move second reading of Bill No. 47, The Oil Sands Technology and Research Authority Act.

Mr. Speaker, in the development stage and background leading to this bill, the project was described as the energy breakthrough project. It was an exciting project and it was a high-priority project indicating the emphasis on oil sands technology. Hon. members will recall that it was subject to a press release by the hon. Premier on Monday, January 14 in which the details of the energy breakthrough project were outlined.

Mr. Speaker, at the present time, there are two methods of recovering synthetic crude oil from the Alberta oil sands. One is the mining process and the second is described as the in situ method. This bill is primarily aimed and directed at the in situ method. Considering that, Mr. Speaker, I'd ask hon. members to recognize that it is estimated that approximately 90 per cent of the synthetic crude potentially recoverable from the Alberta oil sands will be recovered by in situ methods. Although there are no commercial in situ oil sand projects in existence in Alberta at the present time, a considerable amount of research and experimental work has been carried out with a view to recovering crude oil from the deeply buried sands. Several such projects are under way today.

Basically there are two approaches. One involves in situ combustion. Essentially it is igniting the reservoir to make the oil flow. The other approach involves steam injection. Again, it is essentially for the purpose of heating the reservoir to make the

oil flow. These two approaches can be combined to provide at least four methods or techniques.

Mr. Speaker, I'd ask the hon. members, in looking at the principle of the bill, to observe that it's divided into four parts. PART 1 sets out the purposes of the act. I'll ask hon. members to note there two key words, to "provide means". Then five items are listed. Again, in considering the five items, I'd ask hon. members perhaps to look at the last one. It's covered under Section 2(e) which deals with the "technological problems impeding the development of production capacity to meet the demand for synthetic crude oil may be solved or alleviated." That is, the authority is essentially to provide means to do that. I think some concern has perhaps been expressed in this House about the reliance on the oil sands and, of course, that problem was recognized. That's the purpose of this section, and that section is in the bill at the present time to deal with that problem.

In PART 2, Mr. Speaker, I draw to the hon. members' attention that that deals with the organization and constitution of the oil sands authority. Here again, I think the section I'd like to refer hon. members to is Section 14, that "The Authority is, ... subject to the general supervision and direction of the Minister."

PART 3, Mr. Speaker, deals with the research fund and that, of course, is the \$100 million. I think I would like to make it absolutely clear that the spending of the \$100 million is no assurance that there will be the breakthroughs or the major breakthroughs that are necessary. However, we wanted to make sure that the government emphasizes the development of the oil sands - to accelerate that development and to make sure that sufficient dollars are spent to accelerate the present rate of progress in oil sands research.

Mr. Speaker, in dealing with the last part, PART 4, hon. members will note there the section dealing with regulations. They are there to be passed by the cabinet. They deal with the proprietary rights of data and how that may be handled with respect to money spent by the oil sands authority.

Again, another key section there is Section 23. It gives the authority to enter agreements with any member of the authority or any employee of the authority. Here I think it's important to note that our Legislative Counsel has advised us, through outside counsel dealing with the very specialized field of patents, trade secrets and design, that at common law, an employer has no property in an invention made by his employee even though the employee does the work on his employer's time and uses the employer's facilities. An employer can only get property in his employee's invention if the contract of employment so provides. The courts treat each case on its own facts.

Mr. Speaker, I think the hon. members will recognize there that the authority has the right to enter this type of agreement and it would be proposed in dealing with these very technical questions on proprietary rights that they be dealt with by agreement.

Mr. Speaker, one or two observations on the Alberta oil sands. Over the last number of years there have been approximately 20 experimental field tests or pilot schemes. I think it should be recognized here that when we are talking about breakthroughs and major breakthroughs, it's not to say that there hasn't been a great deal done by industry itself. I've personally had a number of discussions with the companies involved in research. They have spent millions of dollars. I think what we are looking at here is an expansion of some of the pilot models to a commercial type of project. I think one recognizes there, although the companies may be satisfied in developing the pilot stage or the pilot model, that there is a great deal that has to take place between the development of the pilot model and the actual commercial plant itself. It's these areas that will take the time, will take the research and again that's where I think industry and government can work together to make sure we get the progress that is needed.

I think hon. members will note on the mining side of it, at the present time we have GCOS. We have the Syncrude agreement which was negotiated last year. We have Shell making an application, Petrofina, and they go under the name of the AOP group project. That is, Petrofina, Pacific Hudson Bay, Murphy and CanDel which have varying interests in the project.

At the same time in the in situ end of it, of course, Shell has been doing research in the Peace River and in the Athabasca area, as have Amoco, Imperial Oil and Texaco.

I think one of the key factors hon. members should recognize in the development of the oil sands is the question of the price of synthetic crude oil and the price of crude oil. I think, certainly, the moves that have been made in this area have encouraged more development, particularly in situ, to get the price of crude oil up and make these projects more economically feasible.

Another area I'd like to talk about very briefly is the question that some have suggested that we put on the brakes and hold back. When we consider the in situ aspect of the oil sands development, I think one realizes the great lead time that is required.

Even in the mining stage, Mr. Speaker, I think one has to recognize the lead time. I think it's important to recognize that because last year, in 1973, when we were developing the Syncrude agreement, we were talking about a project that will commence production in 1978 and then have a life of some 25 years, but you can see the lead time in respect to the mining type of operation.

Well the lead time in the in situ is even greater. In 1974 we are now looking at the lead time of an in situ commercial plant in the early 1980s perhaps. So one has to recognize the question of the lead time that is necessary to get the commercial plants in production. I think it's important to recognize that, because when we were negotiating the Syncrude agreement back in 1973 we were continually looking to see what it would look like in 1983. Again I'd ask hon. members today, when they are looking at a bill like this in 1974, that they might sit back and say, well, in 1984 are we looking back to 1974 to see if the government at that time took the right steps to encourage lead time sufficient to get production of the commercial plan in operation.

One other aspect I think I'd like to deal with, Mr. Speaker, is that again, when we talk about the breakthroughs that take place, we are talking about the type of plants and pilot projects and we're really just scaling them up and making them larger to see if they operate, so they can operate in a commercial way.

Another area I would just like to highlight briefly, Mr. Speaker, is that my colleague in the cabinet, the hon. Minister of Municipal Affairs, tabled an organizational chart in this House and presented one to all members of the Legislature. If hon. members would refer to the organizational chart they will notice that the cabinet is the head and on each side there are what we would refer to as services to people. That would be covered under his jurisdiction. On the other side there was the energy committee and those would be the other areas of development. Departments that would be playing a part would be services to the physical asset, the valuable oil sands. So I think there is a proper balance in that organizational chart as to services to people and services to the valuable asset itself.

I think, Mr. Speaker, one thing I would also like to emphasize is that the authority's programs will complement and not replace the activities of the private sector. It has been suggested that the authority will not do everything from scratch but it has power to work with the private sector on this question of receiving the valuable data that is necessary to prevent the overlap of research. Here again, having talked to those involved in research in the in situ method in Canada, that is the various companies, and having visited one of the main projects in the United States dealing with the oil shales, there are perhaps areas of overlap, but great cooperation could take place in research. I think this is a vehicle that could enable that type of arrangement to be worked out.

Perhaps some say that you can't leave everything to the private sector and they advance the argument that the government needs to know at least as much as the companies to evaluate the applications. The government wishes to manage the technology, to direct development in the best interests of the province. The private companies sometimes are unable or unwilling to risk innovations that may be beneficial in the long run. Again here, with an authority of this nature, the government can play a vital role. As a last point too, Mr. Speaker, private companies tend to overlook some of the immediate problems which might cause major problems later on. I think with an authority such as this, working between government and industry, some of those major problems could be overcome because the government would be looking over the long-term part of it and have a broader outlook than just the one particular project.

So I think, Mr. Speaker, this is a bill we urge all hon. members to enthusiastically support.

MR. CLARK:

Mr. Speaker, in commenting on Bill No. 47 and the remarks made by the minister, let me say at the outset that I'm sure there is no member, regardless of where he sits in the Assembly, who is going to argue with the need for lead time. As the minister rightfully pointed out, something like 85 to 90 per cent of the oil that is locked in the tar sands is in a situation where it isn't possible to get it out by the above-ground mining approach. So obviously there has to be a tremendous stride forward in the field of in situ technology.

Having said that, let me say that if we go back, we recall that really the Alberta Research Council deserves a considerable amount of credit for the contribution made a number of years ago, or we might not even be in the situation of having the present advances which have been made as far as the tar sands are concerned.

The second point I would like to make - and the minister commented on this - is that despite the fact we have \$100 million to be made available over five years, this is no guarantee that we are going to get a breakthrough. The difficult problem the government is going to face here is, what will there be to encourage public companies to

continue to do the kind of research the minister alluded to earlier? I think he said 20 experimental projects had been going on in the tar sands the last number of years. It would be very interesting to know how much money, how many millions of dollars have been involved in those 20 experimental projects.

In the question period today I asked the Premier with regard to the work Amoco is doing in the tar sands. Now here is Amoco, one company, which at this time has already spent \$7 million in research in the tar sands, and they are now already saying they are going to suspend construction of a \$40 million project they were planning on going ahead with. And yet in the question period today we find out the government hasn't held any meetings with the principals. There really doesn't seem to be any rush, on behalf of the government, to sit down face to face with the Amoco people to try to encourage them to continue with the work they are doing there.

