

LEGISLATIVE ASSEMBLY OF ALBERTA

Thursday, October 31, 1974

[The House met at 2:30 p.m.]

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF BILLS

Bill No. 67 The Landlord and Tenant Amendment Act, 1974

MR. GHITTER:

Mr. Speaker, I beg leave to introduce a bill, being The Landlord and Tenant Amendment Act, 1974. The purpose of this bill, Mr. Speaker, is to assist tenants whose landlords are endeavoring to increase their rents without adhering to the mandatory 90-days notice in The Landlord and Tenant Act. These landlords are taking advantage of an existing loophole in the present Act whereby notice to evict on 30-days notice is given and then withdrawn if the tenant agrees to pay an increased rent.

[Leave being granted, Bill No. 67 was introduced and read a first time.]

MR. HYNDMAN:

Mr. Speaker, I move that Bill No. 67, The Landlord and Tenant Amendment Act, be placed on the Order Paper under Government Bills and Orders.

[The motion was carried.]

Bill No. 77 The Ophthalmic Dispensers Amendment Act, 1974

MR. CRAWFORD:

Mr. Speaker, I beg leave to introduce Bill No. 77, The Ophthalmic Dispensers Act, 1974. Mr. Speaker, this act would clarify the conditions under which registration of practitioners of ophthalmic dispensing take place in the province, and reintroduces the grandfather clause which had been in the previous legislation and was judged not to have been in as long as it might have to be helpful.

There is one other provision, and that is relating to the right of the board to assign certain of its duties to a subcommittee of itself or to others under special circumstances with approval of the minister.

[Leave being granted, Bill No. 77 was introduced and read a first time.]

Bill No. 80 The Legislative Assembly Amendment Act, 1974 (No. 2)

MR. HYNDMAN:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 80, The Legislative Assembly Amendment Act, 1974, (No. 2).

The purpose of this bill is to remove some uncertainty regarding the legal status of members of the Legislative Assembly. It provides that an MLA will not be disqualified from sitting in the Assembly if he is a member of a co-operative association, if he

receives a tax reduction or refund under The Alberta Property Tax Reduction Plan, or if he receives renter assistance credit pursuant to The Alberta Income Tax Act.

[Leave being granted, Bill No. 80 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. COPITHORNE:

Mr. Speaker, it gives me a great deal of pleasure to introduce to you Her Worship, Mrs. Lucille Dougherty, Mayor of High River. With her is Councillor Wilf Longston, Councillor Jim Leigh and his wife Marion, Councillor Arnold Smith and Ken Brisbin, the town engineer. They are in your gallery, Mr. Speaker. I would like them to rise and be accepted.

MR. MOORE:

Mr. Speaker, it gives me a great deal of pleasure to introduce to you and to the members of the Assembly, the recently elected mayor of the town of Falher. He is seated in the members gallery, Mr. Gerard Maisonneuve.

MR. BUCKWELL:

Mr. Speaker, I would also like to introduce to you and through you to the members of this House, His Worship, Mayor Edgar of Fort Macleod, accompanied by Mr. White and Mr. Getty. I ask them to rise and be recognized.

MR. R. SPEAKER:

Mr. Speaker, it's my privilege to introduce through you to this Assembly, the newly-elected Mayor of Vauxhall, Father Lynn, and one of his councillors, Mr. Max Ternes.

MINISTERIAL STATEMENTS

Department of Municipal Affairs

MR. RUSSELL:

Mr. Speaker, I'd like to make a statement regarding municipal capital development funds.

During the past three years, the government has been reviewing and improving the financial status of Alberta municipalities. It has been necessary to consider carefully the objectives and opportunities of the municipalities within four broad terms:

1. areas of responsibility
2. operating funds
3. capital funds, and
4. municipal debt

Insofar as the first one, responsibilities, are concerned, contributions to the rapidly escalating programs of hospital services, social development and the provincial education levy have been substantially removed from the municipal property tax base. This has freed about \$100 million annually worth of taxation revenues for municipal governments for their purposes - without having to increase mill rates. In straight dollar terms, this is worth just over \$60 for every man, woman and child in each municipality each year. This program has been complemented further by direct provincial assistance to senior citizens and renters, estimated at an additional \$15 million.

Insofar as point number two, operating funds, are concerned, they are now at their highest level ever insofar as assistance is concerned, and may be expected to increase. Direct municipal grants this year are \$39.9 million.

Capital funds have been expanded in a very dramatic way. For example, during the current year 35 municipalities received \$4.2 million for sewage treatment facilities, and since last year 49 Alberta communities have received \$4.3 million in provincial grants for waterworks programs. The Towns and Villages Paving Program has been well received and so far \$10 million of provincial grants have been committed. In the field of recreation, \$3 million is available to Alberta municipalities under new and exciting co-operative programs. Public transportation will receive continuing attention, and earlier this year a commitment of \$220 million over the next six years was made.

It can be safely assumed that ongoing work under way by the Tri-level Task Force and the Alberta Provincial-Municipal Finance Council will result in recommendations leading to more progress in the future.

Today, a new program of provincial assistance for municipal capital financing is to go into effect immediately. The program will do two things. First, substantially increase the amount of capital funds available to municipal governments, and secondly, help

stabilize municipal debt service charges by way of direct cash payments to municipal governments, thus helping to keep mill rates and property taxes down.

In making this new program operative, there are three major principles involved. First of all, the province will add large amounts of money to the Alberta Municipal Finance Corporation, the agency which presently provides municipal capital funds.

Secondly the present AMFC annual borrowing limit of \$60 per capita will be removed. Municipal governments will now decide locally the extent of their borrowing programs.

Lastly, each year the province will stabilize interest rates on capital borrowings at 8 per cent by making cash payments to the municipalities. The present AMFC rate is 9.38 per cent. Excluded will be debentures issued for municipally-owned utility companies and for sewer projects already subsidized under the Alberta Environment Sewer Assistance Program.

It is estimated that the additional capital funds provided will be \$100 million for the current year, rising cumulatively by \$10 or \$15 million additional funds each year thereafter. The interest stabilization payments to commence in the '75-'76 fiscal year, for 1974 municipal borrowings, are estimated at \$2.8 million.

Mr. Speaker, there are several major advantages to this new program. First, it assures all Alberta Municipalities that their full capital requirements will be met within the Alberta economy. Secondly, it provides working capital to the municipalities at rates substantially lower than other sources. It assists municipal governments by stabilizing debt charges and thereby directly assists in maintaining lower mill rates. It permits our rapidly growing Alberta municipalities to proceed with long-term capital projects related to future anticipated growth. Last but not least, it is a good investment for provincial revenues.

This new program will permit many Alberta developing municipalities to grow with confidence.

I'd like to file one copy of that statement, Mr. Speaker.

MR. CLARK:

Mr. Speaker, in responding to the announcement, the ministerial statement, made by the Minister of Municipal Affairs, those members on this side of the House welcome the government's move in this particular area. We welcome especially the announcement made by the minister as far as the additional \$100 million to the Alberta Municipal Finance Corporation. I think all members would agree that over the course of last year we, in this province, have been in the ridiculous situation of having some of our largest urban municipalities in the province having to borrow from outside the province and outside the country when, in fact, they could have borrowed from the province itself.

Secondly, Mr. Speaker, we welcome also the move to stabilize service charges. I'm sure this will be welcomed by municipal councillors across the length and breadth of this province.

Mr. Speaker, I hasten to add, however, that in the course of the last two years construction costs for municipalities have increased approximately 40 per cent. The cost of labor has gone up between 30 and 35 to 40 per cent, and the cost of materials has increased in excess of 30 per cent. And while we welcome this announcement made by the government today, I would have to say, Mr. Speaker, that I'm disappointed that the minister did not take this opportunity, or take the opportunity this morning when he spoke to the associations, to indicate to those associations that in fact there would be a large increase in the unconditional grant to municipalities. If we are going to stabilize mill rates in the next year, there is going to have to be a very substantive increase in the unconditional grants approved by this Legislature or municipalities will have two choices: one, either to cutback services, or secondly, to increase their mill rate substantively. We on this side of the House would like neither.

Office of the Premier

MR. LOUGHEED:

Mr. Speaker, I believe it would be pertinent and useful for the members of the Legislative Assembly if I could give to the members a full report on my submissions to the Prime Minister in Ottawa yesterday and to the Minister of Finance, both at the meeting that involved the provincial premiers and latterly with regard to the meeting that I held with the Prime Minister and the Minister of Finance.

I'm not at liberty to comment upon their response but I do think it is important that the citizens and the members are aware of the nature of the submissions that were made because of the importance to the province.

I will restrict my comments, Mr. Speaker to the submission made with regard to the taxation of natural resources which is being considered in terms of an up-and-coming federal budget. If hon. members have any question they would like to direct to me with regard to matters of inflation or other matters that were raised at the meeting, I would do my best to respond.

Mr. Speaker, the main point which we are all aware faces us is that the federal government brought down a budget on May 6, 1974 which involved taxation of the Alberta-based petroleum industry, one of the foundation industries of this province, in a way that was most unfortunate. That budget, of course, was defeated in the House of Commons, as we

all know, and there will be a new federal budget within 10 to 30 days which will have a great impact upon Canada and upon this province.

I hasten to add, Mr. Speaker, we are not in a position to negotiate with the federal government with regard to their budget, but we certainly feel that it's important, and I feel that it's important in my responsibilities, to present in as firm a way as I can our submission and our views on this particular aspect before the budget is finalized by the federal government.

Mr. Speaker, in order to deal with this matter, I would like to cover the history of developments that have led up to the present situation because I think they are so important for all of us. The nature of events, of course, was that, in addition to the oil pricing accord of March 27 and the discussion we had here in the Legislature on March 28, the federal budget proposals of May 6, 1974, insofar as they were defeated, became an essentially academic document, although they have hung like a cloud over our province since that date.

Shortly after the budget proposals of May 6 were announced we commenced an assessment, through the various departments, of these federal tax measures, particularly insofar as they affected the petroleum industry with its base in Alberta. The conclusion we reached was that these tax measures would in fact seriously jeopardize the Canadian petroleum industry and the livelihood of many Canadians. To the extent the measures are implemented, we anticipate a decline in exploration, hence a reduction in Canadian reserves of both oil and natural gas. It's our assessment and our judgment that the consequence could well be an energy shortage in Canada in about eight years.

Mr. Speaker, we communicated our views in this regard by letter to the Prime Minister in late June, which at the moment remains private correspondence. But I wanted to be in the position of advising members of the Legislature that we had communicated our views to the Prime Minister in the latter part of June.

Our assessment is that the proposed tax measures are so drastic and extreme as to go far beyond anything contemplated during the discussions of last March regarding federal corporate income tax. They completely reverse the historical and traditional reliance upon the deduction of provincial royalties in computing a taxpayer's income. I have already tabled in the House the statement of the 10 provincial premiers of Canada at the conference in mid-September in Toronto to the effect that the premiers were unanimous that the nondeductibility of provincial royalties and mining taxes in determining federal income tax was contrary to the spirit of Confederation.

Thus, Mr. Speaker, these proposed tax measures struck at the very foundation of Alberta's basis of acceptance on March 27, 1974 of the interim oil pricing arrangements. The background of this, of course, is to go back to the day of September 14, 1973 where we responded to the very discriminatory action by the federal government of, without any consultation with us, putting an export tax on crude oil which was discriminatory against this province. We reiterated that position unequivocally in my opening statement to the first ministers' conference on energy in Ottawa on January 22, 1974.

Members may recall, Mr. Speaker, that last November 14, 1973 the federal minister of energy, Mr. Macdonald, before a House of Commons committee on natural resources, took the position that Alberta oil royalties were too low and should be increased to give a greater return to the Alberta people. His federal view was consistently expressed to the ministers and officials of the Alberta government last fall during numerous energy discussions between the two governments.

On December 14, 1973, Mr. Speaker, members will recall that this Alberta Legislature passed two important bills. One Act eliminated any maximum rate of gross royalty on oil production from Alberta Crown leases and the other Act established the Alberta Petroleum Marketing Commission. As of April 1, 1974 the oil producers in this province no longer receive the Crown's - the Alberta government's - share of oil production, as in the past. The Alberta government now receives its share of oil production as oil rather than dollars, in effect.

During the first ministers' conference on energy on January 22, 1974, Mr. Macdonald, the federal minister, presented a proposal to the conference which attempted to divide revenues from oil production between the federal government, the producing provincial governments and the petroleum industry. We found this totally unacceptable and said so. The proposed tax measures of May 6, 1974 appeared to us to be an attempt to circumvent the accord of March 27, 1974 and revert to the rejected federal proposal of last January.

Mr. Speaker, the royalty revenues from our depleting natural resources have got to be largely considered as capital receipts from assets sold; for royalty revenues are different from tax revenues because they represent a return from a depleting capital asset. They do not recur as is the case with tax revenues which are based on income and not on ownership.

During my first meeting with the Prime Minister in March of 1974, I informed him that it was the Alberta government's decision, which we would be announcing, to increase the royalty rates on incremental price increases to the extent of an average of 65 per cent for price increases over the existing average wellhead price of \$3.80 per barrel. I also pointed out to him that we would end up with an average royalty rate increasing from 22 per cent to 40 per cent of gross production, that we would have a lower rate of about 28 per cent on new oil, and that as of April 1 we would take this production in kind through the Alberta Petroleum Marketing Commission.

The federal government made a reservation with regard to the position we have taken to have access to the various streams of income throughout the country. Mr. Speaker, I noted that reservation and wanted to refer, because of its importance, to the statements made by

the Prime Minister in the House of Commons on Thursday, March 28, 1974, the day after the oil pricing accord.

Quoting from the Prime Minister with regard to his announcement of the oil pricing accord, he made these statements:

It was apparent, however, that Canadian oil resources were limited. It was apparent that if we wished to assure the huge investments necessary for adequate future supplies, somewhat higher domestic prices would be essential; that the oil-producing provinces - mainly Alberta and Saskatchewan - must be assured a fair return.

He went on to say that the \$6.50 will go entirely to the provinces to divide with the companies as they see fit, subject of course to our federal right to use the federal corporation tax responsibility. At the time that statement was made, and during the month of April, the position was that the federal government - or perhaps I should retract and say, as of March 27 and prior to that, the federal government was aware of our proposed royalty rate structure. We were not aware of any contemplation by the federal government to, contrary to the spirit of Confederation, change the historic nature of the deductibility of provincial government royalties which, as the premiers have said, has been something that is historic and traditional with our nation.

