

## LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, June 16, 1975

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

## PRAYERS

[Mr. Speaker in the Chair]

## INTRODUCTION OF BILLS

## Bill Pr. 5

An Act to Provide for The Extension of Time for Filing a Statement of Claim  
By Hector Couture Beyond The Period Allowed By The Limitation of Actions Act

MRS. CHICHAK: Mr. Speaker, I beg leave to introduce a private bill, being An Act to Provide for The Extension of Time for Filing a Statement of Claim By Hector Couture Beyond The Period Allowed By The Limitation of Actions Act.

[Leave being granted, Bill Pr. 5 was introduced and read a first time.]

## INTRODUCTION OF VISITORS

MR. SCHMID: Mr. Speaker, I have the honor to introduce to you, and through you to the members of this Assembly, His Excellency Thadim Thorn-Leeson, Ambassador of The Netherlands to Canada. Accompanying him is Mr. Thadema-Wielandt, Consul of The Netherlands to Alberta.

Mr. Speaker, the more than 59,000 Albertans of Dutch origin have been and are some of the richest resources of pioneering spirit, cultural contribution, and economic development in this province, preparing and sharing the future of this country with all Albertans.

I would ask His Excellency and the Consul to rise and be recognized by this Assembly.

MR. FARLE: Mr. Speaker, it's indeed a pleasure for me to introduce to you, and to the members of the Assembly, a group of 35 students from the Big Valley Teen Achievement club in Big Valley in my constituency. They are accompanied by Mr. Arnold Eyensbergen and Mr. Val Koenig. They are in the members gallery, and I would ask that they please rise and be recognized by the Assembly.

MISS HUNLEY: Mr. Speaker, on behalf of my colleague, the MLA for Innisfail, Mr. Doan, I have the privilege today to introduce to you, and through you to the members of the Assembly, a group of grades 10 and 11 students from Delburne school. They are accompanied by their principal, Mr. Reckseidler. I would ask them to stand and be recognized by the Assembly.

## TABLING RETURNS AND REPORTS

MR. YOZIAK: Mr. Speaker, I am pleased to table the reply to Question 143, placed on the Order Paper by the hon. Member for Drumheller.

## ORAL QUESTION PERIOD

## Management Advisory Institute

MR. CLARK: Mr. Speaker, the first question is to the Minister of Advanced Education and Manpower. It's regarding the management advisory institute being established at the University of Alberta.

Is the department aware of the approval given by the Board of Governors of the University of Alberta to allow a large portion of the staff of the Faculty of Business Administration to enter into consulting business on a part-time basis through this management advisory institute funded by the federal government?

DR. HOHOL: Mr. Speaker, my understanding of the arrangement is somewhat different. I should like to address myself to that carefully, and feel I could probably do it most effectively through a question on the Order Paper.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister or his department been contacted by representatives of private consulting firms, primarily in Edmonton, in light of some of their concerns regarding the establishment of this management advisory institute at the U of A?

DR. HOHOL: I have not personally, Mr. Speaker, and would have to establish with members of the department whether that was the case.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Is it the intention of the department or the minister to discuss the formation of this institute, financed by the federal government, with the Board of Governors of the university?

DR. HOHOL: I'd have to refer to my initial response, Mr. Speaker, and say that when I've had an opportunity to look at the situation -- because I do understand it somewhat differently -- I would then be able to respond more accurately.

MR. CLARK: Mr. Speaker, one more supplementary question. Has the minister or his department had discussions with the Board of Governors of the University of Alberta regarding the possible effect on the faculty this management advisory institute would have, having regard for the fact that members of the faculty will be able to be away from the faculty for up to 20 per cent of their time? What effect will this have on the educational opportunities for students in the faculty?

DR. HOHOL: No, we have not. This was a determination by the Board of Governors of the University of Alberta in a contractual arrangement with the federal government. My information probably dates back to Wednesday of last week, but I'll certainly follow up the hon. member's questions.

## Hospitals Labor Dispute

MR. CLARK: Mr. Speaker, a second question to the Minister of Hospitals. Has the minister been involved in sitting down with the two groups at the University Hospital in Edmonton and the Foothills Hospital in Calgary over the weekend?

MR. MINIELY: Mr. Speaker, no. I've received reports on the situation at both the University Hospital and the Foothills Hospital, but I have not sat down with the two groups in question.

MR. R. SPEAKER: Mr. Speaker, supplementary to the minister. Could the minister advise the capacity at which the University and Foothills hospitals are working today? Is it full capacity?

MR. MINIELY: Yes, Mr. Speaker. The situation at the Foothills Hospital at 10 o'clock this morning had stabilized. It is about the same as last week. Of the staff, 190 are still not obeying the court order to report for work. The patient occupancy is 60 per cent.

The nurses and student nurses are filling in for the people who are not reporting for work.

In the case of the University Hospital they closed down Emergency, but emergencies are handled by other hospitals in the city. About 261 people are defying the court order. Again, in the University Hospital, the nurses and student nurses are filling in for the people who are not reporting for work.

MR. R. SPFAKER: Mr. Speaker, supplementary to the minister. In light of the concern of the CSA with regard to a strike clause and the right to strike, is any consideration being given by the minister to amend legislation, say this session or next, with regard to giving them the right to strike?

MR. MINIELY: Mr. Speaker, in light of the current situation where the boards have received an injunction and employees are in defiance of that injunction, I think that question is not relevant to the current status.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. It's a follow-up to one I posed on Friday. Has he had an opportunity to discuss the clarification of legislation respecting public servants with the task force officials studying the question?

MR. CRAWFORD: Mr. Speaker, the minister who would primarily report to the House in respect of the task force is the minister for personnel, the Provincial Treasurer, but I think the same information is available to me.

Basically, the task force is working, and has been since it was formed not long ago, with the concurrence of both the Civil Service Association and the government. I don't think it's possible to indicate just when that task force should complete its work. It would be fair to indicate that its work is considerable and would therefore take a considerable length of time.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Labour. Has the government received a report yet from the mediator, outlining the major obstacles to an agreement? If so, could the minister advise the Assembly what obstacles remain?

MR. CRAWFORD: Mr. Speaker, I think the hon. member's question relates directly to the attempt to have a mediator assist the four hospitals acting jointly through the Alberta Hospital Association, and the dealings that group is having with the Civil Service Association.

Hon. members will remember I did report to the House previously that the mediator felt he could not assist the parties to reach an accommodation and had therefore withdrawn. No formal report has been provided me, as minister, by the mediator.

MR. NOTLEY: Supplementary question to the hon. minister. Has any branch or agency of the government investigated the claim by the CSA that women's rights, particularly the disparity between the wages of nursing orderlies and nursing aides, constitute one of the major obstacles to an agreement?

MR. CRAWFORD: Mr. Speaker, I think that could be made the subject of discussions at the bargaining table, quite apart from any other more legal types of questions all hon. members know have been referred to the Human Rights Commission, and subsequently to the courts. My answer to the hon. member is: I do not see that as one of the principal obstacles.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Hospitals and Medical Care. Have there been discussions between the government, perhaps the minister's office or the Attorney General's office, and the Foothills board in Calgary regarding further legal action?

MR. MINIELY: Mr. Speaker, as I think I indicated last week, the legislation now in place in Alberta is The Crown Agencies Employee Relations Act, which has been acted upon by the Foothills Hospital board and the University Hospital board. Both boards have obtained injunctions and are pursuing full legal action under the current laws of the Province of Alberta.

MR. CLARK: Mr. Speaker, supplementary question to the minister. Have there been discussions between the minister and officials of the Foothills or the University hospitals regarding the contempt of court charges which, supposedly, are to be laid?

MR. MINIELY: Mr. Speaker, in these situations, of course, I'm in touch daily with the hospital on more than that matter. It's my interest to determine daily how the hospital is operating, to ensure it is operating satisfactorily, and that other hospitals in the two cities, as I indicated earlier, are able to handle whatever the Foothills or the University are not handling.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister discussed with officials of the two hospitals the possibility of contempt of court charges being laid?

MR. MINIELY: Mr. Speaker, the Foothills Hospital board has indicated to me they intend to proceed on the injunction. That is their decision. Yes, they have indicated to me they intend doing so.

MR. CLARK: One further supplementary, Mr. Speaker, to the minister. Was the minister in a position to indicate to the Foothills board whether the government supported that action?

MR. MINIELY: Mr. Speaker, I don't think it's relevant in our system whether the province supports it. That's a decision of the boards of the hospitals.

MR. CLARK: Could the minister indicate whether he supports it?

MR. MINIELY: Mr. Speaker, that's a matter for the laws and the courts of Alberta.

MR. CLARK: Yes or no?

#### Regional Air Service

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Deputy Premier, the Minister of Transportation. In keeping with the government's regional decentralization policy, has any consideration been given to providing air line service to our smaller centres in the province?

DR. HORNER: Mr. Speaker, that's one of the matters under consideration at the present time; it is relative to the growth and development of the so-called third-level carriers in Alberta. We are hopeful the new policy announced in Ottawa today will speed up implementation of a third-level policy so we can move ahead in Alberta.

MR. MANDEVILLE: Supplementary question, Mr. Speaker. Will there be any changes in the present program to assist airports in our smaller areas?

DR. HORNER: Mr. Speaker, in direct response, we're working closely with the federal ministry of transport in relation to airport standards. We would hope an integration of the construction program with that of the highways department will, in fact, speed it up and improve our ability to provide the necessary airports if we're going to expand our third-level services.

#### Federal Transportation Policy

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Transportation and ask whether he has had an opportunity to review the policy announced in Ottawa, and whether he sees progress being made by the policy announced today by Mr. Marchand.

DR. HORNER: Yes, Mr. Speaker, the provincial ministers of transportation had a meeting with Mr. Marchand on Friday. He reviewed with us the policy announced today. We as a province, and indeed most provincial governments, feel that policy is a major step forward.

While I think everyone will await the specifics with a great deal of interest, we believe the programs and initiatives started at WFOC have been carried forward. We're extremely hopeful that the decision of the federal government to make some major changes in the National Transportation Act, which will more readily look after regional problems, and indeed will look after a great many things heretofore left to chance, will be a major improvement in transportation policy in Canada. In fact, I'm hopeful Mr. Marchand will have an opportunity to bring forward those specifics over the coming months.

MR. NOTLEY: Mr. Speaker, further supplementary question to the hon. minister. Can the minister advise the Assembly of the format and the timetable for discussions on what most Westerners would consider one of the more crucial issues, the freight rate question?

DR. HORNER: Mr. Speaker, those have been ongoing. As the hon. member is probably aware, a federal-provincial committee of officials and ministers has been working in regard to that. I think one of the major initial responses of the new national transportation policy will be to allow the federal ministry of transport a more direct role in dealing with some of the anomalies we've been putting forward over the last several years.

As to when we might see the timetable, I think it depends on the progress the minister can make in getting his policy and legislative changes through the House of Commons.

MR. NOTLEY: A further supplementary question, Mr. Speaker. Can the minister advise whether the Crowsnest rates were discussed at the Friday meeting, what the consensus was, and what the position of the federal government was with respect to the continuation of the Crow rates?

DR. HORNER: The question of the Crow rates was not discussed specifically, except in the sense that statutory rates would remain. We look on that as a very cornerstone of what we have been talking about to the federal government. I do believe, though, that the question of the entire freight rate proposition is one -- in fact, in Mr. Marchand's statement today, he made direct reference to the question of rapeseed, meal, and oil. We're very heartened by that direct reference in that one specific instance in which we might be able to move forward quickly.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Is the question of grouping rates for towns and cities in a general area a commitment from the government, or is it a matter which will be subject to ongoing discussion?

DR. HORNER: Mr. Speaker, one of the other points Mr. Marchand made in our discussion and in his statement today, was that he would want to have discussions with the provinces in the immediate future with regard to the question of grouping of rates, which is so important to our general policy in this province.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Could the minister report to the Assembly on the question of rail line abandonment? In light of Mr. Marchand's announcement from Ottawa today, where does that stand?

DR. HORNER: One of the continuing anomalies in the federal government structure, Mr. Speaker, is the fact that we would hope Mr. Marchand would be given total direction of the federal transportation policy. In that regard, we would like to see the rail line abandonment program come under the ministry of transport. It is pretty logical that if, in fact, certain lines have to be abandoned, other forms of transportation have to be at least looked at to serve those particular areas. It would seem to me the new policy as outlined can only be served if they're vitally concerned with regard to the rail line abandonment program as well.

MR. CLARK: Mr. Speaker, I appreciate the minister's answer, but could the minister indicate to the House whether the question of rail line abandonment was discussed specifically, and where it stands right now, given the problems we all know about at Ottawa?

DR. HORNER: Well, Mr. Speaker, the situation is that the Canadian Transport Commission and various other federal agencies have announced a number of studies. My honorable friend, I'm sure, is aware that Mr. Justice Hall is going to do a review starting -- my information now is -- in late fall. Mr. Snively is doing a review in regard to costing. In addition, a group of ex-railway people has been hired to review the present physical status of all the lines in the B and C categories. Its report is supposed to be in by this fall. Those are the three federal initiatives in that area.

In addition to that, Mr. Speaker, because we have a pretty great stake in the social and economic activities within our province with regard to rail line abandonment, we are in the process of surveying in depth the impact in relation to Alberta communities. That kind of information will be available to those communities, and we will assist them in any way we can to ensure their transportation needs are met.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. Will that involve expenditures of funds or grants to the communities that might want to make representation to the Hall Commission?

While I'm on my feet, was there any discussion at the transportation ministers' meeting concerning possible federal sharing of funding for communities which may be affected by the reassessment of rail lines?