The minister will, I am sure, say well, these things can't be straightened out until after the federal election. But if this is the attitude the government is going to take - a very cool and very aloof attitude and not what I consider on the bit or on the ball - then, Mr. Speaker, we are going to have a great falling off of private or public input, as far as research funds are available, in the very area in which the government is making \$100 million of public funds available.

As I say, I don't argue at all with the need for the work to be done in the in situ work in the tar sands. I don't argue at all that there is a need for a real lead time. There obviously is. There is a need for Alberta, hopefully, to continue to be ahead of the shale developments in the States, although I am advised that when you look at the last shale deposits which were up for sale it was extremely disappointing to say the least. It seems to me this legislation is patterned to some extent after what the American government has done in its particular venture as far as the shales are concerned.

But the real problem the government has to face on this kind of legislation is that, with the government taking \$100 million of public money and saying for the next five years we are going to dedicate this money in this particular area, there is going to be, in my judgment, a real falling off as far as the amount of input, financially, from industry is concerned.

The second comment I would like to make, Mr. Speaker, and I would like the minister to comment in this area in the course of concluding the debate, deals with the question of priorities which the government sees the Oil Sands Technology and Research Authority using as far as where we want the expertise to develop. It seems very obvious to me that here is an opportunity where Alberta and Alberta people should receive very marked priority. It should be Albertans who develop this expertise. I would be very disappointed if the government isn't in a position, in the course of second reading or committee work on this bill, to give us some very definite commitment that Albertans will receive real priority here. Because in the long-term interest of Alberta, the long-term development of Alberta, this is a field where Alberta should have the expertise.

There is also the question, Mr. Speaker, of the role of the Research Council and also the universities in Alberta, especially The University of Alberta, because they have at this time considerable expertise in this particular field.

I would also like to ask the minister, Mr. Speaker, where does he see the federal funds which are available - it is my understanding the federal government has designated something like \$40 million which is available for tar sands research - how does he see this fitting in with the Oil Sands Technology and Research Authority?

I would also be very interested in the minister's comments - from a sheer constitutional standpoint - as to the federal government moving in and attempting to spend \$40 million, or making it available for research in the tar sands and not going through this particular authority at all. Because if this authority is going to be that kind of coordinating mechanism which the Minister of Federal and Intergovernmental Affairs referred to earlier, then it's going to be essential that the federal government coordinate through the authority here.

I agree with the statements made by the minister that it is essential the government have some very basic knowledge in this particular area, especially from the standpoint of environmental protection and the kinds of agreements which have to be worked out in the future.

But let me caution the Minister of Mines and Minerals that at a very early time there is a need for some sort of public pronouncement by the government regarding existing leases. Is the government going to make some research provisions mandatory in the continuance of existing leases? Will there be some royalty benefits to companies which are prepared to do a substantive amount of research in the tar sands area? Will there be substantive royalty holidays if these companies work in cooperation with the authority?

Then what about the companies which choose to go it alone? If there are companies which very independently choose to go it alone and are not prepared to share their information, how far will the government go here to exert its muscle, if I might use that term, to make that happen? Or has the government thought that particular matter through? Because it seems to me that's a very basic question in light of the fact that at this very time the government is reviewing the existing leases in the tar sands and that's likely the least we can expect - some sort of elaboration as far as the minister is concerned.

I think as far as the developing technology and the equipment to exploit the tar sands in the future, especially the in situ portion of the tar sands, if the Province of Alberta, through this Oil Sands Technology and Research Authority, is successful in being involved in the development of the appropriate technologies, then this can be perhaps the most significant thing we, as legislators, can do to guarantee the secondary industrial future of the province.

But let's be under no illusions. This isn't going to guarantee us the answer. Hopefully it will be a step in the right direction, but it will be a very small step in the right direction unless we are able to convince the companies involved to continue to put very substantive portions of their own funds into research as they have in the past.

MR. NOTLEY:

Mr. Speaker, in rising to take part in this debate, there is really no question that we are dealing with an extremely important bill at this time.

I think, perhaps, Mr. Speaker, before dealing directly with Bill No. 47, it's worth noting that the background of public funds for research in Canada has not really been a very good one. We have found throughout Canada's history that large sums of money have been spent and, at least in part, this money has found its way into the coffers of corporations. There really hasn't been any guarantee or provision made that the taxpayers will, in fact, gain from that public expenditure directly, by controlling the technology. So, Mr. Speaker, it's perhaps worth while to keep that in mind when we consider the principle of Bill No. 47, The Oil Sands Technology and Research Authority Act.

It's also important, Mr. Speaker, for us to remember the recommendations of the civil service report, which was tabled last fall in the Legislature, recommendations which, in my judgment anyway, were pretty valid in terms of the total oil sands development, not just the question of technology but indeed in the development of the area from a service point of view and also the pace of development for the oil sands in total. One of the observations they made, which should be underlined at this time when we consider the principle of Bill No. 47, is that the control of research should remain in Canadian hands. It's one thing to talk about large sums of capital coming in from other parts of the world, but it is vital that the technology remain in the hands of Canadians.

It's worth noting, as the Leader of the Opposition has, that the Alberta Research Council over the years has spent a good deal of public money in perfecting the extraction process which is now used by Great Canadian Oil Sands. It's also worth noting that the late Mr. Fitzsimmons spent a lot of his own money in a private enterprise venture on his own and lost a good deal of it. But in the process he pioneered the extraction process. So, Mr. Speaker, it's important with this as a background, because we have already spent public money, because much of the initial process was developed by a Canadian, that the control of the technology remain clearly in Canadian hands.

One of the recommendations the civil service report made was that rather than a separate authority we should perhaps have an oil sands research institute which would come under the Alberta Research Council. I find that a rather attractive proposition, especially when one considers that we do have at least some accountability to this Legislature for the activities of the Alberta Research Council.

Mr. Speaker, it's important in my judgment that we consider the question of what will be the conditions of the research. Who, for example, will control patents that are developed? I notice the minister, in introducing the bill, cited one of the sections where an agreement can be reached between, for example, a particular oil company and the research authority. But this is permissive. It may or may not be reached.

We could very well find that public money is, in fact, poured into some sort of joint venture and instead of that patent, or instead of the result being clearly in the public domain, it would become a possession of the corporation involved. In short, there is a permissiveness about this legislation which worries me. Where we should be saying "shall" we say "may" and that can be pretty important, Mr. Speaker, when we relate it to the vital issue of who is going to control technology. That's one point.

Another issue in this same general vein is, where will the research be done? The Leader of the Opposition has suggested that research should be done by Albertans and, by and large, in the province of Alberta. I'm sure most of us share that point of view. But, Mr. Speaker, it's important that we remember that research which has been done as far

as Canadian development is concerned, especially by large multinational corporations, has historically taken place in the research centres of those corporations which, by and large, are south of the border. Are we going to be in a position, Mr. Speaker, where as the result of an agreement that is signed, public funds will be funnelled down to the research centres of large oil companies in the United States? I'm not sure. But as I read over Bill No. 47, it seems to me that that possibility exists.

The scope of the research is also something we should ask the government to explain. For example, is the government going to be asked to foot the bill for environmental research, leaving industry free to develop and patent technology? We talked about the in situ process, and the minister in introducing the bill has attempted to suggest that the emphasis is going to be in this field. But at least as I read PART I, it seems to me that a very large part of the emphasis is going to be on environmental research. Fair enough, but are we going to be put in the position of financing all the environmental studies and the environmental research, thereby leaving private industry free to funnel their research to more productive areas?

The question of long-term research was also raised by the minister. There is no doubt that companies concerned about profit margins have a tendency to overlook the needs of long-term research, and it could very well be that we are simply going to have to move in and fill this gap. I question under what circumstances we're going to be asked to do this. I think we should have some explanation on that particular aspect.

Are we going to be subsidizing the research efforts of large corporations? Let's take the case in point of the Imperial Oil experiments with the Cold Lake heavy oil recovery. Are we going to have to foot the bill for their experiments in the heavy oil fields, and what is that going to cost us?

Mr. Speaker, we've already dealt with the question of where the research is going to be done. I would want to know how much of it is going to be funnelled to the multinational oil corporations directly, or to what extent this government foresees the opportunity to develop in Alberta an indigenous Alberta research industry. I know that with some of the major projects, that may not be feasible. But it would seem to me, if we are going to be spending \$100 million in the area of oil sands research, that there should be a pretty substantial scope for the development of an indigenous research industry in the province of Alberta.

Another point I'd like to throw out and ask the minister to respond to when he closes the debate is, does he not see the multinational oil corporations in a sense caught in a conflict of interest here? If we're going to be funneling public money into shared cost research plans with them, we have to keep in mind that these are the corporations which, by and large, are also going to be moving into the oil shales. I know that there are important differences in the technology of oil shales development and oil sands development. But what is going to stop them from applying some of the techniques which the taxpayers have helped develop in Alberta to the development of the oil shales in Colorado and Wyoming?