Mr. Speaker, in going on in that matter I wanted to point out that the net result of the price increase in the new Alberta royalty structure would be to increase the petroleum industry's revenues by approximately \$800 million annually and this became a stream of income which, based upon existing federal tax provisions, would result in substantially increased federal revenues. It was always, and is, our view that this addition to the industry's income stream would add to the tax base of the federal government over and above the \$1.7 billion of export tax revenues.

It remains our view, Mr. Speaker, that there is some scope for some increased taxation of the large multinational and integrated companies without adversely affecting exploration in Canada. However, any plan must not destroy the incentives to explore for the smaller and independent companies which are doing so much here in this province.

Mr. Speaker, this drastic proposal to disallow all provincial royalties as a deduction and a computation of federal corporate income tax is something that is strictly at odds with a statement that was contained in the Carter Royal Commission on Taxation, stated as follows at page 350 of volume 4:

Whether the provincial governments derive revenues from natural resources through lease payments, royalties, or a tax on income, the charges are nevertheless a cost of acquiring a supply of the mineral or petroleum concerned. Therefore, such charges, regardless of their form, should be deductible in full in the computation of income in the same way as any other cost of doing business.

Mr. Speaker, the situation on March 27, as I reported to the House on March 28, was the federal government's insistence, or if you like ultimatum, that they would take 100 per cent of the crude oil export tax revenue over and above a price of \$6.50 a barrel, which involves an annual subsidy of over \$1.7 billion per year from depleting Alberta-owned natural resources to the rest of Canada by virtue of the crude oil export tax.

Our new royalty rate structure was designed to leave sufficient revenues for the petroleum industry to maintain its activity in Alberta and assure the job security of many Albertans directly or indirectly dependent upon continued exploration by this basic Alberta industry. It would also leave significant additional corporate tax revenue to the federal government based upon existing tax provisions.

Mr. Speaker, the best assessments of those decisions are the reports of the statistics of the drilling and the activity and the attitude and the lease sales that occurred between the period March 27 and May 6, 1974.

Mr. Speaker, all of this has been threatened by the proposed federal tax measures of May 6, 1974. If implemented without very substantial modification, in our judgment they will damage the confidence and strength of the petroleum industry in Canada. The proposition of attempting to deem the Crown's ownership share of crude oil as income to the producer is, in our view, both punitive and unfair. It proposes to tax a producer on money or property he neither owns nor receives. I cannot overstate the adverse psychological impact upon a taxpayer who may be losing money and yet still be required to pay federal income tax. Even more damaging is this measure because it is more detrimental to the small and independent companies which have limited cash flow for future exploration and limited capacity to finance as compared to the large international corporations. In our judgment, I repeat, it jeopardizes Canada's capacity to meet future Canadian needs.

Since that time, the officials and ministers of the federal government have attempted to pressure the Alberta government to reduce our provincial royalties on oil. In our judgment, this federal response is clearly a breach of the entire concept and understanding that created that accord on March 27, 1974.

Mr. Speaker, since July 8, 1974 officials and ministers have been working hard on trying to convince the federal government to be making modifications, and so is the petroleum industry. I have some concern as to the nature of some of the approach the industry has made, but certainly they have made a considerable effort.

The Prime Minister, in a meeting during the federal election campaign in Edmonton in June, stated that he would be prepared to meet with me to hear our views on this matter. Then, on August 2, he called me and advised me that if there was no progress made we should get together. Our assessment is that we have not detected any, and we recognize that we could misjudge this because of the constraints of secrecy arising out of a federal budget.

Mr. Speaker, my submission was made twice yesterday to the Prime Minister and to the Minister of Finance, once with the Premiers present and once afterwards. They consist of these basic seven points:

I submitted that the federal government with their export tax revenue of \$1.7 million and the revenue they receive in corporation tax would be receiving more from the sale of the resources than the very people who own those resources, the people of Alberta.

Secondly, I submitted that the measures as proposed on May 6 [if] implemented and contained in the new budget would, in our judgment and the judgment of the petroleum industry, create an energy shortage within a decade in this nation, and that an upcoming report of the National Energy Board is one we'll have to look to for confirmation.

Thirdly, I repeated the statement I just made now, that it's unfair to tax a person for something they have not received and it has a very serious psychological impact, particularly when you are involved with risk money to find oil and natural gas. I reiterated the submission that I have just made, that it is particularly damaging to the small and independent companies.

I went on to point out to them as vigorously as I could that at the same time all of this was occurring, the United States was embarking upon Project Independence, and that the sources of the risk funds for many of the smaller operators drilling in this province were in any event drying up because of their diversion, as I mentioned and noted last Monday, to Project Independence in the United States and that alternate sources of risk funds from the private sector would have to be generated and encouraged in Canada. I therefore went on to urge them to contain within this next federal budget new tax measures to encourage Canadian investment.

Mr. Speaker, in July, 1970 when I held the position opposite, I made a submission to the Standing Committee on Finance, Trade and Economic Affairs of the House of Commons with regard to proposals for tax reform, at which time I put to a committee chaired by Mr. Gillespie, who is the present Minister of Industry, [Trade] and Commerce, that the proposals should recognize, the tax proposals, that it is important to Canada to create incentives for taxpayers whose principal business is not in the petroleum industry to invest in that industry and that this particular restriction on deduction for exploration and development expenditures continues to place Canadians at an unwarranted disadvantage with United States citizens. It also works against the objective of increased Canadian ownership of this industry. I reminded the Prime Minister and the Minister of Finance of that submission, and I reminded them of the need to include that in any tax measures that they bring forth in the next 10 to 30 days.

I then concluded my remarks with the Prime Minister by referring him to the statement he made in the federal House of Commons on March 28 to the following effect. I quote from the Prime Minister's statement from Hansard:

Hence I think I could appropriately conclude this statement by noting the federal government's active commitment to these oil-producing provinces: to assuring they obtain a just and reasonable price for their depleting conventional oil resources; to assisting them on a national basis to develop unconventional new oil sources such as the Alberta oil sands; and to helping them ensure alternative economic development so that future growth can be sustained and diversified in western Canada.

So in conclusion, Mr. Speaker, I can't read a proposed federal budget. The undertaking was that it has not yet been settled. I don't know whether the federal government would understand the diverse nature of the petroleum industry, but I think we, and I think the industry, have done everything we can to convince them to modify their position. Their response was that they would take under careful consideration the submissions that we made.

I repeat that unless there are major modifications, it's our judgment that there will be a set-back for Canada and an energy shortage in Canada within a decade. So let us all hope that wisdom and judgment will prevail during the next few days in Ottawa.

[Applause]

MR. CLARK:

Mr. Speaker, in responding to the statement made by the Premier, first of all let me say that we on this side of the House welcome the Premier's statement this afternoon.

Secondly, I am pleased that the Premier either prevailed upon the Prime Minister or sought out the opportunity to meet with the Prime Minister and the Minister of Finance separately from the meetings which he attended in Ottawa yesterday.

Thirdly, Mr. Speaker, let me say that we on this side of the House also hope that wisdom and common sense will prevail in Ottawa in the next period of time.

Fourthly, Mr. Speaker, let me say that frankly I think the Assembly should appreciate the kind of response the Premier gave us today, perhaps much more than the kind of response we received on March 27 when I think the headlines of one of the afternoon newspapers in Edmonton in fact said: We Got What We Wanted. It seems to me we've had a much blunter assessment, a more square assessment, of what exactly the situation is at Ottawa at this particular time.

Just two other comments, Mr. Speaker, that I would like to make. First of all, it had been our hope that shortly after the federal election the two governments, the Government of the Province of Alberta and the Government of Canada, could have got together and, by whatever means necessary, have decided what the governments', both governments', take

would be from industry, so that there could have been some assurance given to industry some time prior to now as to what industry was going to be left with.

The only other comment I would make, Mr. Speaker, would be this: I think in hindsight it would have been well, on behalf of the Government of Alberta, had we pressed the Prime Minister - on August 2 I believe the Premier indicated he received a call from the Prime Minister - if we had, in fact, pressed the Prime Minister back in August for the kind of discussions the Premier had yesterday, rather than waiting until this particular time.

ORAL QUESTION PERIOD

First Ministers' Conference - Economy

MR. CLARK:

Mr. Speaker, I would like to direct a question to the Premier, and ask the Premier if the Government of Alberta made any commitments at the conference in Ottawa dealing with the economy. Were there any commitments made on behalf of the Province of Alberta?

MR. LOUGHEED:

Mr. Speaker, I think the only thing that would come close to a matter of commitment is that we all agreed we would do a reassessment of the public sector capital construction programs over the course of the next year which might be stretched out when we are in the process of doing a budget review. There were a few provinces, that I am not in a position to name, which had some qualifications with regard to that, but that was the only one that I would say bordered on a tentative commitment.

Conference - Petroleum Administration Act

MR. CLARK:

A supplementary question, Mr. Speaker. Did the Premier discuss with the Prime Minister Alberta's very legitimate concerns about the newly-introduced Petroleum Administration Act, giving the federal governor in council the powers of fixing the domestic price of oil and gas?

MR. LOUGHEED:

Mr. Speaker, I advised him that we would be sending a separate submission with regard to that matter.

Conference - PWA Purchase

MR. CLARK:

A further supplementary question, Mr. Speaker, to the Premier. Did the Premier discuss with the Prime Minister at his meeting in Ottawa yesterday the question of the Canadian Transport Commission's request that the Government of Alberta appear before the transport commission as far as the purchase of PWA is concerned?

MR. LOUGHEED:

Mr. Speaker, I didn't, because our legal advice is they're wrong.

Conference - Crowsnest Rates

MR. CLARK:

One further supplementary question, Mr. Speaker. Did the Premier draw to the attention of the Prime Minister once again the opposition the Province of Alberta has regarding the removal of the Crowsnest Pass rates agreement, in light of the comments made in Edmonton this week by the Hon. Otto Lang?

MR. LOUGHEED:

Mr. Speaker, I thought the Minister of Agriculture was so effective with regard to that matter that the message even got as far as Ottawa.

Public Works Projects

MR. NOTLEY:

A supplementary question to the hon. Premier for clarification. Do I take it from your remarks that the Government of Alberta concurs in a spacing of public works capital projects by the Government of Alberta, and if so, will there be an announcement made as to what projects will be delayed?

MR. LOUGHEED:

Mr. Speaker, no, I wouldn't say we either concur or we don't. I think it's a matter of the budgetary process and I really doubt that our response to that can be reflected prior to the time the budget is announced.

Conference - Housing

MR. NOTLEY:

A further supplementary question, Mr. Speaker. Can the hon. Premier advise the Assembly what the consensus was with respect to the question of housing, and whether or not the Government of Alberta has any particular plans under consideration now vis-a-vis the discussion yesterday, such as 6 per cent mortgages through the AHC for example?

MR. LOUGHEED:

Mr. Speaker, there was an extensive discussion about housing, and representations were made to the federal government to put a substantial emphasis on the area of housing. I think our responses with regard to housing will better come after we have seen the federal approaches, the new federal initiatives and the extent to which our existing expanded programs can fit within them.

MR. SPEAKER:

The hon. Member for Wetaskiwin-Leduc with a supplementary, followed by the hon. Member for Lethbridge East.

Conference - Crude Oil Price Freeze

MR. HENDERSON:

Mr. Speaker, I would like to ask the Premier if, in the course of his discussions in the last couple of days with federal officials, the question of the continuation of the domestic price freeze on crude was discussed, and if so, could he enlighten the House as to the outcome of that?

MR. LOUGHEED:

Yes, Mr. Speaker, that question was raised and there was a tentative understanding, although it's quite clear as I mentioned in my remarks that we have some concern, at least at the moment, subject to seeing the federal budget, as to whether the federal government's participation in that March 27 accord, fits the circumstances of their changes in the budget.

But leaving that aside and hoping for the best, the oil pricing accord of an interim arrangement continues until July 1, 1975, so it was agreed that the first ministers would meet on the matter, probably during the month of May 1975.

Inflation

MR. ANDERSON:

A supplementary, Mr. Speaker. Has the Premier any plans with relation to Alberta's policies which are designed to be anti-inflationary?

MR. LOUGHEED:

Well, Mr. Speaker, I wish I had the time - the Speaker would allow me - to review the many things we have done to help the people on fixed incomes in this province, because quite obviously the most important thing that a provincial government can do is to help those people who are trapped on low and fixed incomes. That is what we have done in a multitude of ways. That is our approach.

It is quite clear that on a total basis it has to be the federal government that has policies of that nature, but we would welcome suggestions from the hon. member.

MR. SPEAKER:

The hon. Member for Little Bow with a supplementary, followed by a further supplementary by the hon. Member for Calgary Mountain View.

Conference - Trade Relations

MR. R. SPEAKER:

Yes, Mr. Speaker, a supplementary to the Premier with regard to inflation talks. I note that trade is down in Canada, and I also note that one of the ways of dealing with inflation is cutting Alberta's or western Canada's grain sales. Were there any discussions in your talks with regard to cutting grain sales for the remaining part of 1974 or the year 1975?

MR. LOUGHEED:

Mr. Speaker, no there was not. Although personally, and that's the difficulty as you know in a meeting of this nature, I have to refer to what I raised. I raised the matter of making sure that we did what we could to improve Canada-U.S. trade relations, because it's quite obvious that, with 70 per cent of the trade going across the border to the United States, the economic situation of this nation depends in its continued sense, whether we like it or not, upon good trade relations with the United States. I asked for and pressed for an improvement in those trade relations.

Inflation - Income Tax

MR. LUDWIG:

Mr. Speaker, my supplementary is to the hon. Premier. Could he advise, in light of his concern for the adverse inflationary impact on the people of this province, when we might expect an announcement as to the reduction of the income tax in this province?

MR. LOUGHEED:

Mr. Speaker, I'm sure that the hon. member is well aware that that matter is something that will be under consideration when we review our budget.

MR. SPEAKER:

The hon. Member for Calgary Millican with a supplementary, followed by a further supplementary by the hon. Member for Spirit River-Fairview.

Conference - Federal Budget

MR. DIXON:

Mr. Speaker, I'd like to direct my supplementary question to the hon. the Premier. In view of the discouraging news that the hon. Premier has brought back from Ottawa, I was wondering if the hon. Premier or his government has any actual plans to offset, as much as possible, the bad effects the royalty and corporation tax will have on our energy industry in our province?

MR. LOUGHEED:

Mr. Speaker, I presume from the hon. member's question that he either didn't understand or didn't comprehend my statement. What I said is that I made a submission. They said they had not completed their budget, they were working on it. When the budget is completed we'll see what the situation is.