DR. HORNER: If I could answer the latter part of the question first, Mr. Speaker, I think it's been taken for granted over a great number of years, ever since the question of rail line abandonment came to the fore, that the federal government had a responsibility in relation to the transportation needs of those communities which may be hit, in fact, by rail line abandonment.

The question of whether we might provide financial assistance for communities to appear is, I think, premature at the moment, Mr. Speaker. We are assessing in depth all the communities affected, the various modes of transportation available to them, indeed whether some rationalization in certain selected areas might, in fact, be a boon to certain communities in the area.

So I think all these matters are under consideration. We are really doing a great deal of work, both at our level and the federal level, to try to finalize some sort of reasonable approach to rail line abandonment.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. At the meeting on Friday, was there any discussion about possible federal funding or sharing of

road construction costs, which will inevitably increase as a result of railroad rationalization? Was there any discussion of federal participation with the province in picking up the additional costs that will be incurred as a result by the province?

DR. HORNER: There was no specific mention of that at this particular meeting. In previous discussions, the federal government, I think, accepted the fact that they will indeed have to share.

As the hon. member appreciates, out of WEOC came a sharing concept with regard to strengthening and improving our highways in certain areas. The other major area in which sharing was considered is the question of improved access from southern Canada to the North. Personally, I'm very hopeful we'll have a major sharing program with the federal government, over and above the present DREE agreement we have signed.

#### Slave Lake Hospital

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Hospitals and Medical Care. Has he met with a citizens' committee from Slave Lake to discuss the matter of a public inquiry into the operation of their hospital?

MR. MINIELY: Mr. Speaker, I met with a group of citizens from Slave Lake along with the MLA for Slave Lake, the hon. Mr. Shaben. They indicated they would like some assistance from the province. The subject of our discussions was the problems of the hospital and, specifically, whether there were ways in which we could assist them. They were exploring various avenues, one of which was the question of an inquiry. I indicated to them that there are perhaps other ways we could take a look at the problems in the hospital, but I haven't made a decision at the present time as to which route we will take.

MR. R. SPEAKER: A supplementary to the minister. Are the problems financial or administrative at this point in time?

MR. MINIELY: Mr. Speaker, to give my views as to what the problems are would be premature at this stage. The group of citizens presented to me the fact that they felt there were problems and would like the assistance of my office and the Hospital Services Commission to identify those problems. As I indicated earlier, Mr. Speaker, I have not been able to decide what the problems are, if any, and what can be done about them.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Did he give the committee a target date as to when he would make a decision or give a point of view?

MR. MINIELY: Mr. Speaker, I indicated to the committee it was my hope that within a month of meeting with them we could provide some course of assistance, at least in terms of identifying whether there were any problems and perhaps what improvements could be made.

#### Oil Industry

MR. CLARK: Mr. Speaker, I would like to direct a question to the Minister of Energy and ask if the government has a study by a private consulting firm dealing with the health of the petroleum industry, especially the small Alberta- and Canadian-based companies. Is the government at this time having a study like this undertaken, and what is the time line on it?

MR. GETTY: Mr. Speaker, the hon. member would have to develop his question in more detail for me to appreciate exactly what kind of study he is getting at.

AN HON. MEMBER: There are so many going on.

MR. CLARK: Mr. Speaker, a supplementary question. Has the Department of Business Development engaged Foster and associates to do a study on the health of the petroleum industry in Calgary, especially the small companies?

MR. GETTY: Mr. Speaker, I would have imagined he would direct that question to the hon. Minister of Business Development and Tourism, when he's in the House. I do recall the hon. member talking to me about starting that some time ago, Mr. Speaker, in order that the Alberta Opportunity Company may be able to assess applications or proposals coming to them. I think it would probably be best, though, for the hon. member to wait until the minister responsible is back in the House.

MR. CLARK: Perhaps I could address a supplementary question to the minister responsible for Calgary, in light of the comments the Premier made on Friday in the estimates. Could the minister indicate to the House how far along this study by Foster and associates is? When does the government expect a final report, and could it be tabled in the Assembly?

MR. McCRAE: Mr. Speaker, I can only reiterate I think that question might more properly be asked of the minister involved.

MR. CLARK: Mr. Speaker, a supplementary question to the minister responsible for Calgary. Could the minister confirm that such a study is being undertaken by Foster and associates?

MR. McCRAE: Mr. Speaker, I can only reiterate I think he should ask the Minister of Business Development and Tourism tomorrow when he's back.

#### Environment -- Common Standards

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Environment and ask if he can advise the House the reason for his refusal to sign the draft accord of federal and provincial environment ministers last week.

MR. RUSSELL: Mr. Speaker, the decision was reached by the federal minister and the 10 provincial ministers at our meetings Thursday and Friday in Edmonton. Some provinces are ready to sign, some are not, and some wish further amendments to the accord. The agreement reached was that all provinces would wait until the fall meeting in October to give the federal government that much longer to try to reach a common accord. If a common agreement has not been reached at that time, those provinces which are ready to sign will sign.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Is the hon. minister in a position today to advise the Assembly what the obstacles are to Alberta's signing, or the amendments which Alberta would try to achieve in the accord before signing?

MR. RUSSELL: Yes, Mr. Speaker. We have only two outstanding points of concern. One deals with terminology. It's very minor, and we don't expect any difficulty in reaching agreement on that. The other, I believe, refers to Article 14, and involves some aspects of constitutional law. We are more concerned about that one.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification. Does the Government of Alberta have any opposition in principle to joint federal-provincial environmental standards and reciprocal procedures?

MR. RUSSELL: Not at all, Mr. Speaker. I think the record will show that Alberta probably was very vigorous and took one of the leading roles as a provincial government in attempting to get this accord signed. I know my predecessor, the Hon. Mr. Yurko, hoped that the Alberta-Canada accord would be signed early this year. As I say, we've reached the point really where we have just this one issue we're still concerned with.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Is the hon. minister able to summarize the substance of Alberta's objections? He described the problem, but I would like to have it summarized in understandable language so we know, in fact, what the objections of the Government of Alberta are.

MR. RUSSELL: Well, Mr. Speaker, the principle involved is the responsibility, duty, or right of each level of government to enforce each other's legislation in areas of jurisdiction within the other's boundaries. In the case of Alberta, I can point it out by an example. The Alberta Department of Environment would want to have the rights spelled out in the accord, for instance, to deal with pollution infractions in the area of the national parks, primarily the responsibility of the federal government. We have two townsites within national parks with unsatisfactory sewage disposal systems, and we would want the right to comment and enforce orders in those cases. That's the nature of the problem.

#### Student Travel Grants

MR. B. SPEAKER: Mr. Speaker, a question to the Minister of Government Services and Culture. Will the minister be announcing a new program with regard to travel grants for students travelling across Canada, visiting various parts of Canada in the summer?

MR. SCHMID: Mr. Speaker, this responsibility more appropriately falls within the Department of Recreation, Parks and Wildlife, since the youth branch is in that department.

However, I could inform the hon. member that under the Discover Canada program there may possibly be some funds available, if budget permits, to help these students travel across Canada, if it is not a grant for the transportation of bands and/or similar groups of people.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Minister of Recreation, Parks and Wildlife. Is the minister going to announce a new program of travel grants for the summer?

MR. ADAIP: Not at the present time, Mr. Speaker. We are going to study the operational programs in effect and take a look at them first.

#### Foothills Hospital Labor Dispute

MR. NOTLEY: Mr. Speaker, I would like to direct this question to the hon. Minister of Hospitals and Medical Care, really to clarify something raised before. Is the minister in a position to advise whether any negotiations are taking place between the CSA and the Foothills hospital board as of today?

MR. CRAWFORD: Mr. Speaker, I would think not. My understanding of the position is that the parties have embarked upon a course which resulted in the court proceedings earlier described. It would be unusual if negotiations were being carried on at the same time.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Has there been any effort by the government to resume negotiations between the hospital board and the CSA on a face-to-face basis?

MR. CRAWFORD: Mr. Speaker, I think the answer to that is similar to answers I have given on previous occasions in the House. The position of the labor relations branch of the Department of Labour is very, very consistent. Officials are available to attempt to assist the parties on any occasion, whether it be a formal mediation or an occasion when one or the other of the parties thinks something is to be gained by the parties beginning to meet again. In the present circumstances, I say again, my understanding of the board's position, in view of the fact that action which is illegal and in contempt of court has occurred, is that they would not be approaching us at the present time. I have had no notice through my officials as of today of any such approach via the Foothills board for that sort of assistance.

#### Management Advisory Institute (continued)

MR. CLARK: Mr. Speaker, I would like to direct a question to the Minister of Advanced Education and Manpower. Has the minister met with officials of the University of Alberta regarding the management advisory institute?

DR. HOHOL: I have not, Mr. Speaker. I thought I had indicated that. In any case, I have not.

MR. CLARK: A supplementary question, Mr. Speaker, to the minister. Has a meeting been arranged between officials of the minister's department and the University of Alberta or the faculty of business?

DR. HOHOL: Not to my knowledge, Mr. Speaker.

#### ORDERS OF THE DAY

MR. SPEAKER: May the Members Services Committee have leave of the Assembly, under Standing Order 49, to hold a brief meeting, notwithstanding that the Assembly may be meeting or in committee?

HON. MEMBERS: Agreed.

[Mr. Speaker left the Chair.]

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## COMMITTEE OF SUPPLY

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of Supply will come to order.

## Department of Energy and Natural Resources

MR. GETTY: Mr. Chairman, perhaps a few remarks would be helpful. I'm sure hon. members of the committee believe that consideration of these estimates and how the new Department of Energy and Natural Resources operates will be important to the future development of our province, since much of the way in which the province does develop in the future will be reflected in the manner in which the government, the Legislature, and the people of the province handle their natural resources. I might also say, Mr. Chairman, it will be a matter of guiding the development of these resources, because it is certainly our intention that the actual development essentially be as much as possible through the private sector in the resource industries.

Some of the major responsibilities the department is now involved in, Mr. Chairman, are the disposition and supervision of natural resource leases; the general management of the development of those leases; collection of royalties, rentals, and dues on leases that are let; and attempting, as the government has over the past several years, to strike the adequate balance between a royalty share as owners of resources and sufficient incentive to the explorer and developer so they will continue to carry on exploration and development. I think it's fair to say, Mr. Chairman, that judgment is probably the most difficult to make. It's also a judgment that can be changed so much, as we have seen over the past 18 months, by factors that are beyond our control, either national or international.

Another matter the department is commencing to investigate and study a great deal more is the percentage mix of energy we will be using in the future: what amounts of oil and gas should be used for fuel, feedstock; how coal should be used; how they should be dovetailed with the growing trends to nuclear energy; the amount of hydro-electric energy that should be used; and keeping abreast of the technological breakthroughs which may be coming on such things as solar or thermal energy.

As well, we have a particular challenge before us in the department right now, and that is the fact that we are putting together what have essentially been two separate departments: a large part of the previous Department of Lands and Forests and the previous Department of Mines and Minerals. I think it would be wise for all members of the House to make sure adequate attention is placed on renewable as well as energy resources. Certainly, I must admit that from my personal involvement in the past, it's something I must continually remind myself to do. It's probably also a reflection that several members of the House should be reminding themselves of this, as well. I point out that in the question period some of my honorable colleagues on both sides of the House tend to refer to the department as the Department of Energy, when it's really the Department of Energy and Natural Resources.

The renewable resources are no less important. As a matter of fact, as greater realization comes to people in Canada and other parts of the world as to the depleting nature of non-renewable resources, greater attention must be placed on renewable resources.

Mr. Chairman, as I mentioned, bringing together the two separate originating departments will be a challenge. We are right in the midst of it now. I am also trying to upgrade my knowledge of the renewable resource section. I will be the first to admit that, with other matters claiming my attention, I have not been able to spend the amount of time I would like. However, that is something that will need to be worked on in the coming years. I'm sure that if we can tackle it with the same enthusiasm I've experienced so far from the personnel that now make up the Department of Energy and Natural Resources, we should be able to solve the problems.

MR. CIAPK: Mr. Chairman, I'd like to direct a question to the Minister of Energy and Natural Resources. I got the message. Might I ask the minister if he would give us some indication of the approach his department will be using in assessing the report of the Environment Conservation Authority on the eastern slopes, [since] the lands branch is presently lodged in that department?

Also, would the minister be in a position to indicate to the House the kind of consideration that has been going on in the course of the summer, or perhaps the fall, on the question of where the lands branch is going to end up? I raise that question because I, and I'm sure the government has too, have had people and organizations come to me expressing a real concern about the present disposition of the lands branch. A large number of people are concerned here. I think it would be helpful, for those people who are following the discussion, to have some indication of the approach the government is going to use. Frankly, should people who have this kind of concern be lodging it with the minister right now? What overall approach is the government going to use?

MR. GETTY: I guess there were two questions, Mr. Chairman. One was the question of the Environment Conservation Authority report regarding the eastern slopes. The report has been the subject of fairly intensive assessment by the government. That assessment is being led by an interdepartmental committee made up of representatives of various departments. As of now, that committee has basically two functions. One is to assess those projects which were held up while the Environment Conservation Authority hearings were taking place. Those projects, held up because it did not seem wise to allow any to go ahead while the hearings were on, can now go ahead. They've either received a green light from the Conservation Authority and other departments of government, or their impact on the slopes is really not of a nature which would cause any concern environmentally.

The second part of that interdepartmental committee study is to judge how to allow the necessary multiple use of the slopes -- recreational, transportation, forest management, resource development -- how they can be best handled, keeping in mind the existing laws we have in the province which govern many of these things, and keeping in mind the recommendations of the Conservation Authority.