I should just say, Mr. Speaker, that the oil shales, in fairness, are going to represent a rather more substantial challenge to the multinational corporations than the oil sands. I think we would be making a mistake in assuming that there aren't real problems which will put them some years behind us in the development of the oil shales; the problem, for that matter, of the water needed to develop the oil shales, since a good part of the Colorado River is already committed by international treaty. There are going to be enormous political problems to cope with as well as overcoming the almost insuperable scientific and technological difficulties before the oil shales become fully competitive with the sands.

Nevertheless, I think the point should be answered as to whether or not there is some very real chance that technology obtained as a result of taxpayers' subsidy in Alberta will not in fact be used by these very same companies to develop elsewhere in the continent.

I believe that a better approach would be to follow the recommendations of the civil service report and develop an institute under the Alberta Research Council. I also believe that as a condition of any future permits, all technology, both public and private, should in fact belong to the people of Alberta. I don't believe that it should be consigned on any secret basis to the corporations involved. We're talking about maintaining control of technology. If we mean business about that, Mr. Speaker, I think we have to be very insistent that we control that technology. As has been said before in this House, the question of who, in fact, is in charge of technological development will, in large measure, determine to what extent we can maximize the benefits of oil sands development in this province by developing secondary industries and what have you. So I maintain that our objective must be uncompromising Canadian control of all oil sands technology.

The final point I would make, Mr. Speaker, in dealing with the principle of Bill No. 47, is that there seems to be a rather excessive amount of authority given both to the authority itself and to the cabinet. I believe there should have been a clearer definition of the objects set out in the act. There is enormous discretionary power here, discretionary power that will, in fact, qualitatively affect the bill; whether or not this is going to be a bill which will maintain Canadian control over the technology or whether it will simply be a \$100 million boondoggle where we will end up putting public funds into the coffers of large corporations to do research which they would otherwise undertake. Mr. Speaker, we don't know that, in reading the bill, because there are far too many "mays" as opposed to "shall", far too many opportunities for the kind of arrangements which won't, in fact, ensure that ongoing control.

So, Mr. Speaker, as things stand at the moment, while I certainly recognize that we have to pioneer in this area of technological development, and I can't think of a more important bill before the House or a more important field for us to deal with if we are concerned about long-term oil sands development and the interests of the people of Alberta - at this stage of the game the bill has a number of unanswered questions, in my mind at least.

MR. DIXON:

Mr. Speaker, just a word or two on Bill No. 47. When the minister closes the debate, I wonder if he would make some remarks regarding any research or any thought of a nuclear blast as far as the in situ process is concerned? You mentioned hot water and steam, but there has been some research - as a matter of fact one company is actively pursuing the nuclear blast idea in the tar sands and has been for some years. I was just wondering, when the minister is answering the debate, whether his department or the government has given any consideration to looking further into that process? It was written off quite briefly by the Minister of Federal and Intergovernmental Affairs the other day during the question period, but I still feel that those remarks were a little short and there may be more to the proposal than the hon. minister mentioned the other day.

One of the principles which I think is going to be very important in this bill is the convenience of where the authority is going to be located. I must say I was bitterly disappointed when the hon. minister, Mr. Speaker, got up in this House and made what I consider a political saw-off. He said, well, we are going to give Calgary the Alberta Petroleum Marketing Commission and we will give Edmonton the Oil Sands Technology and Research Authority. But I believe, Mr. Speaker, if you do any research or study at all, you must come to the conclusion - if you're making a reasonable one based on facts - that Calgary is the place to locate this authority.

DR. HORNBER:

Oh.

MR. DIXON:

I say that for a number of reasons. Maybe the hon. Minister of Agriculture, Mr. Speaker - he's quite loud and he may want it in Barrhead, but I don't know of too many technical people up there.

Seriously, Mr. Speaker, Calgary has much to offer and if the case for the location in Calgary was really studied, I don't think the government would have any other alternative but to change its mind and to relocate this authority in the city of Calgary.

There are quite a number of companies already in Calgary which have indicated prior to the announcement - and I suppose they haven't changed their mind since but probably are disappointed like I am - they were planning to take advantage of the research facilities which are going to be made available by the authority. There are many people there who are already in the technical field, working on the different processes that are going to be used in our tar sands.

One other point is that I'm sure that when Shell Oil, Amoco or anyone else makes a decision as far as the oil sands are concerned, a great deal of study and research has already been carried out at the head offices which are in Calgary.

Contrary to what the hon. Member for Spirit River-Fairview is concerned about, I'm sure that we are going to have people from across the border who are interested in our processes. With Calgary located where it is, with better air service and everything else, we are going to be able to get that type of person into our province much more conveniently than if we have the facilities set up in Edmonton.

I think, too, we could do The University of Calgary a favour by locating this authority in Calgary, because The University of Calgary is giving serious consideration to an Alberta oil sands research program. They should be encouraged, if this is what they wish to do; because if somebody is anxious to do something, they are going to do a much

better job for you than somebody you go to and say, will you do this? They have already offered to do this. I would like to see us support our University of Calgary by bringing the facility closer to them.

There will be lots of field offices as far as the research is concerned under Bill No. 47, The Oil Sands Technology and Research Authority Act, which will be carried out in the field, at Fort McMurray. But it is certainly just as convenient to have the head office or the head authority in Calgary. Anything which has to do with the field research, of course, will have to be carried on at the site, not in the city of Edmonton.

So, Mr. Speaker, there are several other advantages which Calgary has, but I feel the one I'd like to emphasize is that we already have the personnel there who are actively doing this type of work. We should encourage them, rather than putting them through the inconvenience of having to travel to Edmonton every time they want to do something further as far as the authority is concerned. It would be much more convenient.

As I said earlier, Mr. Speaker, I was bitterly disappointed that the government decided not to locate the technical and research authority in the most logical place, the city of Calgary.

MR. CHAMBERS:

Mr. Speaker, I'd like to say a few words about Bill No. 47, because I think it is a most important piece of legislation. I think that when you consider that of the 630 billion barrels of synthetic crude that are contained in the four major deposits at Athabasca, Peace River, Cold Lake and Wabasca, only some 26.5 billion barrels of synthetic oil will be recovered from these deposits by surface mining. Then, as the minister pointed out in his opening remarks, over 90 per cent of the oil, if it is to be recovered at all, would have to be recovered by in situ processes. If we even recover only one-third of this 600 billion barrels of synthetic crude, we're still talking about something equivalent to one half of all the conventional oil reserves which are known in the world today. I think if we look at that we can begin to put Bill No. 47 in its true perspective.

The Member for Wetaskiwin-Leduc - I'm sorry to see he isn't here today - but the other night he suggested when he gave his second reading debate on this bill, in the estimates, that he has some fear that the money would be wasted. I suppose that that fear could be applied to any fund or any significant sum which any government spends anywhere. However, I think that members would agree that proper application of public funds for specific purposes can be very worth while. I think the evidence is already in with regard to the Alberta Opportunity Fund. Members have had this report from the Department of Industry and Commerce, the Executive Report '74. I think the Alberta Opportunity Fund is doing just one heck of a job and has made many accomplishments in a very short time. You only have to look at the number of projects either in the mill or planned for 1974 and to look at the diversity of these projects in terms of type and geography to realize the advantages of the public funds which are being directed in this area.

Also, as the Leader of the Opposition just pointed out, the Research Council of Alberta has done significant work using public funds over the years. The hot water separation process which is used by Great Canadian Oil Sands and is to be used by Syncrude was, of course, developed by the Research Council.

I think that we have to have confidence that the Oil Sands Technology and Research Authority will be staffed by competent people and that the authority will be, of course, responsible to the energy resources committee of cabinet and to the Minister of Mines and Minerals. I am sorry that the hon. Member for Spirit River-Fairview didn't read the act because it says clearly that the authority has to submit an annual report at the end of each fiscal year, summarizing its transactions and affairs. So I don't see his argument at all that it should be under the Research Council. Of course, all of its financial transactions are subject to audit by the Provincial Auditor at least once a year.

Mr. Speaker, on the Energy Conservation Board estimates on May 9, the hon. Member for Wetaskiwin-Leduc said something to the effect that, I don't think there is a hope of a snowball in hell - as I recall his words - of ever seeing a tar sands plant come on at 100,000 barrels a year to replace production - in other words, to replace declining conventional production at the rate of 100,000 barrels a year. Well, maybe not. But I would agree that in the short term it is too much to expect, certainly if one is only looking at mining plants. However, if a major breakthrough in in situ technology and economics could be achieved, then the number becomes quite a possible objective. Surely, Mr. Speaker, the hon. member's argument only bolsters the argument that we should be spending a lot of money in Alberta on tar sands research, starting right now.

There are certainly many questions as to how the funds will be spent and diverted. I would agree that we certainly don't want to spend the taxpayers' money re-inventing the wheel. Several oil companies have invested many millions of dollars over the past many years on in situ experimentation and they are now in the process of beginning the most

expensive part of that phase, that is the field testing. One can only go so far with calculations on paper or in the laboratory. Then it becomes essential to take the project into the field for an active pilot project. It is very easy to spend maybe \$50 million on a pilot project without any guarantee of either technological or economic success. Nevertheless, the fact that several companies - and granted at this stage of the game they have to be fairly large companies in order to afford it - but there are many companies which appear willing to take this gamble. That makes me think that maybe we could be closer to a technological breakthrough than some might think. With inflation the way it is, and shortages of steel and other materials, perhaps the hardest barrier to cross may quite possibly be the economic one insofar as in situ development is concerned.