MR. DIXON:

Further supplementary then to clarify for the hon. Premier, Mr. Speaker. My concern, Mr. Premier, is: are we working on alternatives?

MR. LOUGHEED:

Mr. Speaker, I think I said earlier in the session that a number of contingency plans were being developed by the province, but that we were not in any position to comment upon them because they are contingency plans we have to see the actual budget proposals.

MR. DIXON:

A final question, Mr. Speaker, because this is of vital concern to the people employed in the oil industry throughout the province.

I was wondering how soon would it take the province to implement the plans that you have in mind, Mr. Premier, if all else fails in Ottawa?

MR. LOUGHEED:

Mr. Speaker, that's so hypothetical I can't respond. Obviously it depends upon the nature of the measures and hence the nature of the response.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview with a further supplementary.

Conference - Food Supplies

MR. NOTLEY:

Mr. Speaker, a supplementary question to the hon. Premier. In light of the present woes of the cattle industry, can the Premier advise what discussion took place on Premier Blakeney's suggestion of a food bank which would involve purchases of cattle?

MR. LOUGHEED:

Well, Mr. Speaker, that puts me in a position that I have some difficulty with. Our understanding is that I can't respond to a matter raised by another premier in a discussion of that nature.

MR. NOTLEY:

A supplementary question then for clarification, Mr. Speaker. Has the Government of Alberta given any consideration to this proposal and the merits or otherwise of this proposal?

MR. LOUGHEED:

Mr. Speaker, the hon. member will recall that this province has led the way in our program of matching foreign aid, and within that provision there was the provision of making sure that it was not just dollars but also could be food and food supplies. So I think in leading the way on that, we reflect the general policy of the government.

MR. SPEAKER:

The hon. Member for Calgary Bow with a supplementary.

Royalty Rates

MR. WILSON:

Mr. Speaker, I would like to address a supplementary question to the hon. the Premier. In order to preserve the maximum possible vestiges of the petroleum industry left in Alberta, have the provincial and federal governments attempted to agree on what revenue return the governments collectively will leave for the private sector?

MR. LOUGHEED:

Mr. Speaker, I think the position of the Alberta government was clear where we said we felt it would be fair to have a gross royalty rate of 40 per cent on old oil and 28 per cent on new oil. If the hon. member opposite has a different point of view, we and the citizens would be interested in hearing it.

MR. WILSON:

Supplementary, Mr. Speaker, to the hon. Premier. While the two levels of government are negotiating on the royalty situation, has there been any attempt to resolve the issue from the private sector's standpoint by announcing what will be left for them when the negotiations are completed?

MR. LOUGHEED:

Mr. Speaker, the hon. member obviously does not understand the nature of what's involved here at all. What we are saying quite clearly is that from the Alberta government's point of view, as owner of the resource, we feel it is fair to have a royalty rate of 40 per cent of gross on the price of old oil, which is approximately an average of \$6.50, with a lower rate at 28 per cent and we will have an exploratory drilling incentive system. We've taken the view that any additional federal tax measures that involve any increase in taxation would not be taken up by the Alberta government.

So the answer to the question the hon. member posed is one that the industry is posing directly to the decision-making that's now going to occur, that is, the decision-making of the federal government on its budget. If the hon. member considers, and if the official opposition considers, that these royalty rates are too high, let them say so.

MR. SPEAKER:

The hon. Member for Edmonton Calder with a supplementary.

Conference - Federal Budget

MR. CHAMBERS:

Yes, Mr. Speaker, a supplementary to the hon. the Premier. I wonder, has the oil industry got across their message to the federal government on the adverse effects of the May 6 federal budget measures?

MR. LOUGHEED:

Mr. Speaker, I think that in the self-sufficiency question, in trying to read it yesterday, I would sense that they can, that they have, and that they have certainly worked very hard on it.

I'm a bit concerned that their general effort has been to respond to the sort of questions persisted in by the hon. Member for Calgary Bow, in terms of the aggregate global number of dollars because the nature of a system that has to be directed towards fairness and equity certainly isn't one where you tax somebody for something they have never received.

MR. LUDWIG:

Mr. Speaker, I rise on a point of order. I believe permitting the hon. Premier to reply in the way he did is inviting debate. The question by the hon. Member for Calgary Bow was not a declaration of any kind of stand, but a question. The Premier indulges in a foolish line of reasoning by saying, well, if that's your stand. He did that.

I think we should disallow that kind of nonsense in the House and the Premier tries it too often. I think he tries to read from a question what our stand is. How can he do that when he doesn't know what his stand is himself, Mr. Speaker.

[Interjections]

I'm quite serious about that. He tries to come up with ...

[Interjections]

MR. SPEAKER:

Order please. Order please. The hon. member has made his point of order quite clear and it has been noted by the Chair. The hon. member will recognize that the Chair is not in a position to cancel any questions that have been asked or any answers that have been given.

MR. LUDWIG:

Well that's why ...

MR. SPEAKER:

The hon. Member for Drumheller with a further supplementary.

Conference - Economy (Cont.)

MR. TAYLOR:

Yes, a supplementary to the hon. the Premier. In the discussion on inflation, did the federal government advance the thought that we had to have either inflation or unemployment?

MR. LOUGHEED:

Mr. Speaker, no, the feeling of the Minister of Finance, which I think he has expressed publicly on a number of occasions, was that it is going to be a delicate course for Canada to steer. But he believes we can steer a course of confidence in the economy of Canada, minimizing the impact of inflation and at the same time not doing it in such a way as to create a problem of extensive unemployment. I think he recognized the delicacy of that path. The general feeling of the Premiers who were there yesterday was to do our best to support and endorse that approach, and particularly endorse the approach of confidence in Canada and Canada's economy.

MR. SPEAKER:

The hon. Member for Clover Bar.

Alberta Game Farm

DR. BUCK:

Mr. Speaker, I would like to address a question on another matter to the Premier. I would like to know, Mr. Premier, if the government has been negotiating with the Alberta Game Farm to make sure that the Alberta Game Farm stays under Alberta ownership.

MR. LOUGHEED:

Mr. Speaker, I will refer the question to one minister who quickly nodded to me, the Minister of Culture, Youth and Recreation.

MR. SCHMID:

Mr. Speaker, the question of the Alberta Game Farm. The offer which was made, not only by people from Ontario but also from the United States, is presently under consideration. I have had a personal visit with Mr. Al Oeming who is very well-known to me. Consideration is being given and a decision on who is interested in looking after the

game farm, who is going to manage the game farm, who is going to acquire the game farm, will be made as soon as possible.

DR. BUCK:

A supplementary to the Minister of Lands and Forests, Mr. Speaker. Has the Minister of Lands and Forests considered making an offer and turning this, plus Cooking Lake, into a provincial park?

DR. WARRACK:

That involves a rather enormous question really, Mr. Speaker. Since I would have to answer yes or no to all of it at once, the answer is no.

MR. SPEAKER:

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

Court Reporters

MR. LUDWIG:

Mr. Speaker, I had a question for the hon. Minister for Advanced Education but I will pose a question to the hon. Attorney General.

Has he taken any steps to hire some court reporters for the Provincial Court in light of recent resignations? I am referring to Calgary Provincial Court.

MR. LEITCH:

Mr. Speaker, we have during the past years when the question of court reporter services - and it has been a continuing problem for a great many years - we have been taking a number of steps to relieve that problem. One was a course that was started in NAIT. The provincial government arranged to retain all of the graduates of that course. We will continue and are continuing, Mr. Speaker, to take all action that can be taken to attract and keep qualified court reporters in Alberta.

MR. LUDWIG:

Mr. Speaker, a supplementary. It is quite obvious that the hon. Attorney General avoided my question. I asked him, very specifically, whether he has taken any steps to relieve the present shortage of court reporters in the Provincial Court in Calgary which resulted from resignations which took place in the last little while. I didn't ask about a general review ...

MR. SPEAKER:

Order please.

MR. LUDWIG:

... of the question. Would the hon. Attorney General care to respond to that question? What has he done? There have been resignations in Calgary provincial court. Is he doing anything to relieve the situation?

MR. SPEAKER:

The hon. member has made his point clear, but the hon. member will certainly realize that the hon. minister, provided he doesn't lapse into irrelevance, is entitled to answer the question as he sees fit, or else not to answer.

MR. LUDWIG:

Well I gather then, Mr. Speaker, for clarification, that the hon. Attorney General ...

[Interjections]

MR. LUDWIG:

Quiet.

[Interjections]

MR. SPEAKER:

Order please.

MR. LUDWIG:

... refuses to answer this ...

MR. SPEAKER:

Order please.

I would draw to the hon. member's attention that a refusal by an hon. minister to answer a question, or a mere omission to answer it, is not a point of order and is not a matter which the hon. member is entitled to raise.

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

Sturgeon Lake Recreation Development

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to the hon. Minister Without Portfolio in charge of northern development. Can the minister advise the House whether or not he met with one Don Swanston, one of the developers of the proposed recreational complex at Sturgeon Lake, on or before October 10 this year?

MR. ADAIR:

Mr. Speaker, yes I have met with Don Swanston of Grande Prairie.

MR. NOTLEY:

Mr. Speaker, a further supplementary question. Can the hon. minister advise whether or not he discussed the particular proposal in question with the developer?

MR. ADAIR:

Mr. Speaker, would you care to have that elaborated just a little bit as to whether it refers to the recreation city of 5,000. Is that the one you are speaking about?

MR. NOTLEY:

The proposal I am discussing, Mr. Speaker, for clarification for the hon. minister, is the proposal for a recreation complex on the banks of Sturgeon Lake.

MR. ADAIR:

Mr. Speaker, at the time I was talking with Mr. Swanston it was about the possibility of looking at something in relation to the west bank of Sturgeon Lake.

MR. NOTLEY:

Mr. Speaker, a further supplementary question. In light of the minister's answer, can he reconcile his statement today with his statement on ...

MR. SPEAKER:

Order please. The hon. member's question is an open invitation to debate.

MR. NOTLEY:

Mr. Speaker, then on a point of privilege I would ask the hon. minister whether he can reconcile his statement of today that he had met with a developer concerning development on the west bank of Sturgeon Lake with the statement he made. I quote, Mr. Speaker, from Hansard, page 3234, myself asking the question:

Mr. Speaker, a supplementary question to the hon. minister in charge of northern development. Can the minister advise whether or not he is aware of this proposal which is now before the Peace River [Regional] Planning Commission and would envisage a town of 5,000 people?

MR. ADAIR:

Mr. Speaker, I'm not aware of it.

Mr. Speaker, I would ask the hon. minister whether or not he can reconcile that statement?

MR. SPEAKER:

The hon. member has not a point of privilege *prima facie*, and whether a statement may be reconciled or not, or may be contradictory, may be a debating point that the hon. member may wish to raise. But in view of the implied accusation in the hon. member's point of privilege, it would only be fair to allow the hon. minister to reply.

MR. ADAIR:

Thank you, Mr. Speaker. In relation to the particular question that related to a recreation community of 5,000, that was not discussed at any time by the party in question or myself.

MR. NOTLEY:

Mr. Speaker, speaking on the point of privilege ...

[Interjections]

MR. SPEAKER:

Order please. There is no point of privilege.

MR. NOTLEY:

Mr. Speaker, in that case, a further supplementary question to the hon. minister.

DR. BUCK:

Now that he's heard about it.

MR. NOTLEY:

I'm glad that he has not heard about it.

Mr. Speaker, has the government at this stage undertaken a comprehensive survey in the Peace River block to determine the recreational needs of the Peace River country, most specifically the water resource recreational needs?

MR. ADAIR:

Mr. Speaker, I can speak for my particular office and we haven't at this moment.

MR. NOTLEY:

One final supplementary question on this matter, Mr. Speaker, to the hon. minister in charge of tourism. Can the minister say whether or not he discussed this matter with any of the developers of the project or any representatives from Travel Alberta, and whether or not any indication was given to the developer that it would not be inconsistent with the proposal of the Sturgeon Lake Band for a recreational proposal in the area?

MR. DOWLING:

Mr. Speaker, some time ago I believe the hon. minister responsible for northern development and I did meet together with these people. There was never any question of a town of 5,000 being involved at all. It was simply a venture by the private sector in a commercial operation.

We told them to proceed, as I recall, in the normal fashion. If they had a recreational complex to propose that involved tourist facilities, they should therefore go to Travel Alberta, discuss it with them relative to its merits, and, if they were interested in funding through the Alberta Opportunity Fund, they should then go to Edmonton - at the time the Alberta Opportunity Company was located in this city. That is the extent of the conversation I had with them and it was only the one time.

MR. NOTLEY:

Mr. Speaker, one final supplementary question for clarification ...

MR. SPEAKER:

The hon. member's supplementary is a post-final supplementary.

MR. NOTLEY:

One final, final, final supplementary. Was there ever any discussion with the developer in question where the developer indicated that ultimately this project would reach 5,000 people?

MR. DOWLING:

Not to my knowledge, Mr. Speaker, and I would hate the hon. Member for Spirit River-Fairview to mislead the House in that way.

MR. SPEAKER:

The hon. Member for Edmonton Calder followed by the hon. Member for Little Bow.

MR. CHAMBERS:

Thank you. My question has been answered, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Little Bow followed by the hon. Member for Sedgewick-Coronation.

Alberta Hospital - Staff Resignations

MR. R. SPEAKER:

Mr. Speaker, my question is to the Minister of Health and Social Development. Have any senior personnel resigned from Alberta Hospital, Oliver in the last day or so, and if so, what were the reasons?

MR. CRAWFORD:

Mr. Speaker, I made a statement on that subject on Monday and dealt with it quite fully at that time. My memory is that as of Monday there were four vacancies at Oliver which accumulated over a period of time, and one at Ponoka. In each case the vacancies were in the administrative area. Now as to whether or not there have been resignations since the statement was prepared, I have no further information.

MR. SPEAKER:

The hon. Member for Sedgewick-Coronation followed by the hon. Member for Vermilion-Viking.

Government Employees - Wage Adjustments

MR. SORENSON:

Mr. Speaker, my question is to the hon. Minister of Manpower and Labour. Is the hon. minister considering wage adjustments for public servants living in areas of the province with a higher general cost-of-living index as well as in isolated areas?

DR. HOHOL:

Mr. Speaker, I have to respond by drawing attention to the Legislature that negotiations between the representatives of the employees and the government are now in progress.