I don't, in any way, want to give an indication that the resolution of those conflicting pressures will be easy, but the problem is that judgments have to be made and governments must make them. We must make them as soon as possible in order that the citizens will get the greatest possible benefit from the eastern slopes.

MR. CLARK: Who is getting [inaudible]?

MR. GETTY: The chairman of that interdepartmental committee is a representative of the Department of Energy and Natural Resources, and the vice-chairman is from the Department of Environment.

The second question was the disposition of the public lands division of the government. I think it's fair to say the reason the Premier mentioned it has not been lodged permanently in the Department of Energy and Natural Resources is because of the kinds of concerns which have been expressed since the creation of the department, and I think have always been expressed. The need [is] to guarantee the multiple-use aspect of public lands in the province and to make sure they are handled in an impartial way and not subject, for instance, to the pressures of development of energy resources or other resources, keeping in mind that the land is probably one of our greatest natural resources.

We have a task force headed by the project management group which the Premier mentioned earlier when dealing with the Executive Council estimates. The project management group, which is under the Deputy Minister of the Executive Council, Mr. Hobbs, has gathered together organizational assistance from the Department of Agriculture, the Department of Energy and Natural Resources, the Department of Municipal Affairs, the Department of Environment -- I may have missed a department -- the Department of Recreation, Parks and Wildlife. They will make a recommendation to the cabinet Committee on Economic Planning and Resource Development. The cabinet committee obviously will then have to deal with that recommendation.

I would suggest those who wish an input into that decision should express their views -- many are coming in right now -- to their MLAs. I think that would probably be an adequate way to ensure they are brought to the attention of the government.

MR. CLARK: Mr. Chairman, one further question to the minister. Is the minister in a position, and would he feel it appropriate, to indicate to us who the chairman is from the Department of Energy and Natural Resources on the study doing the assessment of the eastern slopes?

MR. GETTY: It's Mr. Wyldman.

MR. NOTLEY: Mr. Chairman, while we're on Appropriation 2301, I suppose it would be an appropriate time to raise questions of a general nature. I'd like to do that. First of all, while recognizing that the department is the Department of Energy and Natural Resources, I'm sure the minister will be the first to agree that the major controversy in the last few months has surrounded the energy portion. Although I do want to say something a little on in the question period when we get to the lumber industry, I'd like to go back to the government's favorite proposition, that is, the Syncrude deal.

The minister has a slight advantage over the rest of us in the House, because he's had a chance to read the Loram report. Unfortunately, the rest of us haven't had a chance to do that. As a consequence, in order to try to find out where things stand on construction costs, it's been necessary to glean bits and pieces from the other reports. Of course, the Harries report does contain some information. Looking through it very carefully, one can arrive at a labor cost, and one can arrive at the total number of man-hours.

My question first of all -- I think the minister can probably answer this without breaching any confidentiality agreement with Syncrude -- is why, in the Harries report, is there a very substantial increase in the number of man-hours required to build the Syncrude plant from the first application presented to the ERCB and the Harries report, an escalation from about 12 million man-hours in January of 1974 to 32.9 million man-hours in the Harries report of 1975? Now I can appreciate, Mr. Minister, that there are all sorts of reasons the labor rate would go up. I can appreciate there would be many arguments as to why interest rates, the costs of services, or the costs of materials would go up. But I find it a little difficult to understand why the number of man-hours should dramatically

change between the first application and the Harries report. Either the Harries report is wrong, which could be the case, or there has been a rather dramatic increase which I think should be explained.

MR. GETTY: Mr. Chairman, I don't have the Loram report with me. I do recall the discussion on it. There were several factors. One basic factor has been that the productivity per man-hour has been lower than estimated. It has not been anywhere near as high as they had hoped. It obviously is a function of, in many cases, breaking new ground with the project. They had to make an estimate of the amount of productivity that could be attained on a project like Syncrude in a spot in Alberta like Fort McMurray. In any event, it has turned out they were much too optimistic, as I recall, in the anticipated productivity of the labor force.

The other is they have just found there are many more things to do, remembering that this project has virtually no precedent in Canada and North America. They are learning new techniques constantly. There has been a need, as they progressed further and further into the project, to reassess their projections consistently.

It's possible that should the productivity per man-hour increase, it will have a dramatic effect on the cost of the project. However, the kind of thing which causes that to happen is almost the generation of a team approach, a kind of, let's do this in the national interest and all get behind this project because it's important. Quite often that can have a dramatic increase in man-hour productivity.

I must agree with the hon. member that it has accelerated and has been disappointing to the project participants.

MR. NOTLEY: Mr. Chairman, just a question to follow that up. I appreciate there may be some argument. I can certainly understand that because Syncrude is such a large project, it probably wouldn't be accurate to take the man-hour figures from GCCS and, considering the larger size of Syncrude, to extend those figures holus-bolus. There certainly are additional factors.

What troubles me, though, is the minister's answer. I can see there may be a drop in output per man-hour, but there's an enormous drop between the original application and the Harries report. That can only lead me to conclude there was serious miscalculation somewhere. If that miscalculation was on the part of Bechtel, I wonder to what extent that project is under control. If that kind of miscalculation can take place on the engineering function of man-hours, what could happen in the years ahead? This, of course, relates to a question the Leader of the Opposition raised, I believe on Thursday, about the mechanism we have for monitoring the pace, staging, reporting, and supervision of the entire construction process.

Mr. Chairman, I would ask the minister to respond, but before he does I want to take another question that fits into this as well. I want to deal again with the Harries report, because we have gone over both of them in some detail. I'm the first to confess there could be inaccuracies, because I'm just going on the basis of the Harries report. I wish I was going on the basis of the Loram report, but unfortunately we don't have that information.

Mr. Minister, taking the amount estimated in the Harries report for labor costs and computing the number of man-hours cited in the report, we get the rather interesting figure of \$33.43 an hour average labor cost. Now I know the operating engineers are asking an increase; I know the plumbers are asking for an increase; and I know labor rates are going up. But I wonder what inflation factor the Harries people are using to come up with that kind of figure.

Just to put this in perspective for you: if you look at the Harries report, you'll find the total labor cost projection is something over \$1.2 billion or thereabouts, rounding off the figures, plus the number of man-hours. You divide one into the other and you get a man-hour rate. Admittedly, that's going to take in the total number of man-hours, including some of the top supervision people making a lot of money. But an average, Mr. Minister, of \$33.43 an hour is a trifle high by any yardstick. As a matter of fact, one would expect all sorts of people to go North to seek their fortune.

I want to cite another example, and that's on the pipeline. Again, I'm citing information from the Harries report: the number of man-hours and the cost estimates. It's our understanding this pipeline is to be built in one year. Now if we take the number of jobs cited in the Harries report and the labor cost, we come up with the incredible figure of \$117,000 per employee for the year the pipeline is to be built.

Mr. Minister, I really think we have to have some explanation why these costs are so high. You made a very plausible answer, but it would be plausible if we were dealing with a 15 or 20 or 30 per cent factor. When we're dealing with a huge increase in the number of man-hours to build a plant, labor rates which are clearly beyond prevailing rates, and construction costs for labor which just can't possibly be accurate, all I can do is say that either the report is wrong or there is some very serious inconsistency which the public has to have resolved.

MR. GETTY: Mr. Chairman, I'm certain my background and the hon. member's would not allow us to get into a particularly advantageous debate on the details that go into an assessment like the Harries report. To second-guess a competent engineering group which has prepared a report for us with the information and the oversimplistic style of attempting to rationalize that information would not, I think, be particularly helpful. I think, though, the hon. member could well isolate several key questions for which I'd be

happy to get the details, rather than he and I trying to debate the level of Hu Harries & Associates' competency in putting together these facts. Far better to get the key questions the hon. member would like answered. Assuming they can be answered within the confidentiality bounds under which the government operates, we'll certainly get them for him.

MR. NOTLEY: Mr. Chairman, I appreciate that answer. Just to state the questions I think should be answered, I would like, first of all, the rate of inflation being projected in the Loram report, the statistics, what the construction estimates are based on -- a 10 per cent rate of inflation, 20 per cent, 15 per cent. I think that is important. I would like to have whatever information we can obtain from the Loram report without breaking the agreement -- which I think we should break; however, that's neither here nor there. That's an argument we fought out last week. In any event, without breaching that agreement, [I would like] all the information dealing with hourly rates and labor costs. If the minister could, I would like him to resolve the discrepancy, or what appears to be the discrepancy, between some of the statistics cited in the Harries report. If there are logical explanations as to why these differences exist, I'm going to be satisfied.

I have to tell you quite frankly, Mr. Minister, that when some people from the Harries firm attempted to explain them during the course of the election campaign, they didn't even go one smidgen of the way toward answering them. They're not unreasonable questions. The people of Alberta are going to wonder at labor rates of \$33.43 an hour. They're going to wonder at these things, and I don't raise them to make a few Brownie points. I raise them because I think they have to be answered. I'm sure that the Loram report would at least be able to put them in context, because obviously the Harries people had to have access to some of the information in the Loram report in order to get their raw statistics. I would like that information.

In addition, Mr. Chairman, dealing specifically with the pipeline, I'd like the minister, if he would before this Assembly is over, to table the breakdown of labor costs on the pipeline: what wage rates they are going to be looking at, what rate of inflation they're calculating, and what, in fact, the total labor bill would be.

MR. GETTY: I can only reiterate, Mr. Chairman, that it will be information which the government judges can be provided, considering the confidential nature necessary in some of these assessments and remembering that, in the event that labor negotiations are to be carried out, it may well be something that will have to be dealt with generally and not in specifics.

MR. NOTLEY: Mr. Chairman, I'd like to ask the minister a few questions about the power plant. Is the minister in a position to advise the committee what the reasons are for the very substantial increase in the cost of building the power plant? It seems to me we should separate the Mildred Lake plant, which is itself a vast project, from the construction of a power plant which, while related to the Syncrude venture, would as I understand it be a somewhat simpler procedure. There has been a very substantial increase in the construction costs. I would ask the minister if he can, again without breaching the agreement, advise us what the reasons are for a very substantial hike in the estimated costs from the time the first application was made to the ERCB to the most recent figures?

MR. GETTY: I think the simplest way, Mr. Chairman, is for the hon. member to consider that the power plant is not a separate feature of the total project, but is basically a power plant that can only be built for this project. It is almost impossible to tell where the one starts and the other ends. It cannot be compared, as I know the hon. member has tried to do in other opportunities, to the generation of power by a standard power plant, for instance at Sundance. They are not comparable in that respect. This is a completely different kind of power plant, generating steam as well as power. It's unique to the Syncrude project. Virtually one of the most difficult things, which the legal people are working at in attempting to draw up the various necessary agreements, is seeing where the actual power function ends and where the main plant, as we're attempting to distinguish it, begins. So it is virtually one total project and has been caught up in the costs, just as the total project has.

I really urge the hon. member to accept the advice of those who happen to have no reason to tell us anything but the best information, as the Loram people did, who are a respected Canadian engineering firm with obviously no particular love for the Canadian Bechtel group, a major competitor, who have looked into these matters and, as we've been able to provide to the House, given us the information that [the costs] are not unduly increased, nor were they incorrectly estimated in the beginning.

MR. KIDD: Mr. Chairman, listening to the hon. Member for Spirit River-Fairview makes me wish to ask the minister . . .

AN HON. MEMBER: You're better off if you don't listen.

MR. KIDD: . . . to confirm that one of the major strengths of the Syncrude project is that it has on the board representatives of the most competent and successful major oil companies in the world, which are spending their own money.

AN HON. MEMBER: Agreed.

MR. NCTLEY: As the minister well knows from his days in opposition, it is not the job of the opposition to be reassured by glowing statements of the government. It's the job of the opposition to question. That's precisely what I intend to do.

Mr. Chairman, I would like the minister, if he would, to advise the committee what the government proposes to do in terms of a power rate which will be charged to the Syncrude operation. Has that been arrived at yet, and how will it be worked out? Will we use the \$320 million to start with? The interest rate will have to be returned on that, and the operating costs over and above. What guidelines does the government have at this juncture to determine power rates? Will it be using the same general format as the private sector, Alberta Power and Calgary Power, or has any agreement been arranged yet?

MR. GETTY: Mr. Chairman, the pipeline and power plant are being provided to the project through the Alberta Energy Company. It is negotiating a cost-of-service contract which is, to the best of my knowledge, not yet completed. Presumably the board of directors and management of the Alberta Energy Company will strike the best possible arrangement they can. The management of Syncrude, made up, as my honorable colleague from Banff has pointed out, of competitive successful corporations, will strike the best possible arrangement for the project.

MR. NOTLEY: A supplementary question to the minister. Do you have any idea when this rate structure will, in fact, be struck? Negotiations presumably are taking place at the present time. From time to time do you meet with the president of the Alberta Energy Company? Are you in any position to advise at what stage negotiations concerning the rate structure are at the present time?

MR. GETTY: I can only say they are intensive negotiations and they are hoping to have them completed this summer.

MR. NOTLEY: Mr. Chairman, I would like to ask the minister a question or two on the contract between the Syncrude consortium and Canadian Bechtel. In the question period the other day, when the Leader of the Opposition raised questions about the Bechtel contract, the minister indicated there was going to be some reassessment . . . Not reassessment. I'm trying to recall the exact words used. The inference I received anyway was that there was to be an effort to try to renegotiate the cost-plus factor. Is that in fact taking place, and are you in a position to report what is being done?