Since we are talking about steam drive on the initial projects, as the minister pointed out, we are talking about large quantities of steam, perhaps in the order of five to one as compared with the volumes of steam used in mining plants. Steam, of course, as energy input is expensive. Therefore, it's quite likely that the crude price will have to rise considerably beyond \$6.50 a barrel in order to make these in situ projects viable in the future.

Perhaps, Mr. Speaker, some assistance in field testing with in situ projects could be an area that the minister might wish to consider as being within the scope of the Oil Sands Technology and Research Authority.

Sure, one can foresee difficulties with proprietary rights. After all, a company which has perhaps invested \$50 million in developing an in situ process should not be expected to give that competitive advantage away. On the other hand, I understand, or I have heard that one operator is proposing to sell his technology and the results of his field tests to any interested company for an annual fee, so perhaps that avenue might be the answer, at least in part.

I think most Albertans want to see the smaller companies have a chance at in situ oil operations. Yet, I think most members would agree that nobody should be a freeloader. It is only fair that every company pay its fair share of the research costs. But certainly, in my view, the Oil Sands Technology and Research Authority can play a major role in coordinating this effort to the ultimate benefit of all Albertans.

I have mentioned one method, steam drive, and of course there are many other methods. The minister referred to in situ combustion. There is steam soak and various types of chemical solution drives. It may well be that the most economical and best method has not yet been discovered. It could well be that as a result of the \$100 million investment that the Oil Sands Technology and Research Authority will make over the next five years, this will be the catalyst that results in a major breakthrough.

If you consider that even 200 billion barrels of synthetic oil might ultimately be recovered and you look at today's wellhead price of \$6.50 a barrel, if my calculations are right, that would be 1 trillion, 300 billion dollars. If you look at the current world price, the total value would be over 2 trillion dollars. Admittedly, it will take generations to get this money, but nevertheless, I think it would be pretty short-sighted not to put up \$100 million in order to achieve a breakthrough and quite possibly realize this bonanza for the people of Alberta.

Mr. Speaker, there is one area that I think should not be overlooked when we talk about heavy oil and in situ recovery processes. That is the Lloydminster heavy oil sands area. This is a similar type of deposit situated on the southern edge of the overall area that we refer to as the Alberta oil sands. As members I am sure are aware, the API gravity of the heavy oil varies from one deposit to another. The oil from Lloydminster is just light enough to be mobile to a minimal degree without the application of heat. However, primary recovery from Lloydminster is very low. It's about 5 per cent of the oil in place, and once you get the oil to the surface, the storage tanks must be heated in order to keep the oil mobile, as my friend from Lloydminster well knows. Water flooding has enabled a modest further increase in the ultimate recovery as compared to primary, and some significant experiments have been carried out in that area over the past several years.

In fact, there is an apparently successful fire-flood in operation there right now - at least successful from a technological standpoint. With the increased crude price, it seems likely that the fire-flood could be an economic success as well. What I wanted to point out here, Mr. Speaker, is that we shouldn't overlook the fact that because Lloydminster oil - by the way the Lloydminster deposit is a large deposit and covers a large area - is borderline or transitional between conventional oil and heavy oil sands as we think of it, maybe the lessons we could learn through experimentation in that lighter oil, which is mobile to a degree, could be applied to the heavier oil sands situated farther north.

If I understood the hon. Member for Wetaskiwin-Leduc the other night, and I could stand to be corrected on this, he was indicating the view, why spend money on in situ oil sands recovery when we haven't yet been able to improve conventional oil recovery beyond

the average of 34 per cent achieved through water flooding? I recall the hon. Member for Drumheller also expressing some dismay and disappointment over that percentage number. I have difficulty in buying that reasoning. For one thing, maybe what we learn from in situ experimentation could also be applied to tertiary recovery methods on conventional oil. I think there have been some pretty good tertiary successes already. Take Golden Spike, for example, which the hon. Member for Wetaskiwin-Leduc is quite familiar with. If I recall correctly, Golden Spike, which is a pinnacle type of D-3 reef, would have achieved about 70 per cent recovery - which of course is a pretty high number - by producing the oil from the bottom through gravity drainage while injecting gas into the top of the reservoir to push the oil down. However, by applying a miscible LPG bank between the artificial gas cap and the oil column, recovery estimates that I have seen lately are in excess of 90 per cent. So there is a good classic case in point.

There has been much information released recently with regard to a process known as miscellar flooding, where a chemical is injected into the reservoir. This allows for the achievement of miscibility in two ways, that is between the oil and the water. Therefore it helps in the recovery of greater percentages of oil. This process has apparently been successfully applied in a few pools on a tertiary basis.

I was interested to note, in a recent oil and gas journal, that in the U.S. in the past year there are 177 separate projects either in process or starting or terminated or under way to increase the recovery of oil by means more sophisticated than conventional water flooding; in other words, tertiary recovery.

I suspect that tertiary recovery technology might be more advanced than is commonly believed. The real problem has been economics. As long as society insisted on artificially depressed crude prices, there was no economic way to apply this new technology. Hopefully, with the significant crude price rises and assuming that the industry can achieve a fair share of this, we'll see some rapid advancement in tertiary applications, and therefore a significant improvement in the ultimate oil recoveries.

I can understand the Member for Wetaskiwin-Leduc feeling somewhat pessimistic the other night. I think it was, as I recall the date, just after he heard the federal budget and another unwarranted discriminatory attack on the industry and the people of Alberta. I'll have to admit that for a moment I also had some difficulty in remaining cheerful and optimistic. But I think we have to remember that the federal government, the Liberal government, has fallen and that document is academic.

I really have a lot of confidence in the wisdom of the Canadian people. While the people of Central Canada, Ontario and Quebec, may wish to keep us hewers of wood and drawers of water, I don't think they are stupid. They should probably have a pretty good idea of how much conventional oil we have left out here. I suspect they know that we won't be able to supply Canadian demands with conventional oil after 1980 even if we continue to produce flat out, unless significant new conventional discoveries are made.

I think, Mr. Speaker, they also have a history in those provinces of being skeptical of socialists. They haven't, to my knowledge, elected a socialist government in either province.

[Interjections]

I think the people of those provinces, like the people of Alberta, are fairly well-read. They know what happened in Mexico and Venezuela and other places in the world. They know that state oil companies are a bad joke. They have not worked anywhere. They won't work in Canada. Mexico was an exciting oil province. It had vast oil exploration potential. In fact they were discovering oil at a fast clip until the companies were nationalized in the mid-1930s. Since then they've discovered nothing. In fact now it costs the average Mexican citizen 25 cents a barrel just to subsidize the state oil industry. If you look at Russia, [they have] vast oil and gas potential, yet they are about to become net importers of oil.

Mr. Speaker, state oil companies have never been effective in the past and they won't be in the future. Furthermore, I don't think that enterprising, innovative people will work for state oil companies, and if they are forced to, they will cease, to a considerable degree, to be either enterprising or innovative.

I think, Mr. Speaker, the people of Central Canada will look at that budget and realize the seriousness of the situation ...

MR. SPEAKER:

With great respect to the hon. member, the Chair has some difficulty connecting the academic federal budget and the question of government ownership of petroleum development with the principle of the bill which is under debate.

[Interjections]

MR. CHAMBERS:

Sorry, Mr. Speaker, I was just really leading up to it.

AN HON. MEMBER:

Make it short.

MR. CHAMBERS:

Anyway, the reason I got off on that tangent, Mr. Speaker, was that I was trying to explain in my own mind the pessimism of the Member for Wetaskiwin-Leduc the other night.

AN HON. MEMBER:

He's not here.

MR. CHAMBERS:

He's usually optimistic and I usually find myself agreeing with him. So that's the reason I got sidetracked. I'd like to apologize, Mr. Speaker.

I would suggest that my friend from Wetaskiwin-Leduc and indeed all the members remain optimistic. I'd like to conclude, Mr. Speaker, by congratulating the Minister of Mines and Minerals for a progressive, imaginative piece of legislation, and I'd like to urge all members to support Bill No. 47.

MR. SPEAKER:

May the hon. minister conclude the debate?

HON. MEMBERS:

Agreed.

MR. DICKIE:

Mr. Speaker, I welcome the opportunity to close with a few short but I think very important words to answer some of the concerns that have been expressed by the hon. members.

MR. CLARK:

We'll answer that.

MR. DICKIE:

First, Mr. Speaker, I'm pleased the hon. Leader of the Opposition mentioned the Research Council and the work they have done. Also the Member for Edmonton-Calder was quite correct when he stated that the basic hot water extraction method now used by GCOS was developed by Carl Clark of the Research Council of Alberta, and that was using Government of Alberta funds, Mr. Speaker.

I think it's an important point, Mr. Speaker, because certainly we had to consider this question of the role of the authority compared with the role of the Research Council and whether the Research Council should be the vehicle to conduct this.