MR. SPEAKER:

The hon. Member for Vermilion-Viking followed by the hon. Member for Highwood.

Vermilion Provincial Park

MR. COOPER:

Mr. Speaker, my question is directed to the Minister of Lands and Forests. Would the hon. minister outline the plans for the Vermilion Provincial Park lake now that the lake has been drained?

DR. WARRACK:

I don't have that kind of detail at my fingertips, Mr. Speaker. I believe that we're involved in a joint program with the Water Resources [Division] of the Department of the Environment. But it's the kind of inquiry that could either be followed up on the Order Paper or else privately by the member.

MR. SPEAKER:

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

Farmer's Advocate

MR. BENOIT:

Mr. Speaker, my question is addressed to the Minister of Agriculture. Given the work that the Farmer's Advocate has to do, has the minister or his department or the government given any consideration to appointing the Farmer's Advocate by an act of the Legislature, thereby making him responsible to the Legislature like the ombudsman in the place of ... [Inaudible] ...

DR. HORNER:

Mr. Speaker, the hon. member should appreciate that there is considerable difference between the work of a farmer's advocate and that of an ombudsman. In my view, the ombudsman deals with complaints that citizens might have with the government and how they were treated by government. The major portion of work of the Farmer's Advocate involves, if I might say so, the private sector in which there might be a disagreement between farmers or between a farmer and other people. I might say that he has done a remarkable job in that capacity and we've had to give him an assistant to keep up with the workload.

MR. BENOIT:

A supplementary, Mr. Speaker. Is the Farmer's Advocate required to make a report to the minister? If so, would that be available to members?

DR. HORNER:

Mr. Speaker, I tabled, at the spring session, the initial report of the Farmer's Advocate and will be tabling it on a yearly basis.

MR. SPEAKER:

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

Oil/Gas Export Controls

MR. HENDERSON:

Mr. Speaker, I'd like to address a question to the Minister of Mines and Minerals if I could have his attention. I don't know whether he can hear me or not.

I'd like to ask the minister if he could advise the House as to when he is going to be introducing amendments into the House to deal with the question of bringing provincial oil export under controls similar to those which now exists for gas?

MR. DICKIE:

Mr. Speaker, I believe that we mentioned to the hon. member before that that's under review. That question is still under review with other legislation that will involve oil and gas.

MR. HENDERSON:

Mr. Speaker, as a supplemental, is the hon. minister aware of the fact that it was six months ago the last time I asked him?

MR. SPEAKER:

He must be aware now.

The hon. Member for Drumheller followed by the hon. Member for Edmonton Highlands.

Miss Canada

MR. TAYLOR:

Thank you, Mr. Speaker. My question, away out in right field, is on inflation. It's to the hon. Premier. Did the Prime Minister discuss the inflated egos of Albertans over the selection of an Alberta girl as Miss Canada?

MR. LOUGHEED:

Mr. Speaker, I tried my best to communicate that. I would like to have her come to the gallery and be introduced. We're pretty proud. Also the runner-up, I might say, was from Calgary.

By the way, I must also say to the hon. member that I'm delighted to be in the right field.

[Laughter]

MR. LUDWIG:

Supplementary, Mr. Speaker. How did a right winger ... How did a left winger ...

MR. SPEAKER:

Order please. Order please.

MR. HO LEM:

Supplementary, Mr. Speaker, to the hon. Premier. Would the hon. Premier advise which minister's office the recently-crowned Miss Nude Edmonton is attached to?

[Laughter]

MR. LOUGHEED:

Mr. Speaker, I'm guilty. The Office of the Premier.

MR. SPEAKER:

The hon. Member for Edmonton Highlands followed by the hon. Member for Medicine Hat-Redcliff.

[Mr. Lougheed rose.]

[Laughter]

MR. LOUGHEED:

Mr. Speaker, on a ...

MR. SPEAKER:

The hon. Premier on a point of privilege.

MR. LOUGHEED:

On a point of order, I understand ... I've been advised ... I've been away and I didn't fully understand the import of that.

[Laughter]

MR. CLARK:

The answer stands.

Green Belt - Edmonton-St. Albert

MR. KING:

Mr. Speaker, I have a question for the hon. Minister of the Environment. I wonder if the minister could advise the House whether or not consultations were held with representatives of the City of Edmonton and/or the Town of St. Albert respecting the development of a green belt or restricted development area around the city of Edmonton?

MR. YURKO:

Mr. Speaker, the matter of a green belt through metropolitan Edmonton has been under discussion among several departments for some three years now. During the course of these three years, this concept has been discussed on several occasions with the representatives of the city of Edmonton. The most recent one was with the chief commissioner within the last two weeks. It also has been discussed with members of the city council of St. Albert on several occasions.

MR. KING:

Mr. Speaker, a supplementary. Could the minister outline some of the considerations which led the department to establish a one-half mile green belt or to conclude that one-half mile was adequate for their purposes?

MR. SPEAKER:

If the hon. minister feels that the question may be answered briefly, perhaps we could have the answer now. Otherwise, we've already had two ministerial announcements on private members' afternoon. It might be answered at another time.

MR. YURKO:

Very briefly, Mr. Speaker, one of the main considerations was cost. The other was, of course, considerations in regard to the effectiveness of a half-mile width in terms of separating industry from residential areas, as well as the fact that a half-mile is quite sufficient for the noise amelioration. A half-mile is quite useful for recreational purposes, as a utility corridor and for several other reasons.

MR. RUSTE:

Mr. Speaker, a supplementary question to the minister. What is being done or proposed to compensate in price an owner of land within that green belt compared to one, we'll say, across the road in the non-green belt?

MR. YURKO:

Mr. Speaker, very briefly, every owner of land within a restricted development area has the opportunity to come to government and offer his land for sale. If he does, then one or two appraisals as to the present market value of the land are made by independent appraisers and the matter is then discussed with the owner. If a reasonable conclusion can be arrived at, the land will be purchased through the Land Purchase Fund.

MR. RUSTE:

A further supplementary question. Will the appraisal take into account the possible value of that land, had not the green belt been established?

MR. YURKO:

Well, Mr. Speaker, when land is established within a restricted development area, a caveat is filed against all pieces of that land within that area. That land then can only be used for certain matters. It therefore does not appreciate in value like surrounding land. And I make it very plain to the owners of the land that at any point in the future, if they wish to sell to the government, their land may very well not have appreciated at all to the same level as land outside the restricted development area.

MR. SPEAKER:

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

Maple Leaf Project

MR. WYSE:

My question is to the hon. the Premier, Mr. Speaker. I wonder if the Premier could comment on the present status of the proposed Maple Leaf gas pipeline. It was discussed yesterday in Ottawa.

MR. LOUGHEED:

Mr. Speaker, no, it was not discussed yesterday in Ottawa. I don't know that I have any current information that might be useful to the hon. member or the House other than the fact that the Maple Leaf project, through the Foothills pipeline, is proceeding, as I understand it, with its application.

MR. WYSE:

A supplementary question then. Has the Alberta government supported their submission to the National Energy Board?

MR. LOUGHEED:

Mr. Speaker, we've taken a position that couldn't quite be referred to as support at this stage. But we have said that other things being equal we would tend to give preference to an all-Canadian route that took advantage of the existing Alberta Gas Trunk Line [Co. Ltd.] and existing transmission system and in that way, certainly from a question of economic activity in Alberta, and from a standpoint of utilization of Alberta resources, Alberta transmission systems and Alberta plant, there would be a greater benefit than there would with the Gas Arctic project. But we are not really in a stage yet where we have felt a policy need to take a decision either supporting one or another or neither.

MR. SPEAKER:

The hon. Member for Calgary Millican.

Railways Cost Disclosures

MR. DIXON:

Mr. Speaker, I would like to direct my question today to the hon. Minister of Industry and Commerce in reference to his speech to the Canada Grains Council last Tuesday night claiming that the railways were not cooperating in full cost disclosure. The railways claim they have. I wonder if the hon. minister has received any cost disclosure since his meeting of last Tuesday?

MR. PEACOCK:

No I haven't, Mr. Speaker.

MR. DIXON:

Supplementary question, Mr. Speaker. Does the minister state then to the House that he has not received any information on cost from the Canadian railways?

MR. PEACOCK:

Mr. Speaker, we didn't say that. You said since last Tuesday. Now whether the department has received any or not I can't answer for that. But as far as I'm concerned, we haven't. What cost disclosure has been made up until this time has been very limited and is on a government-to-government basis.

MR. NOTLEY:

Supplementary question, Mr. Speaker. Can the hon. minister advise the Assembly whether or not he has had any discussions with Mr. Marchand as to whether any legislation will be taken federally to force cost disclosure to the provinces?

MR. PEACOCK:

Yes, Mr. Speaker, at the recent meeting in Saskatoon Mr. Marchand informed us he would be bringing in an amendment to the Railways Act and also that he would be introducing some new legislation called the Information of Canada Act to the federal House.

MR. SPEAKER:

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

Family Farm - Capital Gains

MR. RUSTE:

Mr. Speaker, my question is to the Provincial Treasurer. Earlier in the session we dealt with a resolution, passed by the members of this Assembly, dealing with capital gains and the family farm. My question is, has a reply been received from the federal authorities in response to this resolution?

MR. MINIELY:

Mr. Speaker, no, I have not received any reply and there were several matters [on which] I have sent letters to the hon. federal Minister of Finance. I think the federal election and the reorganization of the federal government have created some delays in receiving replies on matters like this.

MR. SPEAKER:

The hon. Member for Medicine Hat-Redcliff followed by the hon. Member for Pincher Creek-Crowsnest.

Implement Dealers - Licences

MR. WYSE:

My question to the Minister of Agriculture, Mr. Speaker. It is regarding the implement dealers in the province. I understand at the present time they have to purchase a \$100 bond in order to get a licence. My question: is the government considering any changes in legislation at this session?

DR. HORNER:

We don't anticipate any changes in legislation at this session, Mr. Speaker.

MR. WYSE:

Supplementary question then, Mr. Speaker. Did the minister indicate to the implement association that changes would be made at the fall session?

DR. HORNER:

No, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Pincher Creek-Crowsnest.

School Lunch Program

MR. DRAIN:

Mr. Speaker, can the hon. Minister of Agriculture advise the method of picking the pilot projects for the school lunch program?

DR. HORNER:

I could. It might take some length, Mr. Speaker. Essentially we are attempting to, as an educational part of the work we are doing within the department ourselves and in some of the core schools in the urban areas. In addition to that, of course, Mr. Speaker, there is the school lunch program, a much more meaningful one, that is being handled by the Minister of Health and Social Development in our isolated communities in the north. Our home economists are assisting in that program.

MR. DRAIN:

A supplementary, Mr. Speaker. Having regard for the overwhelmingly favorable response to the pilot program, is the government considering - and this question is to the Premier - making this a universal program, having regard for the well being of the students of the province of Alberta, as one of the benefits of the Department of Health and Social Development?

DR. HORNER:

Mr. Speaker, if I could respond. It isn't our intention to make this a universal program but rather to indicate to all parents of this province the benefit of good nutrition to their children and their learning ability.

ORDERS OF THE DAY

WRITTEN QUESTIONS

209. Mr. Ruste asked the government the following question:

How many loan applications have been refused by the Agricultural Development Corporation, identified as to:

- (i) reasons for refusal
- (ii) loan program category
- (iii) county or municipal district concerned in each case.

HON. MEMBERS:

Agreed.

210. Mr. Notley asked the government the following question:

- 1. How many full-time job openings presently exist in the provincial public service?
- 2. How many full-time job openings presently exist for
 - (a) nurses

- (b) other hospital employees
- (c) clerical workers?
- 3. What are the rates of full-time job openings in the case of
 - (a) nurses
 - (b) other hospital employees
 - (c) clerical workers?
- 4. What category or classification of clerical workers has the highest level of job openings and what is the salary range and median salary for this group?

DR. HOHOL:

Mr. Speaker, in accepting the question exactly as it is written, I should like to draw the Assembly's attention to the extensive and expensive nature of the questions with particular reference to questions 2 and 3. Accordingly, so there is no misunderstanding about the time that the response will return to the House, I should like to move, Mr. Speaker, that Question 210 be made a motion for a return.

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The hon. minister is entitled to make that request and under the rules, unless I am mistaken, that doesn't require the approval of the House.

HON. MEMBERS:

Agreed.

211. Mr. Notley asked the government the following question:

1. How many Early Childhood Education classrooms are operated directly by public and separate school districts in the province and how many students are enrolled?
2. How many classrooms are operated by private nonprofit organizations in Alberta and how many students are enrolled?
3. What is the variation in fees charged by private nonprofit organizations for early childhood education?
4. What is the average percentage of enrolment as compared to potential enrolment in given communities served by private nonprofit organizations charging fees as compared to others operated by the public or separate school system?
5. Is there any limit on the time that a child may ride on a bus to and from the classroom?
6. Are there any cases in which children in the Early Childhood Program spend more than one hour per day on the school bus?

MR. HYNDMAN:

Question 211 is accepted by the government.

213. Mr. French asked the government the following question:

With respect to foundations under The Senior Citizens Housing Act

- (1) What is the deficit or surplus incurred by each foundation in the province
 - (i) for the year ending December 31, 1972
 - (ii) for the year ending December 31, 1973?
- (2) What is the average occupancy for each foundation for the years ending December 31, 1972 and December 31, 1973?

MR. RUSSELL:

We agree. It's the right act now, Mr. Speaker.

MOTIONS FOR RETURNS

205. Mr. Drain proposed the following motion to this Assembly:

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

- (a) A list of all indirect loans to farmers made through the Agricultural Development Corporation during the period January 1, 1974 through September 30, 1974 showing in each case the loan program concerned and the purpose of the loan.
- (b) A list of all such loans on which the Agricultural Development Corporation has had to honor its guarantee.

MR. DRAIN:

Mr. Speaker, I move Motion 205 standing in my name on the Order Paper.

DR. HORNER:

Mr. Speaker, if I might just make a remark which applies to this motion and some of the others which are following. We would certainly accept all of these motions with the understanding that we do not feel it is necessary to make public the names of the

individual farmers involved. We are quite willing to make any of the agribusiness public and quite willing to give the commitment that the individual farm loans are available in confidence to the MLAs. But I think it would be unfortunate if that wasn't the understanding in regard to these motions for a return.

MR. DRAIN:

Mr. Speaker, there is no intent on my part to have the names of individual farmers. I just want the totals. I am not interested in any personal aspects.

SOME HON. MEMBERS:

Agreed.