MR. GETTY: Mr. Chairman, I think all participants in the Winnipeg discussions arrived at the conclusion that some type of incentive arrangement should be built into the contract between the participants in the Syncrude project and Canadian Bechtel, other than the existing contract which is, I believe, that 2 per cent of the total project would be the fee to Canadian Bechtel. An assessment of that has been and is being carried out, with a view to arriving at an incentive arrangement. That has not been completed yet. The hon. member will appreciate that it hasn't really been that long since the Winnipeg meeting, and that there's a great deal of money involved. Therefore all participants are moving carefully in establishing the incentive arrangement, but that is the intent.

MR. NOTLEY: Mr. Chairman, could the minister advise just what the legal status of this would be? I presume that when the Syncrude consortium was first established and Canadian Bechtel became the prime contractor, at that point in time, right or wrong, the consortium agreed to a sharing of the cost.

Mr. Chairman, what I am asking, really, is to what extent can you modify this without the consent of Bechtel? Suppose Bechtel simply says, well look, gentlemen, you people made a mistake and we now have this on a percentage of the total cost, and we don't intend to change it. Is there any legal recourse where in fact an agreement has presumably already been made between the consortium and the prime contractor? What role would the governments have, coming in after that agreement has been made? Or, in fact, are we going to be starting from square one on this kind of important factor?

While the minister is answering that, I would also like him to respond to what would happen in case a new incentive agreement were arranged, a fixed-price contract? Would the expenditures to date by Bechtel be on the basis of the original agreement, and then after a point in time it would be a fixed-price contract? Where do things sit on this matter now?

MR. GETTY: As for the legal potential for changing the existing agreement, I can only say that the participants and Bechtel are discussing the matter. Probably if the participants were to try to negotiate something totally unreasonable, there might be a legal confrontation. However, we have to leave that as a hypothetical situation.

The hon. member then suggested one type of arrangement or alternative. Again, whether they would follow that method is hypothetical. Since it is under assessment and negotiation, I am afraid, Mr. Chairman, I just can't provide him with the information.

MR. NOTLEY: Mr. Chairman, I would like to ask the minister to expand on an answer he gave in the question period last week about the mechanism to monitor the ongoing construction costs. I realise the question period is a time when it's not possible to expand in any detail. But I would like him to advise us just what mechanism the government now has in place to keep an ongoing eye on the construction costs, phase by phase by phase, stage by

stage. I'm not talking about the accounting manual -- I realize that's a different thing -- but the ongoing construction costs, so that we don't find a Bechtel estimate of \$1 billion suddenly mushrooming to \$2 billion, \$4 billion.

MF. GETTY: Mr. Chairman, the participants receive a total project budget which they must approve. That budget is scrutinized by each of the participants, now 6 participants, and has been scrutinized over the past months. The participants receive an annual budget as to that portion of the total project to be completed in the coming 12 months. That is scrutinized in great detail and then approved, or altered and then approved. Then the participants receive a monthly assessment of the amount that has been accomplished in the month, what it has cost, whether it's on target, and how much it may be over and under the previous approval. So they have a monthly assessment of how the costs are running. My latest information from the material which was tabled in the House is that they are basically on target.

MF. NOTLEY: A supplementary question to the minister. You talk about the monthly assessment and scrutinizing by each of the participants. Who does that scrutinizing for the Government of Alberta? I realise we have Mr. Chambers on the board of directors, but is there any task force? Who in the government does the ongoing scrutinizing?

MF. GETTY: Sorry, Mr. Chairman. I forgot to mention the creation, in the Department of Energy and Natural Resources, of the Syncrude task force or secretariat. I prefer to use the word "task force". It is headed by Mr. Tom Vants, who has transferred into the department from the previous office of program co-ordination. Mr. Vants is the assistant deputy minister in charge of the Syncrude project in the Department of Energy and Natural Resources.

MR. NOTLEY: Mr. Chairman, I'd like the minister to bring us up to date on where things now stand in terms of employment opportunities for native Albertans on the Syncrude project. I believe a task force or committee was set up with the two major native organizations in the province. I'm just wondering to what extent there are going to be opportunities in the construction phase for native Albertans.

While he's answering that, I'd also like him to comment on a resolution which received support from both sides of the House, introduced by the former Member for Lac La Biche-McMurray, concerning air transportation to some of the native communities for people working on the Syncrude project.

MF. GETTY: The latest information I have, Mr. Chairman, is that the Syncrude management is continuing, as it has from well back in the planning process, to be a leader in Alberta in providing as full as possible an opportunity for the native people of our province who wish to and are qualified to participate in employment opportunities on the project. I don't carry daily statistics with me. However, I am satisfied they are doing everything possible to provide employment opportunities there.

I recall the resolution that was passed in the House. Unfortunately -- or fortunately -- it was not a responsibility in which I was involved. It fell within the responsibility of the Department of Manpower and Labour. I recall the hon. minister of that department going into it in some detail in a prior session of the House, perhaps in estimates, perhaps on some other occasion, that had looked into it and were continuing to explore the possibilities. However, from current information, I do not see it operating anywhere right now.

MR. NOTLEY: Could the minister advise us where things presently stand on the accounting manual, when it will be concluded, and whether it will be presented to the Legislature for debate and discussion?

MF. GETTY: The accounting manual is essentially being prepared by the Provincial Treasurer's department with the assistance of the Auditor. It also contains certain matters which require considerable negotiation between the participants, the Provincial Treasurer's office, and the Auditor. I would say the accounting manual is probably 80 per cent completed. However, as you get to the final stages of something like that, you tend to come upon the more difficult matters to negotiate and resolve. It would be very difficult for me to say when they might be resolved. Obviously, it will be before the project start-up, but I frankly couldn't guess at a completion date.

As for debating it in the House, it would certainly be made available to the House. Any hon. member can create a debate out of many opportunities there are in the House.

MR. CLARK: Mr. Chairman, I'd like to ask the minister if he would outline to us the procedure now being used on the costs that are being incurred at Syncrude. Does the minister recall the other day in question period when I explored this area? Really what I'd like to know is the procedure involved on the question of construction costs right now. For the moment, let's assume a rather sizable expenditure comes along that the Provincial Auditor doesn't feel is justified. What's the procedure, and who are the people involved? Can the minister give us some indication of who is involved in this ongoing monitoring, which could be pretty expensive to Albertans?

MR. GETTY: The hon. member, Mr. Chairman, is now talking about two separate cost monitoring matters. One, as I explained to the hon. Member for Spirit River-Fairview, is the project cost itself, which is approved as a total project under a great deal of scrutiny, because it is important to all six participants. Then there are the annual estimated project costs, which again are scrutinized very carefully. A monthly assessment of how much has been accomplished, what it has cost, and whether it's over or under the estimate is going on constantly.

The hon. member mentioned something about the Auditor approving a cost. Now he has switched to the accounting manual. The accounting manual will provide that only approved costs can go into the royalty formula. That accounting manual, as I mentioned, is about 80 per cent completed. However, as I also pointed out, the most difficult factors to resolve are at the end. There was a full week's meeting last week in Calgary. The participants and the government separated into a legal group and an accounting group. One was working on the accounting manual and one on the agreement itself. They've made considerable progress, but it's certainly not completed yet.

MR. CLARK: The minister talked about the monthly assessment. I'm referring here to the building cost of the plant from now until it's in operation. Who is doing that assessing or monitoring as far as the Alberta government is concerned? Is that the responsibility of Mr. Vants and his group? Is the Provincial Auditor involved in that area at all?

MR. GETTY: They may have discussions with the Provincial Auditor. However, it's not his responsibility at this stage.

MR. CLARK: Would the minister just confirm that Mr. Vants and his group are the group which is doing the . . .

MR. GETTY: Yes, as I pointed out to the hon. Member for Spirit River-Fairview, within the Department of Energy and Natural Resources there is a task force headed by Mr. Vants, the assistant deputy minister within the department, who has transferred from the previous office of program co-ordination. It is his responsibility to report through the deputy minister to myself on the current building costs of the project.

MR. NOTLEY: Mr. Chairman, I wonder if the minister could perhaps advise us as to what the route would be if -- suppose we have a series of these monthly reports, and the first three months are all fine, everybody's happy. But along comes the month of June, and our officials find what they believe to be some very serious discrepancies, but the other parties to the agreement are not concerned. Do we have any veto power, or do we just simply have to go along with what, in the view of our representatives, would be a serious error in terms of the construction pace?

MR. GETTY: As participants, Mr. Chairman, we have 10 per cent. We do not have a veto power. I don't anticipate the unlikely situation that five other participants would like to spend more money than is necessary, and we would not. However, I would draw to the hon. member's attention the matter I discussed previously with the Leader of the Opposition. In the end result, as it relates at least to the royalty situation, costs would have to be approved as legitimate.

MR. NOTLEY: Mr. Chairman, several other questions. Just to follow up the question, if I may, for a second. I presume that relates to the plant, where we have 10 per cent investment. But surely, Mr. Minister, as it relates to the power plant, which is going to be built at the same time, we would clearly have 100 per cent authority, would we not? Or the Alberta Energy Company?

MR. GETTY: That's the responsibility of the Alberta Energy Company, Mr. Chairman. The Alberta Energy Company is monitoring their costs very stringently. I am sure their management and board of directors are making sure of that. The hon. member should know that on a cost-of-service basis, both the pipeline and the power plant, there are no benefits in having them higher, because the participants will only pay their cost of service. Certainly they will want to have those costs as low as possible, and the Alberta Energy Company will obviously also want that.

MR. NOTLEY: I would certainly say both the Alberta Energy Company and the Government of Alberta would want to keep the costs of the power plant down, because no matter how you cut it, that's going to affect the income which eventually flows back to us.

If the company has to pay more for its power as a result of the power plant being \$500 million instead of \$300 million, that's going to mean less money available for the profit-sharing arrangement with the province. So we, as the ultimate beneficiaries of the 50 per cent profit-sharing arrangement, clearly have a responsibility to make sure the power plant cost is kept down -- not just the Alberta Energy Company, but indeed the Government of the Province of Alberta. It will eventually affect the total amount coming to the province.

I wanted to ask the minister, Mr. Chairman, if he'd advise the committee whether the cabinet or the government has determined the conditions of profitability necessary for Alberta to exercise its 20 per cent option?

MR. GETTY: No, Mr. Chairman. The condition will be first exercised by the Alberta Energy Company. It's so far in the future and, as the hon. member knows, under such dramatically changing conditions in the energy picture -- and in the oil sands picture -- that it would merely be guessing, I suppose, to try to decide what judgment factors would be exercised at that time.

MR. NOTLEY: Mr. Chairman, I'd like to ask the minister to advise us what the government has decided, as of now, with respect to the interest rate on the \$200 million loan.

The minister will recall when the Premier announced the Syncrude deal last February, he indicated the interest rate had not been finalized. It would be, as nearly as possible, the competitive rate. I wonder if the government is in a position to give us additional information on the interest rate and the conditions leading to a final interest rate determination?

MR. GETTY: I am not certain, Mr. Chairman, whether or not that has been finally resolved. There obviously was negotiation between the Provincial Treasurer's department and the two participants borrowing the dollars.

Those negotiations were based on a variety of factors. One was the amount and quality of collateral put up for the loan. Second were the convertibility factors. As the hon. member appreciates, convertibility is a factor which tends to lower an interest rate. The other is the changing cost of long- and short-term money, which is taking place daily.

[When] the negotiations are finished, and it has been in the hands of the Provincial Treasurer, I'd certainly draw your question to his attention and have him respond.

MR. NOTLEY: Fair enough, Mr. Chairman. Has the government made any decision with respect to its share of the crude oil? Will all the crude be marketed through the Alberta Petroleum Marketing Commission? What about the province's 10 per cent share of crude oil? Will we allow that to be sold to the major participants and then get that amount of money, or would we, in fact, be taking the oil in kind as authorized by the 1973 legislation?

MR. GETTY: Mr. Chairman, the government now has that right under all conventional leases, and has not felt it necessary to take oil in kind. However, I wouldn't want to prejudge that decision. At any given time, the government may find that in the best interests of Albertans it should be done. The provision is there.

MR. NOTLEY: Mr. Chairman, I have just two or three other questions in relation to the oil sands. I have some questions under the general question of technology, but I'll bring that under the appropriate appropriation.

I'd like to know if the minister is in a position to bring the committee up to date on the Shell application and whether the government feels it can go ahead. He's been quoted in the press as saying certain things. I'd like to see those things said in the Legislature so we could discuss them.

MR. GETTY: I'm not sure what I was quoted on, Mr. Chairman. The hon. member is now talking about the Shell synthetic crude project. Shell representatives have been talking to me and officials in the department about both their mining project and an in situ project they are working on. I have left it with them, after a pretty detailed discussion regarding their plans. They are to provide me with the summary of their position as they see it right now, in light of current energy matters, and they are to outline those things they feel need to be resolved before the project can commence. Obviously, a major part would be the commercial terms which the government will want to attach as conditions to any approval. The hon. member will recall that when the Syncrude project was approved by the Executive Council, it carried conditions as well.

So I'm neither optimistic nor pessimistic about the Shell project. Two other projects have also been recommended by the Conservation Board. It's too early for me to say which would go next, if anything, and what shape commercial terms with the Shell project would take.

MR. NOTLEY: Mr. Chairman, has the government updated its position on the number of plants it foresees in the oil sands region? Last summer, we had one general projection. The Minister of the Environment made a speech about a certain number of plants by the year 2000, if I recall. Where do we stand on this matter now? Or is it very much up in the air, depending on the commercial terms or the uncertainties of the market place? Are you in a position to tell us whether we'll have 2 plants or 22 by the year 2000?

MR. GETTY: No, I couldn't be definitive, Mr. Chairman. I could only say it's my feeling it's important to Alberta and to Canada that there be progress in the development of the Alberta oil sands, that it be in that percentage -- 10 per cent or so -- which can be covered by mining, and that there be considerable progress in that major portion which is too deep to be surface mined. Certainly I, and the government I believe, will do everything possible to cause that progress to move as quickly as possible.