I'd like to say first that if you are looking at the authority and the purpose of the authority, if you are looking for two really short words to express it, you could perhaps use the words "funding" and "coordinating". If you keep those two words, funding and coordinating, in mind they will give you the purposes of the authority. The funding will be in the private sector using universities, I think universities were mentioned, and research groups.

On the question, why not use the Alberta Research Council, I think I'd like to suggest two reasons to the hon. members.

One, the Research Council executes research. The authority, although having the right to conduct research, would not be an executor of research. I think that's an important difference, and again I come back to the question of funding and coordinating. Certainly the Research Council will be used. That's one point.

The second point I'd like to draw to the hon. members' attention is, with the energy situation in the world today and with the oil sands receiving the publicity they have, there was a desire to have a separate body due to the magnitude of the situation. I think that has an important aspect when you're considering whether it should be a branch of the

Research Council or a separate organization. Make no mistake, Mr. Speaker, I certainly think that the members of the Research Council, who are under the direction of the Minister of Mines and Minerals, would utilize and work with the Research Council. And I think it's only right that members have paid tribute to the work already done by the Alberta Research Council.

Now the next question raised, I think by the hon. Leader of the Opposition - and doubtless some of the other members raised it too - is this question of incentives. Here again, Mr. Speaker, I'd like to refer the hon. members to the corporate tax statement read by the hon. Premier and now being worked on by our Provincial Treasurer. Certainly if someone appreciates the full significance of that statement and the magnitude of it and the scope we have by that corporate tax statement, that gives the government certainly an area in which it can move to make sure by way of incentives that companies that want to do business in Alberta, that are earning money in Alberta and want to invest it in Alberta in research and so forth, can receive great benefits by that.

MR. CLARK:

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MR. DICKIE:

Well, Mr. Speaker, the Leader of the Opposition raises the question of the timing and so forth. There may be other ways. It may be speeded up. These are all open to discussion and I think the statement was put out with the idea of inviting comment. Maybe those are the areas the comments will come from. The government certainly would look at it. I don't think, Mr. Speaker, that I'd like to suggest the government is fixed on any part of that corporate tax statement that's been suggested. The government is looking for ideas it can consider as it develops that corporate tax object set out in that statement.

I'd also like to refer the hon. members to a statement of policy made by the hon. Premier on October 4, inviting industry to come up with ideas and suggestions on incentives for oil sands and development. Again, we have suggested to the smaller independents who are not involved in these plays or who are involved in a very minor way in these plays to [make] suggestions as to how they might participate in a more meaningful way in the oil sands. So those areas, I think, are being covered, but they are points that are well taken.

The next area I'd like to touch on briefly, Mr. Speaker, would be the question of what is happening in the United States. Here again, [according to] the reports I have, as of March there were some 17 commercial coal and oil shale synthetic fuels projects that had been announced. Ten of those are coal gasification and seven are oil shales projects.

I would like to deal with just the oil shales at this time and, I think, refer to President Nixon's mention of the possibility of stimulating production of synthetic fuels from the oil shales through economic incentives and regulatory changes in his first 1974 energy message to Congress on January 23.

Now, the question is, just how are they going to do that? They're faced with the same problems we are discussing here today. One suggestion of a bill was that the plants would be built, owned and operated by the private sector; no federal construction funds would be utilized. The federal government, however, guarantees product prices or offers federal loans to ensure economic viability of such ventures. In return, the government would obtain access to the plants and to engineering, production and other data.

Another bill that has been suggested is that they would create government controlled corporations to design, build and operate demonstrations in commercial plants employing various technologies. Each corporation would be federally funded but financial support from the private sector would also be expected. Technical information and patents from this program would be retained by the federal government. A third alternative is just an extension of a government corporation modelled on the Tennessee Valley Authority.

I mention these, Mr. Speaker, because I think it's important that as we follow what's happening in the United States on this question of research and development, we can see them facing the same problems we have here and [see] what the reaction is. Of course, that leaves us with the really critical problem that we have been dealing with and talked about as the rights of proprietary data. If I could touch briefly on that, Mr. Speaker, because hon. members on the opposite side have dealt with it and we have dealt with it in our bill. But we have dealt with it in such a way that that just deals with where the government is taking advantage of part of the \$100 million and will be allocating funds. There would be agreement dealing with the use of that proprietary data.

I think it should be clearly understood that the bill just deals with the funds utilized from - that fund is being developed, not where existing companies have data at the present time. That would have to be developed in another way. I think again this would have to be dealt with on a discussion basis with industry. I can advise the hon.

members that I have had some preliminary discussions with industry on these various aspects and I think they need more.

Then you come to the other question that the Leader of the Opposition raised, as well as the Member for Spirit River-Fairview. What about the existing leases and the renewal of those leases? It has been raised before in the House. Because it has been raised and is such a critical question, I would like to suggest to the hon. members that we wait until we review the estimates of the Department of Mines and Minerals.

I have, as a result of the interest shown in that, had the department working on a booklet that can show exactly the interests in the oil sands, the bituminous sands leases, the oil sands leases, a brief description of the different types of leases involved in the Alberta oil sands, some of the petroleum and natural gas leases, how they're converted to oil sands leases, and the interest of each. We have set out the actual leases themselves. We'll draw to the attention of the hon. members the renewal provisions so that if we are changing the terms and conditions, how that will be handled and how the committee will be looking at that. So if the hon. members will await the estimates, I hope by that time I will have that booklet and we can get into more detail when all the facts and figures are before the hon. members.

Mr. Speaker, the hon. Leader of the Opposition dealt with this question of the federal government, and I think the hon. Minister of Federal and Intergovernmental Affairs has been very clear and definite on this. Certainly the federal government would be welcome, but they would be welcomed on our terms and conditions. Again, we have the vehicle now through the authority that can be dealt with.

The sum of \$40 million has been mentioned. I think if you recall the statement made right after the budget, it was some \$500 million and approximately one-third or more of that was to be used in oil sands. So, at this stage after the budget, we're not just sure exactly what amounts they are talking about. But again, I think it's an important fact that there is a vehicle now that the Minister of Federal and Intergovernmental Affairs can suggest to the federal government and the federal government can work with this authority in the utilization of funds that they may have.

However, Mr. Speaker, I would like at this time - and it will just take perhaps a short time - to review the brief history of the federal government's involvement in the oil sands itself. I think it's important to recognize what part the federal government has played to date, [to recognize] some of the cautions that have been indicated by the previous administration on this question and what we should perhaps watch with interest as a result of the experience in the past. So I'd like to read just briefly a bit of the background and draw to the hon. members' attention the part that the federal government has played in the oil sands.

When the natural resources were turned over to Alberta on October 1, 1930, the Dominion retained four pieces of land in the bituminous sands area comprising some 2,000 acres for constructions of roads and pavements within the national parks. I draw to the attention of the hon. members the words: "pavements within the national parks."

On November 9, 1929, Max W. Ball, petroleum engineer of Denver, Colorado, founder of Abasand Oils Limited, made a written application to the Hon. Charles Stewart, Minister of the Interior, Ottawa, for a prospecting lease on an area of approximately 12,000 acres near Fort McMurray.

On May 23, 1930, Bituminous Sands Permit No. 1 was issued to Max Ball for an area not less than 10 acres, for a period of two years from the lands which were reserved by Canada for the construction of roads and pavements within the national parks. The permit issued by the Department of Interior was extended by the Alberta government to June 30, 1934. Apparently, the province was not satisfied that it was fully informed of the federal government's actions and made representations to Ottawa without success.

In the meantime, Abasand's permit was extended to June 30, 1935. Several agreements were made between Abasand Oils Limited and the province, the final one giving Abasand Oils Limited until December 31, 1944 to construct a plant capable of extracting the bitumen from not less than 250 tons of bituminous sands per day, to do certain prospecting and exploratory work and to extract and refine the bitumen successfully. If it satisfied these and other conditions, it was entitled to lease an area of 3,840 acres in not less than eight separate blocks, each block not less than eight separate blocks and not less than 40 acres in extent.

While these permit conditions were being negotiated, construction of a plant was started in 1936 and production commenced in May, 1941. This separation plant was destroyed by fire in 1941 and was reconstructed and commenced production again in June, 1942.

On June 23, 1942, the then Premier of Alberta received a letter from the Minister of Munitions and Supply asking for provincial approval and cooperation in allowing the

Dominion Government to explore the possibility of large-scale development in the vicinity of the Abasand operation for war requirements. The Premier of Alberta conceded to the request of the Minister of Munitions and Supply, but asked that the province be kept fully advised of the program and the results of the Dominion's investigations.

Owing to the urgency of the situation, the Government of Canada entered into an agreement with Consolidated Mining and Smelting Company, with the consent of Abasand, to explore all of the bituminous sands area and to assist with the processing and refining of the bitumen at Abasand.

To assist with this program, the Alberta government was asked to withhold the granting of Crown leases in the bituminous sands area. As a result of this agreement, the plant at Abasand was rehabilitated and operated by a newly constituted Abasand Oils Limited on behalf of the federal government, and a sum of \$500,000 was appropriated for this purpose. Abasand did not receive any compensation for its existing facilities.

Under this agreement, the Dominion Government drilled a number of promising deposits in the bituminous sands area and found a very rich orebody at Ruth Lake. Later Abasand Oils Limited asserted the right to lease this area and it was understood at this time to have assumed responsibility for the expenditures made by the Dominion Government in drilling this area. This lease was acquired by Sun Oil and is now worked by Great Canadian Oil Sands.