MR. SPEAKER:

Subject to the conditions explained by the hon. minister and the hon. member, does the House agree to the motion?

[The motion was carried.]

206. Mr. Strom proposed the following motion to this Assembly:

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

A list of all direct loans to Alberta farmers made by the Agricultural Development Corporation during the period January 1, 1974 through September 30, 1974 showing in each case the total principal outstanding, the arrears of interest and the arrears of principal, as at September 30, 1974.

MR. STROM:

Mr. Speaker, I would like to move the Motion 206 standing in my name on the Order Paper.

DR. HORNER:

Again I am certainly agreeable to providing all of that information. But again [because of] the individual personal farmers I would rather give it in blocks. We can certainly do it on a county basis without any problem and show all of the information that is necessary.

MR. STROM:

Mr. Speaker, I appreciate the point the hon. Minister of Agriculture is making. We have had an opportunity to have a chat on it. I have pointed out to him that my main concern is the fact that this is a new program. It is picking up a considerable number of loans that have been turned down by other institutions and my main objective is to try to get some indication as to the results of the loan program. The information which the hon. minister has suggested he will provide will give me the information I am after and I will be very happy to receive it in that form.

SOME HON. MEMBERS:

Agreed.

DR. BUCK:

I would like to make a comment on this. I cannot see the difference between this and the motion we asked for in the spring session under the Alberta development corporation. All those names were made available. I think that we are spending taxpayers' money here. We're lending out taxpayers' money and I just cannot understand why it cannot be made public.

[Interjections]

The hon. minister says I don't hear very well. But on the other hand, there are cases where I feel I would certainly like to know who some of the loans went out to, for reasons of my own and sometimes reasons on behalf of the people of this province. I cannot see any difference between this and the Alberta development corporation, where they are named in The Gazette. The Alberta Opportunity Fund - I can't see what the difference is. The precedent has been set and I don't know what the holdup is.

MR. SPEAKER:

The hon. member who has put the question on the Order Paper has agreed to accept the limitations explained by the hon. minister. The hon. Member for Clover Bar, of course, is within his rights. The motion, having now been placed on the Order Paper and having been called, belongs to the Assembly. If the hon. member wishes to move an amendment he may do so, otherwise the Chair will be obliged to call the motion as it stands when the time comes.

MR. STROM:

Mr. Chairman, may I close the debate then?

AN HON. MEMBER:

Agreed.

MR. STROM:

Mr. Speaker, there was one point I neglected to mention which I feel in fairness I should mention. I did suggest that I had had a conversation with the hon. Minister of Agriculture in regard to this motion. He has suggested to me that, if it was felt necessary, there is a possibility that we could privately have a look at the names of the individuals who have made loans - I want to make it very clear to the Legislature, Mr. Speaker, that I realize it is a sensitive area; there is no intention on my part to try to embarrass any farmer who has made a loan. What I suggested to the hon. minister was, inasmuch as there is a new approach taken, I felt it was my responsibility as a member of the Legislature, of the opposition, to try to get as much information as possible in order that I might evaluate the program. I want to say to the House that the minister has promised his cooperation in this matter and I felt that I would be remiss if I did not make that point at this time.

[The motion was carried.]

207. Mr. Mandeville proposed the following motion to this Assembly:

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

The number of loans made by the Agricultural Development Corporation under its "Beginning Farmers Program" in each county of the province and the amount of such loans in each county.

MR. MANDEVILLE:

Mr. Speaker, I move Motion No. 207 standing in my name on the Order Paper, subject to the reservations that the minister has outlined to us. I also have no intent of getting private individuals' files on these loans.

DR. HORNER:

This motion is quite acceptable, Mr. Speaker.

MR. RUSTE:

Just on a point here in the wording. Would this include counties and municipalities, or is county meant there as a municipality? That's the one point I'd just like to raise, and I'd ask if it isn't included that it be.

DR. HORNER:

We'll ensure that it not only includes counties and municipalities, but also IDs and special areas.

[The motion was carried.]

208. Mr. Buckwell proposed the following motion to this Assembly:

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

A list of the names of all employees of the government, its boards and agencies and those who are under contract to the government who have received direct or indirect loans from the Agricultural Development Corporation and the amount of each such loan.

MR. BUCKWELL:

Mr. Speaker, I would move Motion No. 208 standing in my name.

DR. HORNER:

The motion is agreeable, Mr. Speaker.

[The motion was carried.]

212. Mr. Buckwell proposed the following motion to this Assembly:

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

(a) A list of all guaranteed loans to agribusinesses made through the Agricultural Development Corporation during the period January 16, 1974 through September 30, 1974 showing the company or person concerned, the amount and the purpose of the loan.

(b) A list of all such loans on which the Agricultural Development Corporation has had to honour its guarantee.

MR. BUCKWELL:

Mr. Speaker, I would move Motion No. 212 standing in my name.

DR. HORNER:

The motion is agreeable, Mr. Speaker.

[The motion was carried.]

MOTIONS OTHER THAN GOVERNMENT MOTIONS

1. Mr. R. Speaker proposed the following motion to this Assembly:
Be it resolved that this Assembly recommend the closure of the 1974 pheasant hunting season.

MR. R. SPEAKER:

We can all recognize at this time that certainly the resolution was placed on the Order Paper in the spring session at which time we had hoped to debate it. We weren't able to debate it, but at this point we can look at it in midseason and examine the results and the actions of the minister in deciding the season should remain open and that we should allow the hunting of pheasant during this year.

I would like to say, Mr. Speaker, there are some very relevant points I would like to make as a result of the minister's decision. I think the very obvious one, obvious to many farmers and many people in southern Alberta in particular, [is] that there are very few, if any, pheasant to hunt in most of the areas.

Travelling in my constituency on the opening day and the opening week of pheasant season, I found the large majority of hunters very discouraged and getting very little reward for their hard work. Many of them iterated to me that they would have supported the position of a closed season for 1974. I also talked to people who did not purchase a licence this year because they felt that pheasant should not be hunted and we should leave them as a seed stock this year so that we would have a better stock next year. They felt that the opening of the season just wasn't right and in principle, their personal principle, did not purchase licences.

The second item I'd like to raise is that I noted throughout the constituency an increase in the number of No Hunting signs. I think that farmers have taken this action in reaction to the minister's position. I feel very firmly that the Minister of Lands and Forests has really ignored - as he has done in other items, and I'll list those on another date - the attitude and the desire of the grass roots of this province. I can only say that fortunately the farmers in this province and the people who have land where hunting does take place have the opportunity and the freedom to protect their land and the pheasant population on their own.

The third item I'd like to raise in particular is the attitude and the decision of the minister to centralize his decision-making. I don't know of any farmers, groups of farmers or farmers in general who were contacted by the minister.

I felt that his decision was one made from a central position in his office with the advice of very well-meaning civil servants, and I don't take anything away from their type of recommendation. But I do feel that the minister once again exemplified how many decisions are made by this Conservative government, decisions on a centralized basis.

However, after making this centralized decision to proceed with a season this year, the minister had articles circulated in daily and weekly papers in southern Alberta. I believe there were 45 articles. One of his employees, Mr. Dennis McDonald of Lethbridge, was the author of the articles. I want to give Mr. McDonald full marks and full credit because he did write some good articles with very, very good information. But throughout those articles, Mr. McDonald was honest enough to admit that he had a great concern with the present pheasant population. He was honest enough to recognize that we do have a problem and that the solution isn't just to close your eyes, open the season and let it go. And I certainly respect him for that in writing those articles.

But one of the things that those articles did not do was convince the people of southern Alberta that the situation was in good shape, that we should go ahead with the season, because that is not what they did. I am sure the directive that came from the minister to have the articles written had that purpose in mind.

I can only say that the responsibility for the future population, the future opportunity for hunting in this province, if it does fail, if it is poor in following years, the total responsibility rests on the Minister of Lands and Forests and nobody else; certainly not on the shoulders of the grass roots of this province and not on the shoulders of farmers who for years and years have fed these pheasant in their farmyards, have fed them without remuneration, without any thanks or anything, and for years have had hunters walk into their yard, ask permission, and not even ask permission, to shoot the birds they have fed so willingly. I'm not so sure that that kind of cooperation can continue when we don't have recognition by the minister of a problem when there is a problem.

Certainly the idea of a habitat program to try to build up the pheasant population is a good one and I support that. But I think when you try to build a program like that and then at the same time destroy the potential seed crop you have, what are you trying to do. I think the minister has his head in the sand as normal and as usual. There happens to be enough money in the budget to stock and restock the supply in the province, so what does he do? He spends the money. Aren't there more economic approaches to this particular problem? Has the minister really explored them? I really doubt he has. I really doubt that. I must say that certainly if you look at this in a political way the minister has not gained any support for his party. He certainly hasn't gained recognition for the type of decision he has made.

AN HON. MEMBER:
Hear, hear.

MR. R. SPEAKER:

I can only say to the minister that at this point in time with regard to this matter, in any future decisions he [should] recognize what the grass roots and the people of this province are saying, that he listen to them because I think the mark of a man in public office, particularly in the office of a minister, is a person who has some time and has some patience to hear what the ordinary man or the ordinary individual has to say. I think that is one thing the minister should take cognizance of.

I can only recommend at this time that monitoring or observation continue. I'm not so sure that closing the season at this point in time will have the effect we want because the bulk of hunting has already been accomplished in the province.

Mr. Speaker, I can only say that I'm very concerned, along with many other people, about the future of pheasant in this province. It's going to take good management, much responsibility and some long-term planning to really bring it back to what it was.

My colleague here made a comment about it when we were discussing it and I'll pass that on to the minister. He said, he's not only a beaver killer, he is a pheasant plucker.

MR. SPEAKER:

The hon. Member for Calgary Foothills followed by the hon. Member for Bow Valley.

MR. McCRAE:

Thank you, Mr. Speaker. I have really looked forward to participating in this great pheasant debate of 1974 for some months now. Just a moment or two back, after the long delay, the motion having been on the books here since last spring, I thought the member had forgotten what his motion was and that he was speaking about ostriches with their heads in the sand rather than pheasant.

Mr. Speaker, I was also concerned as we moved so slowly towards this resolution that the season might have been over and we might have had to apply a degree of retroactivity to it.

Mr. Speaker, there is no doubt that there has been a marked decline in pheasant population in the last couple of years. In fact over the last ten years I think there has been a marked decline both here in Alberta and in all pheasant hunting areas in North America. I think in 1973 the average take per hunter per day was about 1.5 birds and I believe it is somewhat worse this year. We hear occasional reports of hunting parties succeeding, having extremely good success in isolated areas. But I think on the average the bag has been rather poor.

Personally I have hunted for years, I have enjoyed the sport. I think it's an excellent recreation. I think it has excellent tourist potential and I have been disappointed in recent years over the decline and success, marked by an ever-increasing number of hunters and the frustrations that go with the extra competition for the same or fewer number of birds.

Mr. Speaker, the remarks I'm going to make today are in no way intended as a criticism of the department or the government. I think the remarks I'm going to make are more a compliment to the government than anything else, in that they recognize that we do have an active minister. I have a lot of respect for the people who work in his department, both them and the minister, and recognize that the programs they are working on right now are positive ones. The Buck for Wildlife program, the habitat restoration program and the Buffalo Lake and Beaver Hill Lake programs where they have taken areas and I think stocked birds there, put them out as pilot projects and I understand there is substantial success there. I think that is only the beginning and it shows their positive awareness of the problem and their attitude towards redressing it in the future.

There is a variety of opinion in the province as to whether or not there should be a closure of the season. You hear a lot of people say there should be and you hear an equal number say there shouldn't be. The same people may reverse their positions on respective days.

It's my understanding that a happy ratio of male to female in the pheasant population is something like one cock to ten hens. If you look at it from that point of view and the open seasons are only on cock pheasant, and if there are ten cocks per fifteen hens, does it matter if you shoot a few extra cocks as long as you don't exceed the minimum ratio of one to ten. According to the biological people it doesn't matter. I'm not an expert in that area; I don't think many of us are but I frankly don't think it matters too much whether we close the season or not.

A further understanding I have is that upwards of 60 per cent of the pheasant population die each winter. So whether or not many of them are shot is probably again rather inconsequential. However, I don't think that is the real answer to the problem. Whether or not we close the season in 1974 is not the long-term answer to the problem. I know hunters in the Calgary area and throughout southern Alberta are concerned, and the commercial interests in southern Alberta are concerned over the problem of the declining pheasant population. Also, the landowners are concerned.

A number of reasons are given for the decline. There are many reasons stated, all of them somewhat valid. There is weed control, in that with our efforts to control weeds there is less and less habitat for the birds to raise their young and protect their young from predators and the harsh winters we have. Foxes are a predator that substantially

reduce the young. Harsh weather during the nesting season and harsh weather during the winter again reduce the population. Disease is another contributor. The use of pesticides is another one. The cropping of road allowances reduces the habitat. The farming practice of going right up to the fenceline again reduces the habitat. And, of course, there are more and more hunters each year and there is more and more spare time for them to hunt, so the population, the bag, is probably substantially reduced.

I think there is one thing that all hunters, landowners, people who are concerned in this area will agree on and that is that carrying capacity is vital and, as we all know, there is competition between the various species of upland bird for the habitat that is available. This is a concern to the hunter this year that with the reduced number of pheasant available and probably an equivalent number of hunters going out as [compared with] other years, extra pressure is put on the partridge population. I think there is a rather severe harvest of the partridge and possibly other upland [birds] as well.

Mr. Speaker, as I have said, I don't think closing the season at this late date in 1974, and I don't really think whether or not we would open the season, is the real solution to this situation.

I have a recommendation to make, Mr. Speaker. I think it is the only solution to this problem and I seriously urge the minister and the government to take it under advisement. That is, that we give immediate consideration to the construction of a major pheasant hatchery of a size capable of producing somewhere in the neighborhood of 100,000 birds a year. It could be a phased-in operation.

It may be impossible to just go out and build a hatchery in the next several months and have it to that capacity immediately, but the recommendation would encompass the phasing-in of the program over three or four years. Let's say we start with a pilot project next summer or next spring of 20,000 birds, going up the next year to 40,000, then to 60,000 and in four or five years bringing it to a capacity of 100,000 birds.

I think there is a precedent for this kind of hatchery in other areas of North America, in the eastern United States. I think the experiment there, such as it is, is a success. The cost of it - I don't know the cost, I would think somewhere between \$1 and \$3 million. That's a wide range of number. But in any event I think the dollars we're losing in tourism potential far exceed that in any given year. By not progressing with some sort of program like this, I think we're failing to capitalize on a tourist potential that we have in southern Alberta.