MR. CLARK: Mr. Chairman, I wanted to ask the minister this question, really just following along; given, for the moment let's say, more stable circumstances or a more stable climate as far as Ottawa is concerned.

It seems to me I recall the minister saying, in his capacity as Minister of Federal and Intergovernmental Affairs, that the Alberta government had some concerns about a number of plants being under construction at the same time. I think we can appreciate that. On the other hand, I left that discussion in the Assembly, I believe it was a year ago, with the very definite feeling that the pace of development, as far as the Alberta government was concerned, might well be in the vicinity of one or two plants being under construction at the same time; recognizing it's about a five- to seven-year venture from the time they say yes and the construction goes ahead, until they're really on full stream. Is that still the ballpark scheme of things or pace of development as the government sees it?

MR. GETTY: Yes, I think it's fair to say that would be something we would like to aim at. In other words, as major equipment and a major part of the labor force phased out of the existing project, there would be a project on the drawing boards prepared to go ahead. The talent and the equipment could effectively be transferred to the next project. Whether there would be two starting together might be very difficult to see. However, with technological advances, it could be possible. The more probable would be to have a project ready so there can be an effective convertibility of labor and equipment from one to the other, and so the personnel and contractors don't move and become occupied at another project, either in Alberta or in other parts of Canada, then have problems bringing them back to a third or a fourth plant.

MR. CLARK: Can the minister give us any indication of the government's thinking on the mining technique GCOS and Syncrude are using, vis-a-vis the in situ method Shell is trying in the Bonnyville area, from the standpoint of Alberta's look to the future? It seems to me there is a real advantage if the Shell plant, or another in situ kind of venture, goes ahead quickly because of some of the problems in the economics at Fort McMurray, which we may learn more about in the future. Does the government have any kind of priority in these areas? If I recall the Home Oil application, it's in the tar sands area too, not in the Bonnyville area.

Also, have you had any discussions yet with Syncrude with regard to second and third plants on their existing lease? As I recall their existing lease, there is room for about three more plants. As a result of the agreement that was signed, the federal government would have a piece of the action. The parties would remain basically the same.

MR. GETTY: There were several questions there, Mr. Chairman.

MR. CLARK: Three.

MR. GETTY: In terms of an in situ project, my discussion with the new chairman of the Alberta Oil Sands Technology and Research Authority is that we should do everything possible to start to push the breakthrough that's necessary on an in situ process. As the hon. member will probably recall, he is taking his new position this summer. He has, I think, a feeling for the urgent nature that I expressed to him. We have told him that whatever resources are necessary from the government, from this Legislature, he need only show us the justification, and the resources will be there.

I can only tell the hon. member that we believe the existing experimental work has to go further into a fullfledged research operation in the field. The Oil Sands Technology Authority will move that as fast as they possibly can.

The hon. member asked about further plants on Syncrude's leases. Mr. Chairman, while there is capacity for further plants, I'd say that Syncrude, as a group, have their hands full getting this plant on stream, working out all the bugs and 'debottlenecking' it, before they start to consider a further plant.

MR. CLARK: Could the minister just comment on the Home Oil situation.

MR. GETTY: The Home project they've had approved? The Home project, which is recommended by the Energy Resources Conservation Board, is also before the Executive Council, with one slight difference from the Shell and Petrofina project. That is, the Home group will be going back to the Conservation Board this fall to present an updated financial arrangement. My discussions with the chairman of the Energy Resources Conservation Board are that I should consider their recommendation in temporary abeyance until the completion of Home's presentation to the board later this year.

MR. NOTLEY: Mr. Chairman, this is moving from the oil sands into the area of oil prices, but it is connected in a sense. The Syncrude project, as I understand it from the Premier's announcement, is predicated on the international price, although that can be defined, I suppose, in many ways.

The question I'd like the minister to respond to is one that came up during the February debate in the question period: how is the government going to deal with the problem of blending price? This is assuming that by the year Syncrude goes on stream, oil prices in Canada will still be slightly lower than the international price.

As I understand it, the commitment has been made to the Syncrude consortium that they will have the world price. Has there been any discussion, subsequent to the signing of the agreement in Winnipeg with the federal authorities, as to how there would, in fact, be

a blending of the higher oil sands price with what, at that point, might still be somewhat less than the world price for conventional crude oil?

MR. GETTY: There has been discussion, Mr. Chairman, but no resolution. There are too many assumptions in energy pricing these days that it's not wise to make in the current state of flux and change, to be able to work out any final resolution of that matter.

MR. NOTLEY: Mr. Chairman, I'd like to move from oil sands and oil pricing to the whole question of natural gas pricing and petrochemicals in Alberta. I'm wondering if the minister would perhaps give us a summary of the government's position on petrochemical development at this stage.

There are a number of specific questions I'd like him to touch on in dealing with this subject. First of all, there is the problem, it seems to me, which arises when the price of natural gas goes up. As I see it, that would make a petrochemical industry on a world scale less competitive in Alberta than would otherwise be the case with cheap natural gas.

Mr. Minister, if we are in fact going to move to a world-scale petrochemical industry, to what extent are we going to shield the price of natural gas delivered to that industry? How are we going to pay for it? Obviously, we're going to have a lower price. Does that mean we are looking at taking off the shielding or the cushioning of natural gas to consumers or to the rural gas co-ops in the Province of Alberta? What is the judgmental decision in determining what balance we arrive at in order to move into world-scale petrochemicals, given present pricing conditions?

Two years ago when we were looking at -- I remember the Energy Resources Conservation Board report, in 1972, talked about a huge increase from a field price of 14 or 15 cents up to, maybe, 27 cents. Now we're looking at a field price way beyond that. It seems to me that has very important implications for the viability of a world scale petrochemical industry in the Province of Alberta.

I'd also like the minister, in outlining the government's position, to advise us where government stands vis-a-vis assistance to companies moving into the field. That would involve: possible equity participation by the Alberta Energy Company; capital financing; possible relocation grants, subsidies, or assistance of one kind or another to encourage an industry to settle in Red Deer or some other area, as opposed to Fort Saskatchewan. I'd like him to advise us just where the government stands with respect to that kind of assistance.

But I think, Mr. Chairman, the major point is really the question of natural gas pricing, its new higher price, and the impact that has on the viability of a petrochemical industry in this province.

MR. GETTY: Mr. Chairman, I can't say a great deal on the matter of the natural gas price, because it would draw me into a more detailed discussion on the current oil and gas pricing negotiations than is possible. I agree with the hon. member's contention, though, that higher natural gas prices, and natural gas moving quickly to commodity value, will be an important factor in any petrochemical development based on natural gas within the province.

It will have to be dealt with by the government, the Executive Council, and the companies, to determine whether they are able to compete on a world scale plant. However, I can't get into natural gas pricing at this time except on that general basis.

There was a question about government support for plants, and the Alberta Energy Company participation or equity financing. I only have to say, Mr. Chairman, that there are no approved petrochemical plants now. It would only be hypothetical for me to try to speculate, and perhaps place on the Energy Resources Conservation Board, who which is going to be hearing applications -- an undue consideration for them to have to take into account whether we now debate plants which have not been approved.

MR. CLARK: Mr. Chairman, just two questions. The first one deals with the Energy Resources Conservation Board hearings coming up this week in Red Deer on the possible location of a petrochemical venture in that area. Do I take the minister's most recent comment that he really is in no position to make comments on the hearings coming up in Red Deer this week, and some indication of what the government has in mind as far as petrochemical development in the Red Deer/central Alberta area is concerned.

MR. GETTY: Well, Mr. Chairman, as I pointed out to the hon. Member for Spirit River-Fairview, I wouldn't want us to get into a discussion that will in any way flavor or cause problems for the Energy Resources Conservation Board, which is going to be hearing an application on petrochemical developments, and which may well turn them down.

MR. CLARK: Mr. Chairman, I appreciate the comments the minister makes, but when the company has already gone to some length to acquire land in the area, it would seem perhaps the government could be a little more definitive than the minister has just been.

We've tried on more than one occasion in the House to get some indication of -- not specifically in regard to this plant, or that plant, or this application, or another application -- but what, in fact, does the government have in mind as far as the whole Red Deer area, and the Red Deer River, is concerned [in terms of] petrochemical development? Could the minister have another try at it?

MR. NOTLEY: A little less like Mackenzie King.

MR. GETTY: He's talking about a matter not within my responsibility. He's talking about the location of plants which would be controlled under environmental acts, for one thing, and municipal and planning acts. I would only say, the government's general policy is that industrial development be dispersed throughout the province as much as possible and not centralized in certain areas. The clustering impact of plants is not desirable.

The government will encourage industrial development spread throughout the province. Other than that, it's very difficult for me to project whether there are problems with the Red Deer River, because I'm sure, under The Clean Air Act and The Clean Water Act, the Minister of Environment will make sure adequate environmental protection is afforded before any project can go ahead.

MR. CLARK: Perhaps I might just ask one more question in this area. Assuming the environmental problems can be handled, and assuming the City of Red Deer and the surrounding municipalities want the area, I guess the real question comes back to the minister's department and the Energy Resources Conservation Board. The nub is: is the government prepared to make the feedstock available? What's the price? It seems pretty obvious to me the government can direct the placing of the development.

I'm not quarrelling at all with your stated intention. I believe the former Minister of the Environment, in a meeting in Red Deer about a year and a half ago, indicated that the government sees the Red Deer area as an area where there could well be considerable petrochemical development. Is this what the government sees in the area if the environmental problems can be ironed out?

I talked to the mayor of the City of Red Deer on Saturday. He is wildly enthusiastic. He can't wait for the minister to make some utterances. I told the mayor I'd try to get the minister to make some utterances today. Seriously, is that the government's general attitude now, given those constraints?

MR. GETTY: Well, Mr. Chairman, there hasn't been a plant approved that the government can direct anywhere. That's the real crux of our discussion. Until there is, the government obviously is in no position to say where a plant should go. There are going to be hearings before the Energy Resources Conservation Board. You then have two cases. They will be either approved or turned down. If they are turned down, we have nothing to talk about. If they are approved, they will be before the Executive Council, and the Executive Council will approve them subject to conditions. I can't prejudge those conditions.

MR. CLARK: Can I just ask this: given the present attitude of the Executive Council, and the fact that in the end the Executive Council decides the question of feedstock and price, I take it that the present Executive Council is favorably inclined towards a rather reasonably large-sized petrochemical development in the Red Deer area. Is that a fair assessment of the government's attitude?

MR. GETTY: I guess generally, if all other things were equal and could be worked out, and the company had property there -- labor force, infrastructure and everything -- yes.

MR. CLARK: The second matter I would like to ask the minister to comment on, Mr. Chairman, deals with the Energy Resources Conservation Board report today which, for the fifth year in a row, indicated there was a reduction in the known reserves in Alberta. The board said in its assessment that proven reserves declined in '74 -- as I said for the fifth consecutive year -- and it goes on to say that within 10 years crude oil production will be at half its current level within the province.

Recognizing that for five years we have had a lessening each year in the proven reserves, first I would like some indication of the government's attitude about this, and secondly -- as we've repeatedly heard it said, both inside and outside the House -- in addition to the possibility for gas discoveries in the eastern slopes, if there are going to be large, new oil findings in Alberta those might well be the areas in which they will take place. What's the government's attitude to extensive drilling in the eastern slopes, or what is their present policy?

MR. GETTY: Mr. Chairman, dealing with the Energy Resources Conservation Board report, they have confirmed a regrettable trend, that is, the decline in the finding rate and therefore a decline in conventional reserves. That only accentuates my earlier comments about the high priority the government feels the Alberta oil sands holds in this province for Alberta and for Canada.

I have expressed the urgency to the incoming chairman of the Oil Sands Technology and Research Authority regarding a breakthrough in the in situ process.

I would also have to draw the attention of the hon. Leader of the Opposition to the government's ALPEP program, which was obviously designed to increase activity, exploration and development in the province. So we are doing those things that we can to have the trend reversed, or move in different energy areas so the interests of Albertans and Canadians are protected.

What was the second question?

MR. CLARK: Whether there are any new major finds in the eastern slopes.

MR. GETTY: Mr. Chairman, exploration programs are now under way in parts of the eastern slopes. I can only say that it would be the government's intention to allow exploration

where it can be handled without permanent damage that would not be in the best interests of Albertans. I would have to leave it on that kind of general basis.

MR. NOTLEY: Mr. Chairman, I would like to come back briefly to the petrochemical industry. I had to smile a little when I saw the minister take almost a Mackenzie King-like stance for a while in terms of dealing with us. You know, on the one hand, and on the other hand if necessary, a petrochemical industry, and but not necessarily a petrochemical industry, was the way that I . . .

MP. CLARK: At least it's maybe.

MR. NOTLEY: Yes, at least it's maybe. I must confess it's rather different from what we heard during the election campaign.

Mr. Minister, I would like you to comment on a couple of points. I understand the terms of formal cabinet consideration is obviously not going to take place until you get a go ahead from the ERCB. However, surely your department is now carrying on discussions with participants of potential developers of the petrochemical industry in the Province of Alberta. That being the case, it would be interesting to know whether the government has developed any guidelines at all with respect to those things I mentioned: equity participation, possible debenture or debt capital, relocation costs.

The other point is also with respect to the petrochemical industry. I would like to know whether the government has any studies in its possession that look forward to the next 5 or 10 years. Are we going to have marketing problems? Are those marketing problems going to be serious enough that some additional assistance, which has been described as front-end costs, may have to be considered in order to make it possible for a petrochemical industry, based in this province, to break into the world markets? It is my understanding that we are going to have to rely to a certain extent on export markets, especially in the first years, in order to make the industry feasible at all.