In June, 1945 the federal government plant at Abasand was destroyed by fire and never rebuilt. The federal lands along the Athabasca River retained for paving in the national parks were not turned over to the province until August 7, 1957. The consequence of this was that the whole involvement of the federal government was the subject of considerable political activity in 1944. Allegations of waste and sabotage were made in the Alberta Legislature against the Dominion Government.

The whole proceedings were reported in The Edmonton Journal of March 14, 1944 and I'd just like to review briefly some of the comments in that article, because this is how the federal government was involved in the oil sands. The headline of March 14 ...

MR. SPEAKER:

With great respect, the hon. minister is perhaps going beyond the limits of quoting in a speech. If he wishes to recite facts which are relevant to the principle of the bill it might be otherwise, but the Chair has difficulty in connecting the extensive review of past history with the principle of the bill.

Possibly the hon. minister might have some further scope to go into this in reply to questions when the bill reaches committee.

MR. LUDWIG:

Mr. Speaker, I wonder if the hon. minister would table that article he is reading. We can get at it and get the whole information rather than read something like that into a debate on the bill.

SOME HON. MEMBERS:

Agreed.

MR. DICKIE:

Mr. Speaker, I certainly bow to your ruling. I was endeavouring, because of the question raised of the federal government involvement, to give a brief history of this. I think to perhaps accommodate your wishes and the wishes of the hon. members I could table a copy of the article of Tuesday, March 14, 1944 in The Edmonton Journal.

AN HON. MEMBER:

The whole truth.

MR. DICKIE:

I would ask the hon. members particularly to look at the resolution that was passed by the Alberta Legislature [by a vote of] 31 to 14, the suspicions that were created by the federal government involvement, and the strange happenings as a result of the federal government's involvement. I think, as a result of reading that article, hon. members would say that certainly when you're dealing with the federal government again involved in the oil sands, you must approach it with a great deal of trepidation.

MR. BENOIT:

Mr. Speaker, we would like to have the entire paper tabled if we could please. All that you have read as well as ...

MR. DICKIE:

Well, Mr. Speaker, I'd be glad to table parts that I read ...

AN HON. MEMBER:

No, no, the whole thing.

MR. DICKIE:

There are some parts I haven't related to so I'd be glad to accommodate hon. members and table them a report on it.

Mr. Speaker, I think that briefly - not too briefly perhaps - dealt with the questions raised by the hon. members on the federal government. But I think it was important that they be aware of the background of the federal government involvement in research in the oil sands.

MR. LUDWIG:

Mr. Speaker, would the hon. minister permit a question at this time, just a short one.

MR. DICKIE:

Mr. Speaker, I'd gladly entertain any questions when I've completed my comments.

MR. LUDWIG:

That might be a long time.

MR. DICKIE:

Mr. Speaker, the hon. Member for Spirit River-Fairview raised a question about the government's involvement in research. I'd like to draw his attention to Volume 2 of the Energy Policy for Canada tabled in the House of Commons and particularly to the comments on research of uranium and nuclear energy. We noted there that the federal government has spent over 70 per cent of the research expenditures for '72 and '73 on nuclear energy. I think if you follow the developments taking place with uranium and nuclear energy in the province of Ontario, that would be an answer to the statement made by the hon. member.

MR. LUDWIG:

Are you trying to knock your own bill?

MR. DICKIE:

Mr. Speaker, one of the other aspects that was raised, certainly by the Member for Edmonton Calder, was this question of the reserves in the tar sands. We have looked at our conventional crude oil being backed up by the oil sands. Certainly I think there is another area we could also suggest at this time. At the present time, with the research that is being conducted, we have a further backup. This deals with the question of liquid fuels from oil sands. If they have difficulty in getting on fast enough we will be able to take up some of the slack by producing synthetic liquid fuels from the coal or heavy oil. I think the question raised by the hon. member dealt with the question of heavy oil, and I think the question of coal also ties in with his liquid fuels. That gives us a further backup that I think is important for hon. members to appreciate.

Mr. Speaker, in view of my initial intention to be very short, I'm afraid I extended that and perhaps if I've missed one or two points I'd be glad answer them when we deal with it at committee stage of the bill.

I can just see that the hon. Member for Calgary Mountain View can hardly sit in his seat waiting to ask a question so I'll gladly entertain it now.

MR. LUDWIG:

Mr. Speaker, I don't think the hon. minister missed any point. I think he missed the principle.

The question I wanted to ask the hon. minister deals with the very important issue of the relationship between this government and the federal government. He stated he would

deal with the federal government with a great deal of trepidation. I wonder whether he wouldn't be prepared to modify his position somewhat if perchance the Conservatives got in, or would he still distrust them as perhaps I would?

MR. SPEAKER:

The hon. member is making a representation which perhaps he might have made in the course of debate.

MR. WILSON:

Mr. Speaker, would the hon. minister permit another question?

MR. DICKIE:

Yes, sir.

MR. WILSON:

Mr. Speaker, would the hon. minister indicate the source whence the principle of this bill was initiated? In other words, did the original thrust for the bill come from the minister himself, or from his department, or from the industry, or from some other source?

AN HON. MEMBER:

From the Premier.

MR. DICKIE:

Mr. Speaker, I'm pleased to answer that. To my recollection, I made a speech in September of last year about research, particularly research on the in situ method. Subsequent to that there were discussions in the energy committee. I would say this bill was initiated by the energy committee of cabinet.

MR. CLARK:

Mr. Speaker, another question for the minister. When are you going to table that information you are reading from?

MR. DICKIE:

Well, Mr. Speaker, I'd have it available for tomorrow if they can wait that long.

MR. CLARK:

No, could we just have it tabled right now. We can get copies made, Mr. Speaker.

MR. LUDWIG:

We don't want any amendments.

MR. SPEAKER:

The Chair, of course, is not aware whether what the hon. minister was referring to or quoting from is an integral document as one document. He may have been quoting from several documents, in which case the hon. minister's suggestion that he would table the documents from which he quoted would be quite proper.

[The motion was carried. Bill No. 47 was read a second time.]

Bill No. 51 The Government Land Purchases Act

MR. MINIHLY:

Mr. Speaker, I move that Bill No. 51, The Government Land Purchases Act, be now read a second time.

[The motion was carried. Bill No. 51 was read a second time.]

Bill No. 56 The Alberta Property Tax Reduction Amendment Act, 1974

MR. RUSSELL:

Mr. Speaker, I'd like to move second reading of Bill No. 56, The Alberta Property Tax Reduction Amendment Act, 1974.

Just dealing very briefly with the principles of the bill, Mr. Speaker, the main principle, of course, is to remove the provincial education tax from all residential property in Alberta for 1974. That provision is extended by these amendments to all kinds of residences whether they are dwellings, farmlands or mobile dwellings.

Further, Mr. Speaker, it allows for the provision of the benefits to have no ceilings. In other words, the entire tax is removed no matter what the amount may be. If a person is paying the tax, he receives the benefit of relief from the tax.

Another important provision of the bill, Mr. Speaker, is the fact that minimum benefits are provided for certain classes of citizens with respect to the assessed value of their property. There has been established a minimum benefit for home-owners, Mr. Speaker, of \$100. So unless the entire municipal property tax is less than \$100, in that case the entire tax would be paid. But the bill does provide for a minimum benefit of \$100 or the total tax, whichever is the lesser.

There is an exception to that and it is an important one. It is for Alberta citizens who are receiving a guaranteed income supplement. In that case the minimum benefit is \$200 or the total tax, whichever is the lesser.

Another very important principle embodied in the bill, Mr. Speaker, is the fact that the tax relief is to be automatically given wherever possible. There are two exceptions to this. I mentioned the fact that there are some cases where although the entire tax may be removed, it still could be less than the minimum benefits I just outlined. In that case it would be necessary for the property owner to come forward and claim an additional refund to bring his benefit up to the minimums which I mentioned.

Another one where application would have to be the procedure used is for family farmlands. This is a matter which has been given a great deal of discussion as to the easiest and fairest way in which this might be carried out. Because of the situation in Alberta with respect to resident and non-resident farmers, with respect to family and non-family farm corporations, the decision has been made to require that family farmlands also receive their benefits by application.

Another important feature of the bill, Mr. Speaker, extends a benefit of the flat \$100 a year senior citizens renters grants. Members will recall that two years ago these were instituted at \$50 per year and that was doubled last year to \$100. It remains at \$100 this year, but the class of senior citizens eligible has been extended. It has been extended to cover all senior citizens now resident in senior citizens lodges throughout the province. So the benefit is now extended to about another 4,500 senior citizens. The only ones who would now be excluded from that flat \$100 a year renters benefit, Mr. Speaker, would be senior citizens resident in nursing homes or hospitals.

As I said, the program is effective for this year, 1974, and the necessary procedures and cooperation with the municipal governments are already well under way. We expect most citizens will automatically receive their benefits and that will simplify and expedite procedures to some great degree. I'll be pleased to talk in detail if some hon. members have specific questions about the mechanics of the act. That's probably better done in committee. I simply wanted, at this time at second reading, to emphasize the principle that no residential properties in Alberta, whether they are owned or rented, whether they are urban or rural, will any longer have to pay the provincial education foundation levy. That, Mr. Speaker, fulfils a major campaign commitment made by this government in 1972.