Mr. Speaker, we have the Brooks hatchery still with us down in southern Alberta. It's something that has been carried with us for many years. I think it is capable of producing somewhere between 5,000 and 6,000 birds a year. It is gradually being phased-out and I believe the land is presently required for housing purposes in the Brooks area. So it's going to go anyway. The 5,000 or 6,000 birds it is capable of producing are not, in my estimation, a contributing factor to an upsurge in the pheasant population. I think it is such a minimal hatchery that it just can't make a significant contribution to this problem, if such it is, at this time.

The hatchery I'm recommending is I think feasible from several angles. One is that we could take the birds from the hatchery and drop them near urban areas and thereby relieve the pressures in the prime hunting areas by attracting hunters to less-than-prime areas. Hunters would go out with some expectation of success and it would reduce the concentration in what I've termed the prime areas. A second thing we could do with the birds is to put them out in the prime areas as seed stock during periods when the reproductive number of birds appears to have declined to a dangerous level.

I think these two features of the program, Mr. Speaker, would recommend themselves to all hunters, landowners, commercial interests and anybody involved with the question. There is just no doubt that if we scattered the hunters around by dropping birds here, there and elsewhere in the areas near the hunting population, it would solve much of the hunter-landowner friction that we see now because of the excessive concentration of hunters in the prime areas.

Mr. Speaker, we have an excellent climate here in Alberta for pheasant hunting. It is one of the prime areas in North America. Hunting itself is a major recreation activity for people in the cities. I don't know what percentage of my constituents hunts, but it is a good many of them. Certainly throughout Calgary a good many people hunt. It's a sport that has ...

[Interjections]

Many of us hunt badly, that is right sir. It is a sport that attracts itself to a father and a son going out and enjoying the outdoors. They get a good deal of exercise. It builds a relationship between parent and son, and parent and neighbor and friend, that I think is very worth while. It also is a healthy mental thing in that, I think, it reduces some of the frictions and stresses that occur in urban life these days. It is an opportunity to get out on a nice day on the weekend.

I know when I first came to Alberta some 16 years back, one of the first things I did was to go on a pheasant hunt. I thought it was just a tremendous thing. One of the reasons I've stayed and enjoyed Alberta so much was the opportunity for pheasant hunting. I think it's a real attribute we have here in Alberta. We should maximize it. With the extra pressures from the farming sector, because of many things, the reasons I've talked about for reduction in the pheasant population and the increase in the pheasant hunter, in their numbers, there is no way we can expect it to correct itself by natural means.

The recommendation I am making, is that we commence planning and budgeting immediately for a major expenditure in this area. I think it's a program that would have substantial support throughout Alberta. In terms of tourism, dollars coming back into this province, I think it would take but a matter of one or two years before we had recouped the expenditures we had made. I just think it is a very, very worth-while expenditure.

Mr. Speaker, there is one other feature of the program I would like to bring to the minister's attention at this time. A problem a few years back was that when you went to purchase a migratory bird licence you had to go first to the post office for that and then to a Treasury Branch or the Fish and Wildlife Division for your pheasant licence. Under the auspices of the minister, they have now corrected that rather strange situation and you can go to the one place, Lands and Forests or the Treasury Branch, and purchase a licence right now which is good for both migratory birds and pheasant.

The difficulty this year, Mr. Speaker, is that a number of hunters, for the reasons mentioned by the member opposite, whether they are emotional or other reasons, don't wish to participate in the pheasant hunt, thinking that they may be contributing to the decline of a vanishing species or something of that nature. They don't wish to hunt pheasant. It somehow bothers their consciences to have to buy a pheasant licence to get a migratory bird licence. And that is apparently what you have to do this year. A number of people have talked to me about this. They would like to buy a migratory bird licence but not pay for a pheasant licence. I think if we work out something, Mr. Minister, whereby they could buy one but not the other, it would be worth while.

Coming back to the program, the recommendation I'm making for the hatchery I think is something that hunters in general would pick up and participate in. I think if they saw an increase in the number of birds and less friction between landowner and hunter, they would gladly pay a very marked increase in the licence fee. The fee we are paying right now is very small, very conservative. I think the average hunter, the average sportsman, would pay three, four or five times as much if he saw corrective and positive action being taken to increase the number of birds.

One other aspect of the program, Mr. Speaker, is that I think [we] could involve the volunteer sector in it. I think local fish and game associations would very gladly take birds from such a hatchery and make every effort to feed them in the winter, protect them in summer and possibly establish their own No Shooting areas which would be a very positive aspect of our habitat restoration program.

In talking to some farmers in the Gleichen area last night, they also indicated that they would support and participate in programs such as that and would gladly commit [themselves] to closing their lands to hunting for several years. And these are lands which have great habitat potential right now. They would close their lands to hunters and allow hundreds of thousands of birds, or whatever the correct number is, to be deposited there and they would branch out from there, fly out three or four miles and be available for hunters outside their own lands.

Mr. Speaker, these are only some of the various reasons that I could put forward in support of the major hatchery recommendation. I think it's something we should get to work on right now. Alberta is a land with great tourist potential. We do much to advertise the Banff and Jasper National Parks, the provincial parks areas. The minister's department itself has done a good deal in the parks area to attract tourists. I think the pheasant hunting opportunity here is just so great, with the climate and type of country we have, that we should do much more than has been done over the past 36 years. Again let me say the remarks I've made have not been intended as a criticism of the department, but rather a positive approach that I hope and think they will pick up and maybe we can have some action on it.

Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Bow Valley followed by the hon. Member for Sedgewick-Coronation.

MR. MANDEVILLE:

Mr. Speaker, coming from the Brooks area I think I can take claim to possibly being the pheasant sheik of the province.

SOME HON. MEMBERS:

Hear, hear.

MR. MANDEVILLE:

I would just like to make a few remarks and I realize that it's after the fact, that the season is already opened. I don't think it would help to close it now, because in my area and many of the areas I don't think there are many hunters out because I think the pheasant population is depleted so that the hunters are not having this much success.

As I've said, in my experience I've had this with the past administration, I couldn't see eye-to-eye with our regulations. With the new administration as well, Mr. Speaker, I can't find anything to write home about.

I've suggested changes and as far as the regulations are concerned one of the major changes I hammered in this House and I hammered for on many occasions was when we were harvesting our hen pheasant. It was two years before I could finally convince the minister that it wasn't beneficial to be harvesting hen pheasant. I'm real pleased that now we are not harvesting our hen pheasant.

We did start the pilot project in one of the best pheasant hunting areas - to harvest hen pheasant on a pilot project basis in the Scandia, Rainier and Bow City areas. Right at the present time, if any hunters go out in that area, they tell me the hunting is very poor, that it is one of the poorest places in the eastern irrigation district which used to be one of the best hunting areas.

I want to be as constructive as the Member for Calgary Foothills and I have some suggestions I would like to make. One is in relation to the hatchery. I approve and certainly agree that we have to increase the hatching of pheasant. But one thing we have to keep in mind, and I hope the minister will take serious consideration of this in another year when we release our pheasant - I realize we are not releasing many pheasant - but what we do is we take this many pheasant and release them just a few days before the hunting season.

AN HON. MEMBER:
Terrible.

MR. MANDEVILLE:

These pheasant are domesticated. They sit along the roads and are the easiest pheasant to harvest. I'll agree that a lot of our hunters don't shoot them, but they are very vulnerable to the hunters who harvest them before they ever get a chance to get out into the wild area of their habitat. So I do hope that the minister, when they release these pheasant in another year, will take a real good look at releasing the pheasant after the season is closed.

If we release these pheasant after the season is closed, until such time anyway that we can hatch enough pheasant to take care of our bird situation - if they are released after the pheasant season is closed we can pay the farmer, if necessary. Give the farmers, say, \$50 to feed the pheasant over the winter. After they have wintered, let them get into the wildlife so they are able to protect themselves and they will be full-grown birds before the hunters are ever able to get at them.

Another area I think we could take a look at is that we [should] tag most of our game. I am not suggesting that our pheasant hunters are taking more than they should, but if pheasant hunters had to have tags for their birds - give them so many tags, whatever number of tags they need. Give them these tags and when they have their bag limit, these are all the pheasant they are allowed to take. It's another area I think we should look at.

Another area that is creating problems - in talking to game officers - [is that] we do not have sufficient game officers to police the seasons. I know in 1969 when the season was closed on account of the mercury scare, there was the best pheasant population I have ever seen. I am willing to be the first to admit that we did have a good winter that year and that is one of the reasons. But, as well, one of the reasons was that we didn't hunt the birds. It had to contribute to increasing our [pheasant] population for the season in 1970.

Mr. Speaker, I think we have got to get away from this false advertising as far as hunting is concerned, not only of our pheasant. I think our game population is decreasing throughout the province, not only in one area but in many areas. I think we have to take into consideration some serious changes in our hunting regulations. Let some of the farmers, the people who are producing these animals and birds, make some input into the game regulations. Going through my constituency I can talk to farmers, businessmen and the hunters themselves, and just about unanimously - I can't agree with the hon. Member for Calgary Foothills when he says it is a difference of opinion. I can go to almost anyone in any area of my constituency and they say the season should be closed. We should start protecting our pheasant. If we don't do this I think the pheasant is going to be like the whooping crane.

Thank you, Mr. Speaker.

MR. SORENSON:

Mr. Speaker, just a few comments on the resolution. We are discussing perhaps the most majestic bird of all, and a delicacy of course. The pheasant is the king of the dinner plate. There are hundreds of these birds mounted and standing in people's dens. Perhaps there are more this way than there are alive and walking around the province.

To say that pheasant are in short supply in our province would be putting it mildly. These birds, which were first introduced by different fish and game groups, are certainly in short supply. Now it wouldn't surprise me, even though this is the case, that we are exporting pheasant. Perhaps we are.

On June 10 a plane left Edmonton for South Korea loaded with 70 deer and a bunch of bears. Now the reports I get were that the bears were being used for medical purposes. I think we ought to use them for medical purposes here and not slaughter them and leave them out in the bush for their bones to bleach out.

I would like to see our youth involved in the raising of pheasant. This could be accomplished down on the farm and would help to keep many of our youth there - those who want to be there. We have egg incubators on many farms, and I am just wondering if these couldn't be adapted to hatch pheasant eggs. I know of many handicapped young people on the farms [for whom] it would be real therapy to just look after 50, 100 or 200 pheasant chicks. I think this could be accomplished. Perhaps 4-H groups could do this.

I think we must start an accelerated program of predator control. There are some predators that could stand thinning out. Crows and magpies take a tremendous toll of

birdlife. There could be government encouragement in this to young people in this area. Skunks. One of the most regrettable happenings I find in rural areas is the turning loose of cats and dogs. People who must get rid of a cat are reluctant to shoot it, so they take it down the road 8 or 10 miles and turn it loose. It becomes a creature of the wild, feeding mostly upon pheasant and grouse. I am not advocating thinning out hawks and owls. They too are good, to my way of thinking.

A program which I have mentioned on numerous occasions in this House is a space for wildlife program. It's designed primarily for pheasant and grouse - a voluntary program allowing people to set aside a small plot for a year, [putting] it to seed or grain, having cover there for the birds to hide and feed and so on. All that would be required from the government would be a marker or a shoulder patch. My advice to ...

MR. SPEAKER:

I regret to interrupt the hon. member, but I am obliged to draw his attention to the clock, it being Thursday afternoon.

MR. SORENSON:

Thank you, Mr. Speaker. It's too bad. I was just getting to the punch line.

AN HON. MEMBER:

Adjourn debate, adjourn debate.

MR. FARRAN:

I beg leave to adjourn debate.

SOME HON. MEMBERS:

No, no.

MR. SPEAKER:

I realize that it is contrary perhaps to the practice of the House, but under the rules the hon. member is not strictly required to adjourn the debate. His speech was ended by the time having run out, although he hasn't reached his time limit, and as I understand it he is entitled automatically to resume the debate when the order is called again.

MR. LUDWIG:

Mr. Speaker, on a point of order. It's almost impossible for this motion to be called again because I understand that all bills and motions die when this year's session is finished. Beginning next session we start all over again.

DR. WARRACK:

He wasn't here when it first came up.

AN HON. MEMBER:

Well, what's eating you about that?

MR. SORENSON:

I beg leave to adjourn the debate.

MR. SPEAKER:

As I say, I realize it's the custom that it isn't necessary. The hon. member has the right to continue the debate when the matter comes up again.

SOME HON. MEMBERS:

Agreed.

PUBLIC BILLS AND ORDERS OTHER THAN GOVERNMENT ORDERS (Second Reading)

Bill No. 212 The Tips and Gratuities Act, 1974

MR. WILSON:

Mr. Speaker, I move second reading of Bill No. 212, The Tips and Gratuities Act, 1974. The need for this little document came to my attention, Mr. Speaker, when I heard of instances in Alberta where cases existed of management taking and retaining tips that patrons had left for employees. On April 30, 1973 I raised the issue in the question period. The hon. Minister of Manpower and Labour has, subsequent to that, cautiously clarified the situation in the definition of wages under The Wage Assignments Act and The Alberta Labour Act. Presently those two bills define wages as including any salary, overtime pay and any other remuneration for work or services however computed, but do not include tips or other gratuities.

Now then, Mr. Speaker, that doesn't completely cover the situation though. There is still a need for further elaboration or additional legislation if we are going to assure that tips and gratuities do in fact become the property of the employees for whom they are left.

There is some legislative precedent for this opinion my research finds, Mr. Speaker. For example there are several states in the United States that have introduced such legislation but, perhaps of more interest, just this year the hon. Rodman E. Logan, minister in the Legislative Assembly of New Brunswick, has introduced a bill that does much the same as Bill 212 would do.

In Mr. Logan's bill he says, and I quote: "Tips and gratuities are the property of the employee to whom or for whom they are given and shall not be withheld by the employer, notwithstanding any consent given by the employee". He further states; "Where a surcharge or other charge is paid in lieu of a tip or gratuity the amount paid shall be deemed to be a tip or gratuity for the purposes of this bill."

Now then, Mr. Speaker, it seems that from the customers' standpoint they want to be assured that the tip or gratuity definitely goes to the employee that it was meant for. Our Bill 212 would allow employees to pool and share the tips amongst themselves if they desired to do so. But it would prohibit management from participating in any such arrangement. This is really a very straightforward simple bill I think, Mr. Speaker, that all members could support.