MR. GETTY: Mr. Chairman, for the information of the hon. member, the discussions that go on with the proposed petrochemical plant operators are through the Department of Business Development and Tourism, not the Department of Energy and Natural Resources. I am certain that my colleague discusses with them their intentions for the future. However, I obviously have a peripheral involvement through the reporting responsibility of the Energy Resources Conservation Board, through my participation on a variety of cabinet committees, and also in the cabinet itself. But the discussions going on are through the Department of Business Development and Tourism.

As to what I prefer to call the commercial terms, I don't think it is possible to deal with them in any overall broad brush. Should plants be approved, they will be tailored to the individual circumstances at the time they are approved.

MR. NOTLEY: To follow that up. Has your department assessed the market situation? That was the second question I asked.

MR. GETTY: Again, Mr. Chairman, that is through the Department of Business Development and Tourism. They do assess the markets.

MR. NOTLEY: Mr. Chairman, just before we pass into the body of the appropriations, I would like to ask the minister a few questions with respect to the ALPEP program announced, I believe, on December 10, 1974.

In looking over the six proposals in the ALPEP announcement, I can certainly support the refund of provincial income tax on royalties. I think in this House, regardless of where we sit, there certainly was general opposition to Ottawa's decision on that score. I can also appreciate the rebate on royalties up to \$1 million. I think this is a good proposal and will help the smaller companies. The \$1 million ceiling is an excellent one, because it seems to me, in looking at the drilling statistics, it's the smaller companies rather than the larger ones that do the bulk of the drilling.

What I find a little difficult to understand, however, is the decision, in effect, to reduce the royalty -- increase the price at which the surcharge is applied, which is another way of reducing the royalty -- and the question of natural gas changes, plus the reduction of royalties in the future above \$6.50 a barrel. We don't know what that reduction is at the moment, because the new price hasn't come into effect. I assume it would be reducing the surcharge from 65 per cent to 50 per cent, but that's just speculation on my part.

What I'm really raising, Mr. Minister, is that it seems to me that at least three of these proposals are going to benefit, in a very large way, the major companies which are not drilling. It seems to me that if you were going to design a petroleum drilling incentive program, the emphasis should have been almost totally on getting money into the hands of the smaller companies which are, in fact, doing the drilling. At least over the last 5 or 10 years they have, historically, done the drilling in this province, rather than some of the major companies.

To illustrate what I mean, Mr. Chairman, I just note the shareholders' report of Gulf Oil. They say quite frankly that the ALPEP program isn't going to make any difference to them in terms of their investment decisions in the Province of Alberta. They're going to gain -- I hesitate to use the word "windfall", but they're certainly going to pay less to the Province of Alberta as a result of some of the proposals in the ALPEP scheme.

I'd like the minister perhaps to go over each of the six proposals in the ALPEP scheme and advise us why the government chose to introduce each one of the policies. Two or three of them are fairly self-evident and relate clearly to the smaller companies. But I'd like to know why we have undertaken actions which, in a sense, represent the broad brush the minister is always talking about in terms of some of our criticism on this side. It seems to me that a reduction of the royalty across the board is in fact a broad brush that's going to benefit a concern like Imperial Oil, which produces 20 per cent of the oil in this province. Consequently it is going to have a very substantial saving in royalties it would otherwise be paying to the province. On the other hand, that kind of reduction to a smaller company just getting started wouldn't be anything like as important. So I'd like the minister to go over the ALPEP program and outline the reasoning for each of the proposals.

MR. GETTY: Mr. Chairman, I think the hon. member should recall the comments I made when we were entering into consideration of these estimates. One of the most difficult judgment decisions a government has to make is to try to strike the balance between a fair return to the owners of a resource who are selling that resource, and a return to those who have taken considerable risk and have been successful, and now have the resource to sell. In the government's judgment, it was trying to strike this balance. It was trying to strike this balance, as I pointed out, in face of external factors, either national or international, which can throw that balance out very easily.

The government has to make a judgment, and you will never hear anybody who is always satisfied. Some will say it's too high, others will say it's too low. Nevertheless, the government has the responsibility to reach that decision. We reached a decision; then, in the course of monitoring the decision, whether or not we were at the right balance in our minds, we felt adjustments had to be made. We haven't given up that the larger companies will do future exploring within this province. Whether they have additional funds will also, perhaps, be reflected in their investment in other ways within the province, either in oil sands or in situ plants, or in industrial developments like petrochemicals.

I don't think there's anything out of context in the six amendments the government made to that balance of royalty and incentive. I don't think it's helpful to go into them individually, except to say that they are part of a package which was trying to strike the balance and to provide a fair return to the people of Alberta, and still leave sufficient incentive for drillers, developers, and explorers. I should point out too, as the hon. member pointed out himself, it is not a broad brush. While some of it does go to all companies, there are certainly parts aimed directly at smaller companies. Part of the program, of course, is the drilling incentive system which is aimed directly at drillers. So I think it's just a judgment decision a government must take, Mr. Chairman.

MR. NOTLEY: Mr. Chairman, let me back up a minute and ask the minister if he can expand upon a question I raised in the House last week about the monitoring mechanism the government uses, in terms of seeing that the ALPEP plan, in fact, is being translated into action in the Province of Alberta. Which division of his department would be in charge of keeping an eye on it? Just what are the ground rules for monitoring it?

MR. GETTY: Mr. Chairman, it's the economic planning part of the department. There is a variety of ways. Obviously, the elected representatives are one way of finding out the health of the industry. They represent people who work in the industry. They represent people who own interests in the industry. We have our meetings with industry. As I pointed out last week in the question period, the plan was announced in December 1974. We require further time to get any historical trend. It's difficult to say what portion of Alberta's existing oil and gas investments is a result of the plan, but it is clear that by far the majority of oil and gas exploration and development now going on in Canada is going on in Alberta.

MR. CLARK: Mr. Chairman, in question period today, the minister indicated he'd had some discussions with his colleague in Business Development with regard to a rather ongoing assessment of the state of the industry, primarily in Calgary as I recall. I was rather heartened to hear that because, hopefully, that's perhaps a bit of an advent to the government being of some assistance to some Alberta companies, albeit likely very small and which produce a very small portion of the oil produced each day in Alberta. Nevertheless they're Alberta investors who basically raise their own money, as I understand it, here in Alberta. Some of them, I think, are in a very difficult situation now because of the freeze on their product. Traditional financial institutions just don't find themselves in a position to be of assistance to them.

Is the minister in a position to indicate what kind of time frame the government is looking at before it can be of some assistance in this area? Has he more information on the ongoing studies? Can he be of any assistance there?

MR. GETTY: I pointed out to the hon. member, Mr. Chairman, a variety of things had been happening within the very recent past. We are currently engaged in oil and gas price negotiations, and there is a federal budget coming up a week from today. In addition to that, we have currently going on within the department, in conjunction with the National Energy Board, a method of flowing back the export charge on natural gas to producers within the province. The ALPEP program has only been in effect, basically, for a very few months. Therefore it was and is very difficult for us to determine where the correct

course lies for the government to provide assistance, should additional assistance be necessary.

I acknowledge that the normal securities and equity markets have not been a source within the last 18 months or so, and that, to some extent, the banks are more cautious with lending funds to small companies who may have very few wells to put up as collateral. Nevertheless, I think we will have to go along for a longer period of time. We'll have to get by the oil and gas pricing negotiations, work out the natural gas export flowback, hear the federal budget, assess the historical trend of the ALPEP program, and then determine whether there is a legitimate course for the government.

There have always been some companies in the oil and gas business which are unable to raise funds. Sometimes that is because they are inefficient. Sometimes it's because they're unable to sell their prospects or their ability to those who would like to provide funds. So the government is going to have to try to make sure there is a legitimate need and then develop a program to fit that need.

MR. CLARK: Mr. Chairman, just to follow up on the hon. minister's comments. The particular people who have drawn this matter to my attention, anyway, are not in the gas business at all but are strictly in the oil business. I recognize the comments the minister has made as far as the federal budget is concerned, and the pricing venture. But in recognizing that they are, I'm sure, a very, very small portion of any future production of the Province of Alberta -- on one hand we're moving along with the Alberta Energy Company and trying to encourage Albertans to invest in the province, and so on -- it seems to me that the government could be prepared to consider these kinds of situations somewhat more quickly. If, after it has considered it, it doesn't think it can be of assistance through some sort of loans -- my gosh, we've guaranteed loans for virtually everything else.

I'm not advocating that we guarantee loans here, but I'm advocating a very serious look at the problems involved. When I hear the minister relate all the things we're going to have to wait for -- some of these companies aren't going to be around if we wait that long.

Appropriation 2301 agreed to: \$88,900

Appropriation 2302

MR. NOTLEY: There's quite a drop in fees and commissions, a rather surprising drop. Can the minister advise what the reasons are?

MR. GETTY: Mr. Chairman, the drop is basically three things: the termination of the Suffield evaluation program which was in the previous estimates, \$800,000; and the transfer of two grants: the sulphur research grant, \$300,000, and the energy institute grant, \$125,000, which have been transferred to Appropriation 2311.

Appropriation 2302 agreed to: \$328,100

Agreed to:

Appropriation 2303	\$1,146,100
Appropriation 2310	\$1,187,900
Appropriation 2311	\$3,891,050
Appropriation 2312	\$1,311,900
Appropriation 2321	\$1,110,260
Appropriation 2322	\$6,000
Appropriation 2323	\$1,903,220
Appropriation 2324	\$560,390

Appropriation 2331

MR. COCKSON: Mr. Chairman, I'd like to ask the minister a question on Appropriation 2331. I had a concern expressed by a constituent, that there didn't seem to be any proper procedure for application for job opportunities. It's quite a substantial expenditure.

I wonder if the minister would comment on what procedure is used by this particular branch of the department in order to obtain help, qualified or otherwise, to operate as forestry lookouts, et cetera, during the summer. Is any particular procedure followed throughout the province in advertising these positions?

MR. GETTY: Mr. Chairman, I'm not completely familiar with all the operations the personnel division of the department would follow. However, I should point out to the hon. member that under Vote 2343 there is a junior forest rangers program for young people, which operates during the summer. There is also a Forest Technology School which the department operates; students who have taken a NAIT course are then trained and become, I understand, valuable applicants for jobs within the department.

Other than that, Mr. Chairman, the hon. member would have to allow me to check into whether normal hiring arrangements are followed here. When I say "normal", when there is an opening in the classification, it is advertised in the paper and applicants are

assessed through the personnel administration office of the Minister of Manpower. Then the top applicants are referred to the department involved and it is able to select that one who best suits its needs.

If the hon. member is having any specific problems with somebody looking for employment with the department, I would be happy to look into it.

Appropriation 2331 agreed to: \$7,785,000

Agreed to:	
Appropriation 2332	\$1,236,370
Appropriation 2333	\$331,220
Appropriation 2334	\$2,340,430
Appropriation 2335	\$740,840
Appropriation 2336	\$4,211,340
Appropriation 2337	\$214,000
Appropriation 2338	\$536,100

MR. CLARK: [Inaudible] the minister's new-found interest in this area. I just want him to assure us that he's going to continue -- what is it, the beaver, that the department uses in their forest program? Are you going to keep it in operation?

MR. GETTY: Mr. Chairman, as of right now Bertie Beaver is still in operation.

MR. CLARK: The beaver is safer than the petrochemical industry in Red Deer.

Agreed to:	
Appropriation 2339	\$3,756,150
Appropriation 2341	\$682,060
Appropriation 2342	\$588,770
Appropriation 2343	\$100,050

MR. NOTLEY: Just before we pass on to the next section, I realize the lumber inventory program comes under the Department of Business Development and Tourism -- we discussed that the other day -- but I would like the minister to report on the state of the lumber industry in Alberta. It was in an extremely depressed state last fall. Canfor, the major operator in the Peace River country, laid off quite a number of workers at all their sites. The inventory program was announced. I'd like the minister to report on where things stand now.

I'd also like him to advise the committee whether the government gave any consideration either to negotiating or to legislative measures if necessary to force the pulp companies to pay a higher price for chips. In my discussions with one of the senior people working for Canfor, his suggestion was that that would make a rather significant difference to the cash flow of the Canfor operation in Grande Prairie, Hines Creek, and other communities.

MR. GETTY: Mr. Chairman, I was just looking for an assessment which I was reading recently, regarding the state of the lumber industry. I'm unable to put my hands on it right now. But I think I should be able to . . . Here it is.

The industry, essentially, is recovering somewhat by a strengthening of prices. However, the recent improvement doesn't appear to be caused by a solid growth in demand, as was the basis on which it previously relied for its health. It's caused chiefly by a curtailment in supply, due to the closure of some inefficient and high-cost mills. Demand is still very spotty.

I think it's fair to say, though, that the lumber industry assistance program managed to keep many of the companies operating throughout the winter and spring months. It's difficult to say who might otherwise not have worked, but in the assessment provided to me the companies which the department feels have obtained funds under the assistance program have been able to keep 998 employees who might otherwise have been unemployed. While it's always difficult to say whether that is a fact, or whether they might have been out of work or have been working without the program, I think, in the best opinion of the department, it is a positive feature of the lumber assistance program.

The hon. member mentioned another matter on which I have not been up to date. I would have to check into it as to the price of chips, and advise him at another time.

MR. NOTLEY: Mr. Chairman, have there been discussions since you've taken over, Mr. Minister, with other provinces, and perhaps with the federal government, to see if there's any role which Ottawa, together with the provinces, can play to stabilize the lumber industry in this country?