MR. LUDWIG:

Mr. Speaker, I believe this could be termed a typical Tory bill. They are taking care of a certain class of people in this province a lot better than they are taking care of those who need it.

The hon. minister was very careful to emphasize, as he always does, what they are doing. But he neglected to point out some of the things they are avoiding. I wonder whether the hon. minister could explain whether he had dealt specifically with the Alberta Association of Municipal Districts and Counties' letter to the members, dealing with the home-owner education tax reduction plan? And I wonder why the minister was so quick to point out that there is going to be a bottom ceiling, a minimum ceiling below which no grant will fall, no discount will fall? He was not too explicit in pointing out what is the top ceiling, the level. What is the most a person can get under this legislation?

Can a person get \$1,000? Can a person get \$2,000? Can a person, in fact, get \$10,000 under this legislation? Or is the hon. minister concerned about the ceiling?

I think one obligation all hon. members have in this House is to see that public funds, the trust funds they get from oil which belong equally to every individual, are distributed as equally as possible; perhaps by providing services and facilities, which I agree, could not be equally beneficial to everyone, but at least that are of a general public nature.

But when we hadn out money, even though it is by way of a discount of a certain form of tax, I don't believe it's in any way deemed to be equal by the majority of the people of this province if a lot of people will only get \$100 because of the fact that they haven't got much by way of property. It wasn't their fortune to get more property, therefore they will get \$100. And some of the senior citizens will get \$200. It's in fact a form of dividend principle.

But why do we sit here. All of us represent people who are concerned about equality of distribution where possible of these funds. So we're not going to distribute these funds equally. I'll probably make a lot of enemies by taking this stand because some of my colleagues perhaps stand to benefit substantially if there is no ceiling on the amount one can get. I am going to take the position here that I would like to see the bottom level raised considerably and a ceiling placed on how much a man can get.

I believe there have been very well written and thought out editorials about the distribution of government funds. Let's supply it where the shoe pinches the worst. When we feel rather magnanimous, we give certain people \$100 because we would feel embarrassed if we made it any less and we'll give the senior citizens \$200 because they have had a lot to do with what we are enjoying in this province today. So in order to save face we'll sort of smooth this thing over a bit. But why stop there? If we can afford to get into a program where the sky is the limit for some people - I shouldn't say the sky is the limit, but they can get a tremendous amount of saving for those who are better off - we can afford to raise the bottom level.

It is no use talking about how magnanimous we are with \$200 for senior citizens when that \$200 today would buy only half of what \$200 would have bought several years ago. We all know it. Perhaps by the time this legislation is in effect and they get their \$200, it will buy 15 or 20 per cent less by way of food or the necessities of life for these people. So we mustn't emphasize that we are [being] magnanimous with the people's own money in making sure that no one gets less than \$100 and that the senior citizens who are on supplementary aid get \$200.

I think the time to raise these points, Mr. Speaker, will be in committee. But I certainly will be looking at some adjustment of thinking of hon. members opposite. They seem to create the impression throughout by sort of a patronage-oriented attitude that we'll take care of our own. I am not at all impressed with the many friends I have who perhaps live in affluent parts of the city getting much more money by way of discount of this education tax - it's an indirect dividend - getting two, three or four times as much as the constituents whom I represent.

This is an inequality and we have to fight for equality of opportunity and equality of sharing in the money which belongs to the people. When the money is in the treasury, and for instance the government was distributing it all, they would have to treat every citizen as an equal. But this is an inequality which is added to by government funds.

We should try to equalize the differences, the levels of ownership, the amounts of ownership and the standards of living by emphasizing help in those areas we need to give help. I say a lot of the home-owners, a lot of retired people, a lot of the people who are working and buying homes and have families, are not progressing at all. They can't forge ahead because every little increase they get is eaten and taken up by increases in costs of living, by increases of services at the municipal level, at the school board level, at the provincial level, at the federal level.

So the government is not all that magnanimous. But the government is most unfair, Mr. Speaker, in taking this approach to this problem. We've done it before but I believe we have to go back and look at it. If we can't allow every home-owner an education discount of, say, \$350 or \$400 and no less, we are not playing fair with the people and we are not distributing the wealth of this province, as we say we do, in accordance with what I believe is equal treatment.

I just do not believe the minister can stand up in public and justify the approach to this bill, particularly if he went to a public meeting or a public forum in some of the less affluent constituencies. I'm sure if he went out to some of the smaller towns, they would want to know why someone in Edmonton can get several hundred dollars as a donation, as a discount or picking up his tab of several hundred dollars when some other person, who is equally worthy, because of his economic position gets less.

I do not believe that I will ever subscribe to that principle and I think there has to be a change in attitude. It isn't enough to do what has been done, that we will raise the ante. If the Opposition takes a firm stand, we'll give them \$100 today and we'll announce \$250 when the election is called. That's playing games with the people and they are wise to it. The time to make this decision, Mr. Speaker, is now in the Legislature and not say, well, we'll kick the ante up as the complaints come in. They will come in. I believe that all hon. members who have less affluent constituencies ought to be here this fall with petitions, urging the minister to make this adjustment. I for one feel that this is unfair. It isn't equitable and I have to be convinced.

I know that some people will call me up and say, what have you got against me? I happen to be rich. I have nothing against him. But I am concerned about the person who will phone me up and say, Mr. Ludwig, I haven't got much property, but I'm a taxpayer. How come Jim Jones is getting \$700 and I'm getting \$100? How do you justify that one?

It's a lot easier to justify to the person who has lots that perhaps we have to help carry to some extent those who haven't got it. This is a principle that has been fought for in the past and I believe it's much better, if the government can afford it - and this government can - to not feel too self-satisfied that we're doing right and we'll pacify the lower income, the lower property owners in order to gratify and make friends with a lot of those who can't afford to perhaps have none.

I'm not at all impressed with the apartment owners. I have lots of them in my constituency, Mr. Speaker, who are in business. I'm not satisfied that this education tax discount they're going to get is going to be passed on to the tenants. I would much sooner see every tenant get something right in his hand. It's easy to jack rents up but they seldom come down. I think the minister has an obligation to stand up and tell us why he went this way, why the unequal treatment of the residents of this province. I could give example after example, not only in the cities but more so in small towns, where they deserve a better break than this. I believe that if the minister can't say that we'll place a ceiling on how much one person can get, then if they can afford to be free and easy with money in this regard by helping those who definitely don't need it or if they do need it they would like to get it, but who can get by without it, we have a moral obligation here to peg the base level, the bottom level, at about \$350. We were talking about \$250 last year and we backed off. We changed the approach.

I am saying, Mr. Speaker, that as far as I am concerned I have no hesitation in urging those citizens of Alberta to press this government for a basic bottom discount of \$350 and adjust it as time goes by, if that \$350 should be eroded by further inflation.

Thank you, Mr. Speaker.

MR. KCZIAK:

Mr. Speaker, I have to agree with the hon. Member for Calgary Mountain View that this is, in fact, a Tory bill. It's a Tory bill through and through. It's a bill that we presented in the form of a campaign promise to the people of the province of Alberta in 1971. It was a bill on the basis of which they elected a Progressive Conservative government.

I must state, Mr. Speaker, that after listening to the hon. Member for Calgary Mountain View, while this is a Tory bill, what we have just heard is in the form of drivelling Social Credit monetary policy. I have never heard of anything so ridiculous in all my life: a tax going up at one rate and then going down at another rate. Who ever heard of anything so ridiculous.

MR. LUDWIG:

Except your remarks.

MR. KOZIAK:

Mr. Speaker, the suggestion the hon. member makes would apply equally to the reduction in the gasoline tax. On that basis, instead of reducing the gasoline tax by X number of cents per gallon, what we should be doing is determining how much each user uses, calculate the total reduction and then apportion it amongst all the people.

MR. LUDWIG:

Where have you been all these years?

MR. KCZIAK:

That means maybe I am a 10-gallon a week user but I should get a rebate as if I used the Alberta average of 25 gallons, because we want to keep everybody equal. I think, Mr.

Speaker, the hon. member just doesn't understand the difference between assisting people and reducing the tax.

AN HON. MEMBER:

It's not the first time.

[The motion was carried. Bill No. 56 was read a second time.]

Bill No. 58 The Department of Agriculture Amendment Act, 1974

DR. HORNER:

Mr. Speaker, I would like to move second reading of Bill No. 58, The Department of Agriculture Amendment Act, 1974. This is a small amendment to fit into our tentative agreement with the provinces of Saskatchewan and Manitoba in relation to a farm machinery institute. This will give us the mechanism under which we can join with them. The agreement will be basically that which was tabled in the Legislature a year ago, on an interprovincial study by an interprovincial study group and outlines how that agreement will be put into effect.

MR. BUCKWELL:

Mr. Speaker, I would like to ask the hon. minister if he has any idea or ballpark figure of what Alberta's financial share will be in this?