I would like to just quickly relate an experience I had last evening here in Edmonton. After dining in what would be regarded as a pretty nice establishment in Edmonton, I asked the waiter if we could add the tip or the gratuity to the account and pay for it on a charge basis, credit card basis. He said that if we added it to the account he wouldn't get it. And that exists right here in Edmonton. If you don't ask you won't know about those kinds of situations. I'm sure many people would be considerably upset when they add their gratuities to their credit card charges, to find that they were not passed on to the employee.

So, Mr. Speaker, we did a little further research. We sent out questionnaires on this topic in our constituency of Calgary Bow. Out of 403 returns, 351 persons completing the questionnaire agreed with the bill, 20 disagreed with the bill and some of those added a gratuitous comment stating they thought tips should be banned altogether. And there were 22 with no opinion.

So, Mr. Speaker, in concluding the debate I would like to read a couple of quotations from a letter I received from a party in California where they have legislation that says the intended disposition of money left for tips must be stated on a card posted where it is visible to all customers.

In one restaurant, and I quote: "Money left for tips becomes the property of the management, and is not divided with employees." In another establishment, and I quote: "Money left as tips is used by the management to pay up to 20 cents an hour toward the state minimum wage." So presumably, Mr. Speaker, any amount over 20 cents an hour in that situation remains the property of the waitress with the best legs and the swiftest coffee pot.

MR. DOWLING:

Mr. Speaker, in rising to participate in the debate on Bill 212, I would like to say first that the intent of the bill is, in fact, to prohibit an employer from retaining tips and gratuities due to his employees. The bill should reflect this and it does not do that. However, if that is the intent of the bill or had been the intent of the bill, I would suggest it has some merit and the bill or the philosophy of it should be looked into further, and perhaps a proper bill should be introduced.

However there are some shortcomings in this bill, Mr. Speaker, and I would like to point them out. The first one is in the definitions. There are two very important definitions and both of them are very bad. The first one is an employee. It finds an employee as a person who works for an employer. An employer is a person who employs one or more persons.

This would mean, Mr. Speaker, that all government employees would then be subject to the terms and conditions of this bill and therefore they would be put in a position where, for every act they perform on behalf of the government, they could receive a tip, which would be rather a conflict of interest in the public service.

An employer is defined as a person, and if this interpretation of the foregoing doesn't hold true, it must mean that individuals employed by a company or corporation would be excluded since they really are not employed by one specific person. These two definitions render the whole act useless in my opinion, Mr. Speaker.

Section 2 reads, "No employer or his agent, shall (a) collect, take or receive any tip or gratuity or any part thereof given to or left for an employee by a patron ..."

Contrary to the hon. member's view, this would prohibit the practice of pooling, a practice which is now common among the service industries all over Alberta, all over Canada. In many instances the employer will pool all the tips received and distribute them among all the employees. In other words, those people who work in the kitchen and never see the front of a dining room would, in fact, also participate in the pool tips.

Making this kind of arrangement illegal is just not in the interest of those working in the industry, and I really don't believe it was the intent of the hon. member who introduced the bill.

Where pooling arrangements in the industry do exist, Mr. Speaker, they are often set up by mutual consent between the employer and the employee. This act would prevent the

employee from ever agreeing to such an arrangement. In that sense it takes away from this freedom of choice.

Section 2.1 (b) and (c) are both in my view unnecessary, Mr. Speaker. The definition of "wages" which the hon. member read, I could perhaps review for hon. members. In The [Alberta] Labour Act: "Wages includes any salary pay, overtime pay and any other remuneration for work or services however computed, but does not include tips or gratuities." When the employer therefore sets a wage for an employee he is not allowed to force the employee to treat gratuities as a part of the wages and thereby have his wages reduced or a deduction made because of this gratuity.

The hon. member mentioned several instances that have occurred in the last little while. I really think it's incumbent upon him to give us the specifics of them and we will further investigate them in order that perhaps the intent he had imagined this act would provide could be better worded and the act could proceed at some other time. We have never received any major number of complaints suggesting that this area is a problem. In fact I can't recall personally having received any.

The other thing that really concerns me, Mr. Speaker, is where do we stop legislating against people and against businesses. We don't need legislation to just fill up the statute books, and this bill, in my view, hampers more than it helps.

We have been advised legally that if an employer hires an employee and does not mention any policy regarding acceptance of tips, if he takes what was left as a tip for an employee, the employee could initiate legal action. There are therefore remedies against unjust and improper actions by employers if they occur. Therefore we don't need this bill, Mr. Speaker.

Finally, I was interested in the comment that legislation was being introduced in the province of New Brunswick. We did a review as well, and since that act is not yet in force we were not apprised of the fact that it was introduced. Our review of legislation in Canada, for sure, indicates that there is no legislation of this kind in force anywhere in Canada.

With those few brief remarks, Mr. Speaker, I really believe the intent of the act was to provide some protection for employees in regard to tips and gratuities. I don't believe, under any stretch of the imagination, it does that in fact. The principle is reasonable. I would suggest that it be returned to the draftsman [to] have it reworded.

Thank you.

MR. LUDWIG:

Mr. Speaker, in speaking to the principle of Bill 212, I'd like to commend the hon. Member for Calgary Bow for bringing this matter to the attention of the Legislature. We're concerned with inequities and little injustices. There's no doubt that - even yesterday I had occasion to hear a waiter state that if we add the gratuity to the bill submitted to us he'll get nothing. It's a voluntary thing on the part of the donor of a tip because it's a custom. If I want to tip someone, in fact, I prefer not to tip the person if I know that the person isn't going to get it. It's a very long-standing custom and a rather nice custom.

I'm rather impressed with the fact that the hon. members opposite will not permit a private member's public bill to go to second reading, to go to committee, but like to discuss sections. Everyone knows that the opposition does not legislate. But the opposition in this House has shown that, given the advantage, it will bring ideas of concern to some people. The fact that maybe politically this is a nothing kind of bill because many people are not concerned, any hon. member who brings to the attention of the legislators some inequities, something that is basically unfair, I think it is commendable.

When we talk about the principle of the bill, the hon. minister did not state that he disagrees with the principle of the bill, but he started stretching the meaning of words. If we gave this kind of analysis as to what the remote meaning of some words may be, you can stretch any meaning or any theory to absurdity, Mr. Speaker. Look at some of the powers the government has and they say, oh well, we're not going to use those powers. But they have them. You can extend this ad infinitum to what the meanings of words are, especially when using the English language which lends itself to this kind of interpretation. I doubt whether many people who are public-minded will state that there is not a bit of a problem here. Maybe it isn't a serious problem, but nevertheless it is there. When you have a big and ominous kind of program, everybody knows it. It's some of these little things that make life worth while for those people who may have to struggle a little harder to make a living.

I take no exception to the bill. I think that, if anything, it could be strengthened. But if the hon. minister has any serious concern, move it into committee and bring in a couple or three amendments instead of heaping abuse on an hon. member - oh well, this isn't good, back to the drawing board, it isn't good enough, it isn't well thought out and what is this kind of thing. The weakest of all arguments is, well, I haven't seen it enforced any place else - as if that is any kind of reason. But to state that, no, we don't care; people who get tips, we don't care what happens to those tips. That's the minister's attitude. The people's government says, we don't give a darn about these waiters and waitresses who work. If they can't hang on to it that's their tough luck. That's a reasonable interpretation on the hon. minister's stand, if you want to stretch the meaning of words as he did with this bill.

I think if the hon. members on the other side vote against it, they will be telling us that we are not so concerned about these people; there aren't very many of them;

politically it isn't much of an issue. I'm quite certain that if there were thousands of waiters in the hon. minister's constituency - I'm not imputing a motive but I'm just making a general statement, Mr. Speaker - he would take a serious look at this thing. But because there is a handful and perhaps he is friendly with some of the owners, maybe - leave this alone, it might create, as he stated, more problems than it solves. I wonder whether the Jasper Hotel manager or owner, or people who own an interest in this hotel would stand up and say, well, I'm magnanimous enough; I don't need the tips of these people who eke out a living, work part-time sometimes. I think most employers would agree to this kind of bill. There might be some arrangements that I haven't heard of, but a respectable owner of a hotel would say, well, by all means I want my employees to have all the tips; their morale is important to me and why fight this thing. So the opposition to this thing is negligible except mostly from the hon. minister.

I think he has put his finger on a very important matter with regard to private members' bills. Let's discuss the principle. You have batteries of lawyers and legal counsel and advice from over there and you'll still bring in a bill [to which], before we get it opened, there's an amendment. Nobody is perfect. Someone says it's never never too late to make amends and that seems to be the practice in drafting legislation. But when an hon. member on this side of the House, Mr. Speaker, makes a serious effort to bring a problem to the attention of the House, he has discharged his responsibility.

I've been up against this thing many times where some hon. minister will get up and laud my efforts, laud the bill that I've brought in, but will find some little word in there and will make a big issue out of it. That's bordering on irresponsibility. We are given the opportunity to bring ideas to this House and we've brought more ideas than the back-benchers have on the other side, Mr. Speaker. So what do they do? They get a bill, they put someone there, their penalty-killing minister, they get up and say, we don't want to give Wilson this kind of break; let's see if we can punch a couple of holes in it and we've done our job.

I'm stating that the only person who has done his job on this bill is the mover of this bill. If there's no problem, then let the minister say, this doesn't exist, I don't give a darn about the people who wait on me. I wouldn't be a bit surprised if, in that hotel in Jasper, he gets crushed glass with his porridge one of these days. And then you'd hear a howl.

AN HON. MEMBER:
Or a razor.

MR. LUDWIG:
Yes. But one has to be careful because one can meet one's enemies at the most unexpected places.

AN HON. MEMBER:
In here too.

MR. LUDWIG:
Someone once said about Bernard Shaw, and I've heard it said about John Diefenbaker, what do you think of him? He says, well, he has no enemies and his friends don't like him either.

But I'd like to urge the hon. members on both sides of the House to stand up and declare what they think of the principle of the bill, of requesting that tips belong to the workingman, the man who is working for them. If somebody feels that he doesn't want to give tips, it's a voluntary thing. But I think we ought to encourage members on both sides of the House, back-benchers, not only ministers, to bring in bills, bring to the attention of this forum these little inequities, these little annoying things and little injustices that have a habit of creeping in.

The hon. minister states, well, we're over-regulating things. That's an understatement when he looks at some of the legislation that the ministers bring forth. Over-regulating - they had a tremendously powerful lobby in this House once by the name of the opposition, which is now the government, where they were fighting these regulations to a standstill and now they're out of hand. So the hon. minister states, well we're over-regulating. I agree with him that when you look at the government legislation it is shocking. But this is not regulating - to tell someone, what somebody has donated to you is yours; nobody can get his paws on it and take it away from you. This is not regulating. This is helping the people to retain what is theirs.

He made a big to-do about the fact that we don't want to get to the position where we're telling waiters that they can't pool their money. Nobody is going to tell the waiter what to do with his money when he gets it. He can do what he likes with it after. If he wants to pool it and if he wants to donate it to a boss who can't make things go, that's his privilege. But the boss, the employer, has no business touching that money. That's what this bill says.

I commend the hon. member and I urge other members to support it. Let's not be chintzy about trying to find sections in the bill that are maybe not worded as well as the minister can word [them]. I'd like to see some of his bills without Legislative Counsel and see what he produces in this House. In fact, with all due respect, it's a very fortunate bit of legislation when somebody can bring it in and then find that somebody can't improve on it. The same with these bills, Mr. Speaker. So let's get rid of that habit of saying, oh, it's a great bill, like they did with a couple of mine, good idea,

forward thinking, but - and then they go ahead and start nitpicking. Somebody jumps up with glee because he found that one word was misspelled so we have to throw it out, back to the drawing board. So let's get off this nonsense. Let's support this bill and do the people who need a little help a favor.

Thank you, Mr. Speaker.

MR. BENOIT:

Mr. Speaker, like all the previous people who have spoken on this bill, including those on both sides of the House, I also support the principle of the bill. I want to go one step further, however, in a moment and point out that there is one thing I don't agree with, not in the bill, Mr. Speaker, but with the idea.

Tips and gratuities certainly belong to the one to whom they are given. If anyone else gets the tips or the gratuities, the purpose of the tips is defeated. Supposedly they are given to that person who receives them for the service he has rendered. Or, if they are given for some other reason, then they should still get them.

In some respects, Mr. Speaker, I am opposed to tipping because it leaves a loophole for employers who want to be stingy with their salaries. I think sometimes the idea of tipping defeats the whole purpose of working. Every once in a while I find people who receive tips and will give real good service as long as the tips are received. When they don't receive tips, they quit giving service. The people are working for money and not for the joy of working and this sort of undermines a person's character and morale. I also find that there are those people who are not in favor of tipping; they figure that the price of the service or the product is ample and that the person who is rendering the service for that price should be paid enough that he doesn't need to have tips and should be doing the work because he enjoys doing it for the salary he gets. So when they tip, they tip because they are expecting something extra or they tip because they feel if they don't do so, they are not going to be liked. This is also defeating the purpose of tipping. Tips and gratuities are over and above what the person normally gets; they are intended as an expression of gratitude to be given that way and received that way and I don't think should be anything else.

But human nature being as it is, there is nothing we can do about the attitude with which tips are given or received. Therefore it may be necessary at times to put bills or statutes on the law books making provision that those for whom the tips are intended receive them, not someone else.

I might say, concerning the remark which was made by the hon. Minister of Consumer Affairs, that the pooling among employees will be prohibited by the bill - I can see nothing here that prohibits pooling by employees. As the hon. Member for Calgary Mountain View pointed out, the only thing it prohibits is the employer getting it. Even after the employee gets it, if he gives it to the employer, that's his business. But as long as the employee himself gets it, that is the important thing. The principle of the bill clearly covers that. I think if the bill were implemented, it would be helpful to those who don't have the backbone and the strength because of a lack of organization or lack of courage to demand what is rightfully theirs in the first place.

MR. DRAIN:

Mr. Speaker, I had no special intention to speak on this particular bill, Bill 212, although there are some ambiguous features in the wording. Unquestionably the intent is good. I would question, however, how it could be determined what number of tips were in fact given to the employee. I would think the control problem - if an employer decided to get involved in dipping into the tip fund, it would be quite difficult to assess.

I would think that possibly to some degree tips are detrimental to the employees, in that you find where tips are normally given the wage is normally the minimum wage. Hence the employer, directly or indirectly, benefits by the tip because in effect he is able to take advantage of the largesse or kindness of the people who receive this service and thereby maintain less than what would be the proper rate of remuneration for a particular job.