MR. GETTY: Mr. Chairman, I haven't had discussions with the federal government on that issue, nor was I party to any in my previous responsibility. I do know, though, that probably the most significant matter which does involve the federal and provincial governments will be a re-strengthening of the housing industry which will provide the basic health the industry needs.

MR. NOTLEY: Mr. Chairman, [inaudible] his answer to my first question indicated there wasn't any improvement in demand. I take it from your information that the American housing market, which has been traditionally the largest market, is still lagging.

The question I would ask the minister to respond to is with respect to the Alberta Export Agency, which again comes under the Minister of Business Development and Tourism. My question is: has that agency in the last year, to your knowledge, given any consideration to its role in looking for additional markets that are traditional lumber markets?

MR. GETTY: Mr. Chairman, I haven't discussed that matter with my colleague, so I'm unable to answer factually. I would only say one thing, though, about the traditional markets. That is, with the attention various levels of government are now focussing on the housing industry as such, and from talking to those in the construction industry and in the department, it's my estimation that we will see a tremendous increase in that industry within the next 12 months.

#### Appropriation 2351

MR. MANDEVILLE: I'd just like to make a recommendation to the minister on this particular vote. I would like to see a portion of the public land management division transferred to the Department of Agriculture. I'm thinking of those portions which relate to agriculture. For example, in 1974 there were 8 million acres of leased land permits, 2 million acres of homestead permits. There are other areas as well under this vote which come under agriculture. There are homestead sales, farm sales, cultivation leases, and many other small areas I'd like to see transferred to the Department of Agriculture. I think they could be administered from that department much more easily than they could from the Department of Energy and Natural Resources.

I think there's a portion of this which deals with the minister's department -- our mineral surface leases, sand and gravel permits, pipeline installation permits -- and I think they should be left there. However, I would like the government to take a good look at transferring a portion of this to the Department of Agriculture. With the experience we've sometimes had in getting information from this department, I don't know if our ranchers would really accept this reneging on getting the information out. I'm looking at the welfare of the minister when I'm suggesting that he take the ranchers' part or the agricultural part and put it into the Department of Agriculture.

AN HON. MEMBER: Hear, hear.

MR. GETTY: Mr. Chairman, I will certainly take the hon. member's advice into future considerations, and I know the government will. His comments have been expressed to me by other members of the House and certainly will be given serious consideration.

The view that the government will have to follow is that the multi-use aspect of land is honored. Those who are as concerned about its use for recreation, for the protection of the watersheds, the forestry resource development, wilderness enjoyment and, of course, the important one the hon. member discusses, in agriculture.

I think he's made a point that will be given serious consideration. I take it as good advice when he advises me that if there are people upset with what's going on, better that they tackle my colleague the Minister of Agriculture than myself.

MR. HORSMAN: Mr. Chairman, I'd like to add a word or two on the subject of agricultural leases, as it affects southeastern Alberta generally, and ask the minister, if he does retain this particular portion of his portfolio, to consider a revision of the fees now charged for assignments of grazing leases.

There is a fair amount of difference between the way it's handled by the department and the special areas. In the special areas a set rate per acre is charged on the assignment of a grazing lease. In the lands division of the former Department of Lands and Forests it is based on one-half of the consideration for the transfer of the lease or one-half of the annual rental, whichever is greater. Of course, the consideration is always the greater, and in many cases it almost amounts to expropriation. I suggest that in many cases it's far, far too high.

I think the department can also save a lot of money by keeping its inspectors involved in something other than running around doing these appraisals on grazing leases. I have felt for many years that this is very inequitable and unjust, and I think the department should take a fresh look at the question of assignment fees and how they are assessed. On many occasions the assignment of grazing leases has held up the sale of ranches for months, while inspection reports were awaited.

They have a document called Form 22. I don't know if the minister is familiar with it, but it's just a joke. Every lawyer, or anyone handling a transaction, goes to the bottom of the form and works backward to arrive at the consideration for the assignment of the grazing lease. I can assure you, Mr. Minister, that nobody buying a ranch with a grazing lease involved ever figures it out the way Form 22 makes them. I suggest this be thoroughly considered and reviewed.

MR. GETTY: Mr. Chairman, I certainly welcome the hon. member's advice. I've had these matters referred to me on a superficial nature and am unable to lock behind them to see

how they may have developed in the past and why they exist. Certainly, I intend to do that, and I look forward to going into it in more detail at another time with the hon. member and others.

MR. NOTLEY: Mr. Chairman, I agree with the Member for Bow Valley, who suggests this should be transferred to the Department of Agriculture. I'd like to ask the minister whether the government is at this time giving any consideration to reassessing its policy with respect to homestead sales? Of course, as the minister is aware, we no longer have the old free homestead concept. There is now a system of setting a price for homesteads. A number of people in my constituency have made representation to me and made it clear they feel this kind of policy is going to inhibit development of those areas that have agricultural potential. I think we have to be very careful, Mr. Minister, not to open up areas that are marginal. I think we all know of examples, districts that were opened up especially after World War II, where the land simply would never be suitable agricultural terrain. Where the land does have potential agricultural value, I wonder whether the government has given any consideration to reassessing its policy toward homestead sales?

While I'm on my feet, and I don't raise this simply to drag out your estimates, Mr. Minister, or to raise a facetious point, I would ask you what the government plans to do [about the] wagon train which is creeping closer and closer to Alberta every day? They may, in fact, make it. It seems to me that if they do, the position the government has taken so far is going to leave the matter uncertain, to say the least. I would like to know just where that matter stands at the moment.

MR. GETTY: Mr. Chairman, we are reviewing the homestead act and the various policies that are followed under that act.

As for the wagon train, Mr. Chairman, I thought the hon. member got an excellent reply from the hon. Premier the other day in the House. I'm sure he wouldn't want me to alter the Premier's position on it, since it seemed to capture the government's feelings very well.

MR. NOTLEY: Mr. Chairman, I know that the hon. Premier in a very nice way said they would be welcomed to Alberta. However, what is your department going to do? What is the lands branch going to do after the Premier makes the welcoming speech and the problem is handed over to you? You're on stage, what comes next?

MR. GETTY: They will naturally have to observe the laws of the Province of Alberta. Within those laws, we will be very hospitable.

Appropriation 2351 agreed to:

\$3,136,270

Appropriation 2361

MR. NOTLEY: Mr. Chairman, on 2361. A number of times during the question period we raised the question of bringing natural gas under the Petroleum Marketing Commission. The estimates are an opportunity, perhaps, to go into this in a little more depth.

I'd like the minister to lead off the discussion by giving us the government's view at this particular juncture.

MR. GETTY: Mr. Chairman, the government is considering a variety of alternatives as to how to put a natural gas marketing scheme into effect. I think it's fair to say that our present thinking is to have it administered through the same people as the Alberta Petroleum Marketing Commission. However, there would have to be separate legislation.

I should advise the hon. members, and I think I've been remiss in not pointing this out, Mr. Chairman, that we have in the Speaker's gallery today -- we could perhaps recognize him -- the previous Minister of Mines and Minerals, Bill Dickie . . .

[applause]

. . . who, of course, for some three and a half years managed one of the most difficult portfolios during a difficult period of time for the government. Mr. Dickie has acquired a great deal of knowledge in setting up the Alberta Petroleum Marketing Commission. I have taken the decision to ask him to assist the government, under contract, in the development of the natural gas marketing commission. He is assisting the department in that regard, under contract, and in the legislation that would have to be drafted.

I would only say this much more. The system can change, depending on the conditions which in part are involved in our oil and gas pricing negotiations. Obviously, if we reach an agreement with the federal government we will put in a system which implements that agreement. If we are unable to reach an agreement with the federal government, obviously we would have to have a different kind of arrangement. While we are and have been preparing these various alternatives, to some extent we are unable to finalize one until we see the finalization of our negotiations, at which time we will be able to refine the alternative we choose.

It's difficult to know when the House will finish its sitting. I would hope that if it is sitting by late July, we might be able to have the legislation in in this session. If it's not sitting then, we would have the legislation as early as possible in the fall.

[interjections]

MR. CLARK: I wonder, Mr. Chairman, if I could go back to 2361 for just a second and ask the minister if the additional 15 people on staff are placed there in anticipation of using this vehicle for the gas situation, all things remaining equal?

MR. GETTY: No, Mr. Chairman, they are not. As the hon. member knows, the commission has only just finished a full year's operation. This reflects the increased knowledge they have of what it takes to run the commission as it relates to oil marketing only.

Appropriation 2361 agreed to:

\$1,059,300

Appropriation 2371

MR. NOTLEY: Can the minister tell us, under the Alberta Oil Sands Technology and Research Authority, whether a decision has been made with respect to controlling the patents which are developed?

MR. GETTY: Any technology developed as a result of the government's participation, the government will have full access to the patent.

MR. NOTLEY: Mr. Chairman, just to follow that up. The government will have full access, but who in fact will have the legal rights? Will the legal rights be vested with the Government of Alberta, or with the company that actually does the physical developing, or will it be a joint arrangement, or what?

MR. GETTY: Mr. Chairman, it will be negotiated in each case depending on the government's involvement.

MR. NOTLEY: Mr. Chairman, just quickly on this appropriation before we conclude. Is the minister in any position to tell us where things stand on the Shell experimental plant near Peace River? Also, what involvement by the Alberta Oil Sands Technology and Research Authority will take place in the heavy oil sands in northeastern Alberta?

MR. GETTY: Well, Mr. Chairman, the Shell proposal is one I mentioned briefly. Previously the Shell people were in talking about their mining plant and their in situ plant. As I pointed out, I asked them to set out their present status to the government, and list any problems that stand in their way, as well as to list any ways in which they think the government could help them or participate with them.

I mentioned to them the high priority we have in breaking through on the in situ and heavy oil that cannot be developed by mining. I hope that over the coming months we are able to encourage, if not Shell, some other company to go ahead as quickly as possible.

Knowing that Shell has been working on this for some time, I imagine the odds are that we will be able to work out something with them. I know the incoming chairman of the Technology Authority has had discussions with them and will have further discussions with them on a very high priority basis.

We are also considering whether the Technology Authority should be expanded to include research into the heavy oil -- much like the oil sands, but slightly different -- which exists in the northeast part of the province. Right now, for instance, in the Lloydminster-type heavy oil fields, we leave 95 per cent of the oil there, recovering only 5 per cent.

It may well be we can have the Technology Authority take that within their responsibilities also. To do that, of course, would require legislation. If we can resolve the matter, we will have the legislation for the House as soon as possible.

Total Income Account agreed to:

\$38,453,420

Agreed to:

Appropriation 2382

\$2,289,000

Appropriation 2383

\$364,000

Appropriation 2384

\$158,000

Appropriation 2388

\$1,353,000

Appropriation 2391

Total Capital Account agreed to:

\$4,164,000

MR. GETTY: Mr. Chairman, I move the resolution be reported.

[The motion was carried.]

MR. HYNDMAN: Mr. Chairman, tonight at 8 o'clock we begin with the Department of Recreation, Parks and Wildlife, and move on to Government Services and to culture. I move the Committee do now adjourn until 8 p.m. tonight.

[The Committee of Supply recessed at 5:30 p.m.]

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[The Committee of Supply reconvened at 8 p.m.]

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of Supply will come to order.

Department of Recreation, Parks and Wildlife

MR. ADAIR: Mr. Chairman, my remarks will be in keeping with the brevity of most of the speeches I have [made] in the House.

SOME HON. MEMBERS: Agreed.

MR. ADAIR: In conclusion . . .

[laughter]

I think first off, Mr. Chairman, I might explain just a little bit about the reorganization within the department. Under the new Department of Recreation, Parks and Wildlife, as I mentioned under second reading of the bill, we have the components of the provincial parks branch and the fish and wildlife branch from the former Department of Lands and Forests. We also have the recreation and youth branches from the former Department of Culture, Youth and Recreation. I really think our priorities within the new structure will be basically on programs and service to the people of Alberta, through the branches I have just indicated.

On the outside, if I can use that term, we have Sport Alberta, and we have a major function beginning to take shape in the form of summer and winter games. In fact, the acceptance of that type of program has been just fantastic throughout the province, and we're getting more and more people involved at the local level in participatory sports. This year, the summer games in Red Deer should have some three thousand plus athletes taking part, and 25 sports being represented.

I think also the fact that within the recreation area, one of our major thrusts will be the major facility program that is just nicely getting under way and, of course, the other programs that involve the discover Alberta program, the operation handshake, the city rural program of exchanges, the young voyageur program, and many other Project Co-operation grant structures that are within the department. I think we will be able to provide just one heck of a program for the people of Alberta, continuing the great work that was done by the Hon. Horst Schmid, the former Minister of Culture, Youth and Recreation and the efforts of the Hon. Allan Warrack in the Department of Lands and Forests.

We're looking at moving in some other areas. The hon. Minister of Transportation and I are considering a package that will involve the total concept of campsites, recreation sites, and provincial parks as well. I believe that follows in line with one of the questions, some time ago, from the hon. Member for Little Bow. I might indicate we have been looking at that for some time. It's a route I think we're going to be looking at very, very seriously.

Along with that, of course, [we have] the opening of new provincial parks. For example, the Dry Island Buffalo Jump Provincial Park was opened last weekend, and we're hoping to have an opening ceremony for the Fish Creek Park toward the end of June. Then, of course, we're working on the planning stages on the new parks that were announced in February.

I think also we should mention the work that's taking place, for example the Sam Livingstone Fish Hatchery. Hopefully in 1975, we'll be reaching full production of fish for stocking throughout the Province of Alberta, and the planning and some construction stages for the pheasant hatchery at Brooks.

With that, Mr. Chairman, I'd like possibly to try to field the questions as they come from my colleagues.