DR. HORNER:

It's 35 per cent Alberta, 45 per cent Saskatchewan and 20 per cent Manitoba, in a general division. The commitment by the federal government at the Western Economic Opportunities Conference was to the capital portion of the institute's needs and we are hopeful that they will also make a contribution with regard to operating.

MR. BUCKWELL:

Just a supplementary then. You have no idea, say, what the total amount [is]? It will go up, I imagine, as the years go by, would it?

DR. HORNER:

The total amount is \$800,000. That would mean as an operating budget, 35 per cent of that would be Alberta's.

[The motion was carried. Bill No. 58 was read a second time.]

MR. HYNDMAN:

Mr. Speaker, I would now ask that we move to Government Motion No. 3 concerning sitting of the House this Wednesday rather than Thursday evening. It's on the Order Paper page one. I would so move Government Motion No. 3.

MR. TAYLOR:

Mr. Speaker, I notice this is in lieu of Thursday. Is there some reason for this?

MR. HYNDMAN:

Yes, there is, Mr. Speaker. If I could close the debate ...

MR. LUDWIG:

Don't close the debate. Just answer the question.

MR. HYNDMAN:

... there is a commitment which we have, on this side of the House. The situation is very similar to that in the early part of the session, I believe, when hon. members opposite had a Thursday evening commitment by their caucus and we agreed not to sit. So we're simply in the same kind of situation.

[The motion was carried.]

Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into Committee of the Whole to study certain bills on the Order Paper.

[The motion was carried.]

[Mr. Speaker left the Chair.]

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COMMITTEE OF THE WHOLE

[Mr. Diachuk in the Chair]

MR. CHAIRMAN:

The Committee of the Whole Assembly will now come to order.

Bill No. 18 The Clean Air Amendment Act, 1974

MR. CHAIRMAN:

There is an amendment circulated with the bill.

MR. CHAMBERS:

Mr. Chairman, I wonder if I might make a correction to some remarks which I made last time. I notice that in looking at Hansard for April 26, pages 1451 and 1452, in response to the hon. Member for Cypress, I inadvertently used the word "regulation" in a few places, when I was talking about, of course, Section 4(c) of this Act. Naturally the regulations aren't written yet with respect to this Act and I intended to refer to "act" rather than "regulations". I notice that I said that two or three times and I would just like the record to show that correction.

MR. LUDWIG:

Mr. Chairman, I moved an amendment:

Section 2 of the Bill is amended by striking out the proposed clause (a) of Section 3, subsection (1) of the Act and by substituting the following:

- (a) prescribing the maximum permissible concentration of any air contaminant
 - (i) for all or any part of Alberta, or
 - (ii) for buildings or any class of buildings in all or any part of Alberta;

Now, in listening to the honourable mover of this bill, I got the impression that he favoured this - not this amendment, in fact - but he favoured the thought expressed in the amendment. He believed that is what the bill, in fact, does. I'm saying that in legislation, if the bill does what I am proposing in my amendment, then there should be no objection to the amendment. All legislation should be as explicit as possible under the circumstances. Anyone who reads the bill as it is would not get the impression that it includes all buildings in Alberta. For that reason, Mr. Chairman, I propose the amendment and I hope that some hon. members at least will see fit to support it, because we are moving in the direction of pure air. Why should we be less concerned about clean air in buildings where we spend more time? At least a lot of people spend a lot of time working in buildings. In fact, the problem outside is not quite as serious.

So unless there is some very good reason why this amendment would, in fact, make something difficult to comprehend or might affect other legislation, I would urge all hon. members to support this amendment.

MR. CHAMBERS:

Mr. Chairman, may I respond to the hon. Member for Calgary Mountain View? I appreciate the reason for his amendment and his concern. However, I think if it were implemented, it would probably have the opposite effect from what the hon. member desires. Because after all, The Public Health Act, through its regulations, has established air quality criteria related to the occupational environment within industrial buildings. As a matter of policy of this government and the past government as well, occupational air is covered by The Public Health Act; whereas community air, if you differentiate between them, is governed by The Clean Air Act and its regulations.

Personally I think we should have this broad definition of "all or any part of Alberta", because this way there is no chance of a gap. If an amendment such as that

proposed by the hon. member were put in or, indeed, if the converse sort of amendment were made, I think there would be a real risk of a gap developing in the regulations. This way everybody is protected. Surely, Mr. Chairman, our goal really is to protect; to provide clean air and a clean environment for all the people of Alberta. That is the name of the game, or it should be; not semantics over a specific wording.

MR. LUDWIG:

Mr. Chairman, I am rather unimpressed with the hon. mover's remarks. He says we should have it all-encompassing. But this amendment doesn't take anything away from the bill. It merely adds to it. It does not take anything from what he has. Of course, nobody here disagrees that we should strive towards more pure air within places of employment. Even if the Department of Health is involved, prescribing maximum permissible concentrations of any air contaminant can in no way hurt what the bill had before. It's a step in the right direction, as far as I'm concerned. I'm not trying to take anything away. I'm not indulging in any play on words or semantics, as he has hinted.

This is a serious intent on my part to extend the very thing he is trying to do and to give some remedy to people who have to work and want to complain and say, okay, let the Minister of the Environment come in and check this thing out. Just complaining about things isn't good enough. Those days are gone when you can complain and suffer the next day. We want to move to a situation now where we can do something about it.

I know you can explain this thing away and [say] we'll do it. If we're going to do it, if we are interested, let's put it into legislation. That's why we come here two or three times a year; not just to rely on someone to do something, but to make sure it will be done and that someone has the right to have this thing done. If you want to argue the way the hon. member did, let's get back to the Bill of Rights. We had all the rights that are in there, but now we have them in statute, so you [can] get your hands on someone if he violates them.

This is a step in the right direction and no valid reason has been given why it shouldn't come in.

Thank you, Mr. Chairman.

MR. YURKC:

Mr. Chairman, the bill is very functional as it is. It hardly needs any change whatsoever. It's still a new bill. We are moving quite rapidly with respect to the bill. It gives us all the scope we need in terms of covering the areas of public domain or public air quality. What the hon. member is suggesting is that we get into the people's kitchens.

MR. LUDWIG:

No.

MR. YURKO:

Well, you're talking about any building: "for buildings or any class of buildings ...". He wants us to get into the people's kitchens and the people's bedrooms. I don't understand that at all.

AN HON. MEMBER:

Agreed.

MR. YURKO:

At least if he had said, in every public building where the Minister of Health is responsible, that's a different matter. But he's talking about every building. That's just about as ridiculous an amendment as I've seen and I suggest we vote it down and continue with the business of the House.

SOME HON. MEMBERS:

Agreed.

MR. LUDWIG:

Mr. Chairman, it's a pretty flimsy stand when he has to go far beyond what is in the wording of the bill to try to defeat the whole thing. His remarks are proof that any theory can be stretched to absurdity. That's exactly what he did. This would not mean that you have to go and run around with a gadget to see if somebody's house has too many smokers in it. I'm concerned, and the hon. minister knows exactly what this means, with

"... buildings or any class of buildings in all or any part of Alberta." For instance, if I'm working in an office building and the air isn't pure, the air is foul, and I want to complain, I have no means of doing it right now to anyone. Nothing can be done.

So it's all right to say this bill is all-encompassing. It covers what I want to do. If the minister is in agreement that the bill, in fact, provides for doing what I want to do, let's be explicit. Let's get it into the act. But saying, oh, we're moving a little bit too fast - and I was surprised that he got into the argument that was used in Ottawa [of] let's stay out of the people's bedrooms. By all means. But he's not staying out of the people's manure piles and taking tests down-wind from hog raising operations.

So I believe that many people who work in buildings right now have not the remedies ...

[Interjections]

... so he says that the bill as it was before my proposed amendment has all this. The only objection he has is being more explicit, being more to the point so that people who have a problem have the remedy. It's a hollow comfort to anyone to say that the minister has spoken - and in order that we move gradually, not too fast, in this direction. I understand that he was in a lot bigger hurry on matters of pollution when he was not a minister, but now he says let's cool it, let's move gradually, we're going too fast. A suggestion that we take a step towards ensuring that people who must be in certain buildings, in offices and factories, et cetera, will have a remedy for clean air - the minister says we're moving too fast. It sounds like a conspiracy between two engineers to say that since we didn't bring the idea in, it's too fast for us.

So, Mr. Chairman, I still insist that the amendment is good. It does not force the minister to do anything and their reasoning, if you look at it carefully, was not in opposition to the thought expressed in the amendment. Really they felt that maybe we don't need it, or it's going too fast. Those reasons were very, very weak and I still urge the hon. members to support this amendment.

Thank you, Mr. Chairman.

[The amendment was lost.]

Section 9

MR. DRAIN:

A prosecution under this act or regulations may be commenced within two years of the commission of the alleged offence but not afterwards.

It would appear to me, Mr. Chairman, that this seems to be a rather long space of time. Many things can happen in two years. Witnesses and relevant evidence can be destroyed, people will move from one part of the country to another, people could die, and so on, and therefore, I would move to amend Section 9.1 by deleting "two years" and changing it to "one year".

MR. CHAIRMAN:

I wonder if the committee would agree that we adjourn on that note until 8:00 o'clock tonight?

HON. MEMBERS:

Agreed.

[Mr. Chairman left the Chair at 5:37 o'clock.]