There are some countries in the world where tips are not accepted. It is not an acceptable procedure because of the philosophy of the people.

In passing this particular legislation, I would say that certainly it would carry out the intent of the giver. It might well be that the answer would be to indirectly introduce the tip as a direct cost of service.

It's an acknowledged procedure to tip. And as I said before, Mr. Speaker, it thereby underwrites a lower scale of wages. Hence to make wages more realistic and not make people supplicants - and this is what it does, that they have to go around picking up nickles and dimes - a more equitable minimum wage should be set and tipping should be banned. You have a cash inflow directly, thereby eliminating any possibility of employer rip-offs.

These remarks are very brief. I would, if this came finally to second reading, certainly vote in favor of it because it would not do any harm. However, in philosophy, I feel that it is an employer rip-off. This is what tips amount to because they subsidize the employer and give him the rationale to pay less than a reasonable rate of wages.

Thank you, Mr. Speaker.

MR. NOTLEY:

Mr. Speaker, in taking part in this very significant and important debate this afternoon, I want, first of all, to say that I certainly support the views expressed by

the hon. Member for Pincher Creek-Crowsnest. However, looking at the principle of the bill, I think it is the kind of bill which this Legislature can endorse in principle, notwithstanding some of the concerns we may have about the practice of tipping, which I will come to in a moment.

I was interested in listening to the hon. Minister of Consumer Affairs discuss, as I believe the Member for Calgary Mountain View has already pointed out, some of the provisions of the bill, which is rather a unique approach to take during second reading in any event. And because the provisions didn't exactly meet the best test of legal wording, perhaps the bill shouldn't be considered.

Frankly at this point, Mr. Speaker, we should be talking about the principle itself. We have plenty of opportunity, if the bill does pass second reading, to discuss it clause by clause in the committee stage. At that point the hon. members across the way would no doubt have the opportunity to insert the proper amendments if they so chose.

But the principle really is a very simple and sound one: if we are going to have tipping, then the people who are providing the service, the waitresses or what have you, should in fact be the beneficiaries of the tip, not the employer.

The minister in his speech talked about the implications this might have for the pooling of tips which, frankly, I think is perhaps a reasonable approach to take. But I fail to see, in reading this bill, even if the bill were passed, that it would affect the pooling of tips or make it illegal. But in the event that it did, if the minister's reading, the searching reading of his staff which I am sure he has assigned to survey this bill in depth, if they have concluded that in fact it would do just that, then surely the most sensible thing is not to throw the whole bill out on second reading but to insert an amendment when we get to committee stage. So I find it a little difficult to follow the reasoning of the Minister of Consumer Affairs on that point.

The point that the Member for Pincher Creek-Crowsnest raised seems to me an extremely valid one, however. Too often tipping is just a method by which employers who are too cheap to pay reasonable wages get away with minimum wage standards. As a result the public is forced to indirectly subsidize the wages of the employees concerned. As I see it, I couldn't agree more with the Member for Pincher Creek-Crowsnest when he suggests that the most suitable approach in this area is to increase the minimum wage so that people earn a decent wage.

One of the advantages - I think there are many disadvantages in the kind of harum-scarum development that's taking place in the province of Alberta these days - but one of the positive advantages of this rapid development is that wage scales are going to go so high that it will be necessary to pay well above the minimum wage. It will probably be necessary for the provincial government to sharply increase the minimum wage to get any kind of labor for any sort of work, whether it be in the service industry or not. So that's one of the few positive attributes that I see from some of the developments that are occurring, in my judgment anyway, in a rather unplanned way in the province at that stage of the game.

The point, again, that the Member for Pincher Creek-Crowsnest makes about the employees involved, that they by and large are not organized, they don't belong to trade unions, they have nobody to really stand up and fight for them, is a valid one. Here we're dealing with a class of people who are frequently in a position where they can't afford to quarrel with the employer.

Mr. Speaker, that's why, when the Minister of Consumer Affairs says that there are legal remedies which can be taken now, that may be true in a legalistic sense, but it really isn't true in a practical sense. First, in most cases the employees concerned probably wouldn't be aware of the legal remedies that do exist. The Consumer Affairs Department has done precious little to advise them of their rights. In the second place, once you start talking about legal remedies, you're talking about bringing in the lawyers and right off the bat you might as well work for the minimum wage.

Therefore, it really becomes an academic question again as to whether or not you're going to try to get the tips or forego them. Simply saying that there are legal remedies available at the moment is just not a practical answer at all. It's like suggesting that we have equity before the law. In theory we do, but the ability to command top lawyers for some people and the inability to get decent lawyers for others makes the inequality before the law in this country, I think, one of the standing scandals that we have to resolve in Canada today.

But having regard again to the point that the Member for Pincher Creek-Crowsnest raised, we are talking about unorganized people who, in the main, aren't members of militant or well-organized trade unions. Therefore any legislative step we can take, however slight and modest a step it may be, to protect these people seems to me to be a reasonable and prudent course of action at this time.

Therefore, Mr. Speaker, I have some real questions about the practice of tipping, because I think it does, as has been said before, represent a form of subsidy to the employer. Nevertheless this bill would at least make sure that the people who are tipped receive the tip, and in my judgment that is why it merits support.

MR. DIXON:

Mr. Speaker, I just want to say a word or two on this Bill No. 212. I think it's an excellent opportunity. I was a bit disappointed in the hon. Minister of Consumer Affairs because I thought he would give us some indication that the government would look at the serious situation regarding waiters and waitresses and people in the food service

business. If you look under any employment ads they are just loaded down with employers seeking people to work in the food services business.

It is, maybe, a mark against us that the waiters and waitresses have to rely so heavily on tips in order to make a half-decent standard of living, when you consider that those same people have to go out and buy the same things as other people who are in a much better position because of the higher pay bracket that they're in.

I noticed, Mr. Speaker, that the hon. Minister of Manpower and Labour was attempting to get on his feet, so I'm not going to take too long because maybe he'll have something that will satisfy some of my concerns.

I believe we have a concern right throughout Alberta and the rest of the country, but we hear so much. We heard the Premier the other day in his address [say] how Alberta was so far ahead of anywhere else in Canada on these situations. So here's another challenge where we can be further ahead than anybody else, and look at some of the people and the working conditions in this province, particularly the salaries of those people we have in mind under Bill No. 212, those who are in the food services business, in particular the waitresses and waiters.

Now it's not good enough to say, well, they can take a few weeks course at SAIT and that's going to [be the] answer, because apparently it isn't. I believe we have to take a realistic look, if I'm allowed to say so, Mr. Speaker, not just at the people in the lower income food services business but in many of the other jobs. I feel the greatest challenge that any government is faced with in the labor relations field is what we can do to bring the people who are in the lower income groups, who are relying either on tips or some other kind of subsidy, in order that they can compete in the world of inflation that we are in today. So I think the situation is worse today than it was even a few years ago.

I certainly support the bill. I'm not one of those who say we should stop tipping, because I think we've got to keep tipping until these people are put in a bracket where they are getting a decent wage, where we can say ...

AN HON. MEMBER:

You should know.

MR. DIXON:

Well, I don't know, maybe the members - pardon me, Mr. Speaker - but from the indication, they say, was I saying "tipping" or "tippling". But I'll leave that to the hon. members opposite. I'm sure they're better at that than I am.

SOME HON. MEMBERS:

Hear, hear.

AN HON. MEMBER:

Drink lemonade.

MR. DIXON:

Mr. Speaker, getting back to Bill No. 212, it is a serious situation. I think if this bill does nothing else, it focusses attention on the plight of some of these people, most of the people we have in the food services business. I'm not thinking so much of the chefs and those types of people, because they are in great demand and their wages are high in many cases, but of the people in the lower income group, the waiters and waitresses in particular. I give full credit to them because many of them are working and they'd be actually better off if they went to the social welfare department and asked for welfare. I think they would be better off than if they were working. And that's the kind of situation that we have to correct.

Mr. Speaker, I'm only on my feet to say that I'm very disappointed that the hon. Minister of Consumer Affairs in charge of tourism would [not] have more suggestions than just to argue about the legality of the bill, that it hasn't reached full lawyers' approval. The thing is that the bill indicates what the hon. member had in mind and the fact that he's trying to do something for a group of people who cannot do something for themselves through legislation except by this Legislature.

Thank you, Mr. Speaker.

MR. DRAIN:

Mr. Speaker, I rise on a point of privilege to inform you, sir, that a breath of scandal has inundated this Legislature.

I find before me, Mr. Speaker, filthy lucre. One cent from Cookson, one cent from Paproski, one cent from Ghitter, one cent from "Truchensky", one cent from Young, an old wrapper and an elastic band from McCrae, a gum wrapper from Appleby and one cent from Diachuk, not to mention Fluker and Cal Lee with a rubber band and one paper clip, and the big spender, Julian Koziak with ten cents. Mr. Speaker, I suggest [this is] an attempt to bribe Her Majesty's Loyal Opposition.

[Laughter]

MR. SPEAKER:

The Chair is unable to recognize the ...

MR. DIXON:

Mr. Speaker, I wonder if I could solve the matter for the hon. member. I think it's just Halloween treats a little early for the hon. Member for Pincher Creek-Crowsnest.

AN HON. MEMBER:

Trick or treat.

MR. TRYNCHY:

Mr. Speaker, just a few brief comments on this bill. First of all, for my honorable friend across the way, the name is Trynchy, and it's two cents, not one cent.

MR. DRAIN:

Mr. Speaker, on a point of privilege. I request the service of an auditor to get this straightened out.

MR. SPEAKER:

The Chair is unable to accept the hon. member's suggestion that there is a point of privilege, inasmuch as the hon. members' names mean nothing to the Chair except on special occasions. I have not heard any members' constituencies mentioned.

MR. LUDWIG:

Two cents are worth more than your speech.

MR. TRYNCHY:

Probably so.

Just looking at this bill, Mr. Speaker, one thing that really disturbs me is that we will make a number of crooks out of good honest people. By putting this bill into effect we will have every girl and boy who works in restaurants, or where have you, not declaring their tips and therefore be evading The Income Tax Act and [they] could be sent to prison. Now if that is what my honorable friend, Mr. Wilson wants, I guess that's what we can get.

SOME HON. MEMBERS:

Oh, oh.

SOME HON. MEMBERS:

Shame, shame.

[Interjections]

MR. TRYNCHY:

Mr. Speaker, the comments of the hon. Member for Pincher Creek-Crowsnest are quite valid in a number of ways. I'd like to see no tips allowed posted as such and the minimum wage increased so that people who are working get a fair shake.

I can say that when you go to your neighbor's place for dinner you don't walk up and leave a dollar bill for a tip. You have a good dinner, you thank the host and you leave. I would suggest as we go to our restaurants from now on, we might be able to shake the man's hand who served us, and if it's a girl, give her a kiss. In that way we can spare them the agony of having to report on their income tax the tips they have made, therefore eliminating ...

MR. LUDWIG:

On a point of order. The hon. member stated that you could probably kiss a waitress. Has he thought of sparing the girl the agony of having to kiss him?

MR. SPEAKER:

Order please. The hon. member who introduced the bill is, in fairness, entitled to have it debated in the ordinary way.

MR. TRYNCHY:

Mr. Speaker, that's getting pretty personal by the hon. member. It's just too bad he wasn't a little younger, I'd take him outside and maybe we could settle this.

But, Mr. Speaker, seriously, I believe that tipping is ...

MR. LUDWIG:

Mr. Speaker, on a point of order. I ...

MR. SPEAKER:

Order please. Would the hon. member resume his seat.

AN HON. MEMBER:

That is meat for ...

MR. TRYNCHY:

Mr. Speaker, seriously, I don't think tipping is wise and I never was in favor of it. I believe we have gone into a trend where we have allowed the young people or any people

who work in these places to rely on tips and this, of course, is not the way I'd like to see it go.

Last night I invited a few friends in. We tipped a few ...

AN HON. MEMBER:

Ho, ho, ho.

MR. TRYNCHY:

We ate some chicken and they all left and none of them left a tip. I guess I would have been embarrassed if they had. They said, thank you for the wonderful evening, and that's the way I'd like to see it. In restaurants and such I think we could follow the same pattern. If they would increase the minimum wage, pay a decent wage to the people who are working, we would have no need for tips.

DR. BUCK:

Mr. Speaker, may I ask the hon. member a question? When he said, "we tipped a few", does he mean tipped waitresses or ... ?

MR. TRYNCHY:

Mr. Speaker, I'll leave that to his conclusion.

[Interjections]

MR. SPEAKER:

Order please. Are you ready for the question on the motion for second reading?

MR. APPLEBY:

Mr. Speaker, we've had considerable discussion on this particular bill this afternoon and it has varied over quite a sphere of topics as far as tipping is concerned.

I was quite concerned by the attitude and the comments of the Member for Calgary Millican because he made a great plea for the people with low incomes in the food services industry. I think perhaps he had a point there when he tried to emphasize the fact that in this particular branch of our economy there are a number of people who do try to exist on low incomes. However, he said he was highly disappointed, Mr. Speaker, because the Minister of Consumer Affairs, or nobody from the government side for that matter, had come up with any suggestion or program which would alleviate this.

I was quite disappointed myself, Mr. Speaker, because to me the role of those in opposition is to present proposals, alternatives and positive suggestions to the government so that these sorts of things can be considered. Some of the best legislation placed on the statute books in many parliaments, many legislatures in the land, came about because some member of the opposition came up with a worth-while idea once in a while.

But I think that anything this government has done has been, Mr. Speaker, the result of their own efforts, their own thinking, their own ideas. Nothing has come forward from the opposition which could be looked on as of a positive or useful nature or something that could actually be entered into legislation or even seriously considered by members of the government. For that reason, Mr. Speaker, I think the speech that was made by the hon. member, in particular, did not really contribute anything to the debate. I would suggest that maybe there are some members on the opposite side of the House, Mr. Speaker, who might have a worth-while idea they would like to present at this time as something that might be considered useful to be implemented to take care of the situation which I am willing to acknowledge exists as far as the lower income brackets in the food industry are concerned.

DR. HOHOL:

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

MR. SPEAKER:

May the hon. minister adjourn the debate?

SOME HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Speaker, I move we call it 5:30.

MR. SPEAKER:

Assuming that the Assembly agrees with the proposal of the hon. Government House Leader, the House stands adjourned until 8:00 o'clock this evening.

[Mr. Speaker left the Chair at 5:23 p.m.]