DR. BUCK: Mr. Chairman, first of all, I would like to say I wish the new minister well in his department. In fairness to the former minister, I think I have just a bit more confidence in the new minister than I did in the former, as far as recreational facilities and programs go, and even in parks.

I'm sure one of the problem areas the new minister will have will be trying to provide operational grants for some of Horner's hot-shot facilities or some of the agricultural complexes, because they are already running into operational problems. They are going to

require some operational grants to keep these things open. It's just that plain and simple. Some of the small municipalities just can't keep the docks open. I'm sure the minister is aware of that, and I wish him well. We wouldn't want the good people of Alberta to blame it all on the good doctor. Yes, that's right. He's going to be blamed for enough things in the next two or three years.

Mr. Chairman, another area I would like the minister to look into is some type of scholarship or assistance program for gifted, talented youngsters who are athletes, and who have aspirations of going on to, say, professional figure skating. You get two or three youngsters in a community, who come from families that are just not that well-to-do. The costs are almost prohibitive when they have to pay for professional skating teachers.

There are other areas we will cover, Mr. Chairman, but with those few opening remarks, I'm looking forward to questioning the minister as we go through the estimates.

Agreed to:

Appropriation 3501	\$119,610
Appropriation 3502	\$688,770
Appropriation 3507	\$183,810

Appropriation 3508

DR. BUCK: Is the minister in a position to indicate if there will be a pheasant season down south this year? Has the advisory committee reached any conclusion?

MP. ADAIR: Mr. Chairman, I think, in all fairness, there will be every indication of a pheasant season in the south this year, relative to the cock pheasants only. I can't give you the dates. I can't tell you just exactly what they are at the moment. But I might add that I've had quite extensive discussions with the members of fish and wildlife relative to pheasants in southern Alberta. Hopefully, if we can get the plans under way for the Brooks pheasant hatchery, and if we can begin to instill in the minds of some of the southern farmers a method of working for -- and I'm not sure of the word I can use -- but it would be a fenceline cover area we could use within that. I think possibly we will be able to resolve some of the problems we've had relative to pheasants.

DR. BUCK: Mr. Chairman, following along that line. Is the minister giving any consideration to lowering the limit on the number of fish that are being taken? I know who's going to get blamed, years down the road, when there is a shortage of even coarse fish. It's going to be the government's fault. But I sometimes view with great scepticism so-called sportsmen who take 50, 60, 100, 120 fish -- perch, pike, small rainbow. As I say, I think the minister and his department should review the bag limit on game fish.

MP. ADAIR: For this year I might mention, Mr. Chairman, I don't think there will be any significant changes in that particular area, but I'd certainly take it under advisement.

Also, I think, after having had an opportunity to see just what the fish hatchery can do in full production, hopefully, it will allow us a chance maybe to take a better look at it.

MR. CLARK: I'd like to ask the minister where in the estimates we'd find some money for this habitat program? It's my understanding the Fish & Game Association met with the government on more than one occasion to discuss this question of the habitat program. I'd like to ask the minister to give us some indication as to what kind of commitment he is able to give at this time.

I'm especially interested not just in the area of pheasant, but also in the area of fish and game. As I recall, Fish & Game put forward the proposition that there would be compensation to farmers for land left more or less in a natural state -- that would encourage other pheasant for my friend to my left here -- or, in fact, almost fencing off bodies of water where there has been a good record of fishing potential. Where does that stand right now?

MP. ADAIR: Mr. Chairman, I've just asked my committee to be prepared to sit down and review that particular submission as soon as we finish this session. I attended the submission made by the Fish & Game Association last fall. I have asked that some time -- I would think July -- we'll be taking a good look at that, sitting down and reviewing it. Other than that, I have no position at this point. Although I sat in on the submission, I haven't had a chance to review it.

MR. CLARK: I ask the minister: where would we find estimates in the appropriations to look after that? Or is the minister, in fact, telling us there is no money in here to move on that program this year?

MR. ADAIR: I think if we were in a position to move on the program this year, we could look at the Buck for Wildlife program. I would not like to make a commitment until I've had a chance to review it in total, with the Minister of Agriculture and some of my colleagues as well, and possibly with the Fish & Game Association itself, so I can get a better outlook from them as to exactly what they mean.

MR. FIANCHE: Mr. Chairman, while we're answering questions on the fish and wildlife department, I'd like to ask the minister two or three questions.

First of all, I'd like to know where Dr. Fuck is catching all the fish he's talking about -- 150 a day. In southern Alberta it's extremely difficult to catch a fish of any kind unless . . .

MR. CLARK: They're pretty leery of Conservatives.

MR. FIANCHE: They might well be.

The hatchery output for what I consider to be similar weather problem areas runs something like this: in Saskatchewan it's 41 million a year; in Wyoming, 43 million a year; in North Dakota, 46 million a year; in Montana, just over 9 million; and in Alberta, just over 7 million. I think, in the interests of tourist income and recreation in general, it would appear our performance in hatchery output for sporting fish is really very low. That's all game fish, not just trout. Relatively, we don't seem to be that bad in trout. But the ratios of fish stock versus licences issued run from as high as 250:1 in Saskatchewan, would you believe, to as low as 31:1 in Alberta.

In keeping with that, I would like to know whether some of the people from your department have gone through comparable states and provinces to check on their stocking programs, and how they do it when we don't seem to be able to. I would like to know whether we are doing a lot of experimenting with our fish stock. Are we replacing them in the places that are fished out and are able to support fish life?

Thirdly, I would like to know whether there are plans for a north hatchery to take some of the load off that south hatchery.

MR. ADAIR: Mr. Chairman, I'm going to move now to 3541, under which that comes. I would be prepared to answer it while I've got the question fresh in my mind, if I may.

In all fairness to the fish hatchery people, I think the hon. member should probably keep in mind that the full production of the present Sam Livingstone Fish Hatchery will just come into full force this year. So to a degree, we possibly have been behind some of the other areas in that field.

With approximately 6.5 million fish coming out of the fish hatchery this year, one of the problems we are going to be encountering -- and we have people looking at other operations right now, as well as changing the Raven Rearing Station into an egg producing station so we can produce our own eggs -- we are going to have a problem within a couple of years relative to getting eggs brought into the hatchery, because there are very few in Canada. Unless we are in a position to produce our own eggs, we may face an embargo by 1977 or '78 on getting eggs into Canada from the U.S.

One of their major problems is disease within their egg hatch areas. We are looking at that right now. With the hatchery now coming on full stream and with the change of the Raven station to an egg producing station beginning this year, hopefully by 1977 we will be able to bring that up to probably the best in western Canada.

Relative to your question about a fish hatchery in the north, at the moment we haven't been looking at that in any degree, other than getting the present one in full operation and seeing just exactly where we are going from there. If the hon. member has some suggestions -- well, if there are any particular types of fish you would like to see being raised, other than the trout, I'd certainly like to hear [about] them and see what we can do.

DR. BUCK: Mr. Chairman, under this section on advisory boards, I would like to know if the department is reconsidering the grant the Alberta Fish & Game Association received from the former government. I don't know what happened, but I would really like the minister to take a look at reinstating this grant. When you have an advisory board as large as the Alberta Fish & Game Association, for the piddling grant they received and for the amount of input they gave the fish and wildlife people in your department and the government, I think that's probably one of the cheapest investments the people of Alberta could make. I would like to know if the grant is going to be reinstated.

MR. ADAIR: For this year at least, Mr. Chairman, it's not included in the present estimates. Certainly I'm going to be sitting down with the fish and wildlife people, and I think it would be fair to say that in a sense they are an advisory body of a type. I would like to begin to sort of get an eyeball-to-eyeball situation with the president and his board, to sit down with them and look at the situation relative to the grant they were getting a couple of years ago and whether, with the changing of times, it may in fact be necessary to reinstate that. But I'm not prepared to give you a commitment on it until I've really had a chance to meet with them.

MR. R. SPEAKER: Mr. Chairman, to the minister, this is with regard to advisory boards on parks. In the development of some of the provincial parks, the more sophisticated ones I talked about the other day, what role does this advisory board play, and what role does it play when a specific park is being developed or rehabilitated? For example, in Little Bow Park at the present time they have an occupancy rate of 75 trailers. That's one of the concerns people have down there.

The second concern they have is that the trailer area where the people are sleeping and where they have their trailers parked is some distance from the beach where the recreation really is. So when the parents want to stay at the trailer and the kids go

down to the beach where they park their boats, there's such a separation that they just have no way of supervising what the kids are doing, their boats, their equipment, and things like this. To walk from the trailer area down to the beach, they have to go through the camping area, through two or three other areas, and it just doesn't follow the logic of people. The feedback I'm getting is that people would like their camping area not too far from the beach where the recreation is so they can co-ordinate one with the other and supervise their kids or their family.

What concerns me is that this is from the grass roots. That's where I'm getting that information. I was wondering, does this advisory board play a role where we can get that kind of feedback? The planners see it as one thing. I can see what their concept is, that we have to have the trailers away from the recreation area so they can sleep and there is no noise. But that just doesn't follow the weekend type of recreation.

MR. ADAIR: I think one thing I should maybe make clear, in relation to the advisory board for parks, is that we really have only one advisory board for parks, the Cypress Hills Provincial Park Advisory Committee. But we are looking at the concept of creating a provincial parks advisory board -- there isn't one at the moment -- so we can get that input from the grass roots to cover some of those areas. I think, relative to the park that's in place now, the only thing I can add at this stage is: if some mistakes appear to be made, we benefit from those by future planning.

Appropriation 3508 agreed to: \$14,000

Agreed to:  
Appropriation 3509 \$233,380

Appropriation 3510

MR. NOTLEY: Mr. Chairman, on this particular appropriation, I notice the community hall improvement program, \$4,000,000, "appropriation not required". I wonder if the minister would explain just what is happening here. Is this program going to be carried on in some other way, is it going to be discontinued, or what?

MR. ADAIR: I think probably to explain it best, at the time we had it the program was really for the one year. It was not included for this year. I believe every one of the hon. members got a memo from me asking if any of their community halls, in fact, did not receive anything. Could I get a list of the halls and their locations so I could determine what we may have to ask for in the way of dollars to ensure that those other halls, for reasons possibly not of their own -- they may have had problems with an inactive executive at the time the application forms went out, or changing a secretary away on holidays or something, and it ended up in the mail. Quite a number did not receive the grant for community hall improvement. As a result, we've asked to get an idea. We haven't got them all in yet. To this point, I believe we have something like -- I've lost the figure -- I believe it's something like 82 or 72 community halls that have not received it. If I can get all those figures in, we'll attempt to see whether we can work something out to provide it for this year, or be sure that it's included for next year. But initially, it was just a one-year program.

MR. NOTLEY: In the monitoring of this program, did they receive a general average, or did they all apply for the maximum in one way or another?

MR. ADAIR: To my knowledge, most of them applied for the maximum. Some were paid out at a lesser amount -- I believe \$1,100 was a figure I saw in going over the list quite a bit -- \$500 -- but predominantly they were the \$2,000 grant.

MR. COCKSON: Mr. Chairman, I would like to ask the minister whether this graveyard revival program came under that appropriation.

MR. ADAIR: I'm not sure what you mean by revival. The program previously came under the former Department of Culture, Youth and Recreation. In the reorganization, I kept the community hall program and my colleague, the Hon. Horst Schmid, has the cemetery program.

Appropriation 3510 agreed to: \$1,239,140

Agreed to:  
Appropriation 3511 \$186,840  
Appropriation 3512 \$31,100

Appropriation 3513

MR. COCKSON: Again, on this estimate, Mr. Chairman, I ask the minister -- perhaps it comes under another estimate -- that is, the \$10 per capita per year program that's initiated. I don't know whether it's in your department. If not, perhaps you could explain what that estimate is for.

MR. ADAIR: Are you speaking of the major facility program or Project Co-operation, if I might ask, Mr. Chairman?

MR. COOKSON: I get confused over all these grants, but I know there was a \$10 per capita grant per year. I don't know what term is used to define it. [interjections]

MR. ADAIR: Mr. Chairman, there's the other side of that, trying to sort out the programs we have. But they are all in place. I do believe you are speaking of the \$100 per capita grant program, the major facility program. Is that the one you . . .

MR. COOKSON: Over 10 years.

MR. ADAIR: Yes. That's the one I have in my hand here. That is covered by a separate appropriation, but it does cover some of that particular part in here, along with Project Co-operation and regular municipal recreation grants they do get. The provincial association funds grants are also a part of this particular appropriation, 3513. They cover the basic \$500 for the community: the municipal assistance, 50 cents per capita; the community service organization assistance, again 50 cents per capita; the regional recreation incentive, 65 cents per capita; and the community school incentive program, 65 cents per capita. That's included in 3513. We'll be coming very quickly to this program.

MR. NCTLEY: Mr. Chairman, is the government giving any consideration at this point to increasing the funding under Project Co-operation, especially as it applies to smaller recreation districts?

MR. ADAIR: Mr. Chairman, to answer the question specifically: no, not for this year with the per capita grants we have in place, and with the capital facility program just nicely getting off the ground. I think once the communities, particularly the smaller ones, get their planning and application in, that would be the proper stage to look at whether there are additional needs relative to Project Co-operation.

Appropriation 3513 agreed to: \$4,212,900

Agreed to:

Appropriation 3514	\$888,590
Appropriation 3515	\$480,200
Appropriation 3516	\$183,600

Appropriation 3517

MR. CLARK: Mr. Chairman, I would like to make just one comment with regard to 3517. It doesn't deal with the principle of the appropriation, but it does deal with the forms, applications and so on, which the department asks communities to fill out. I would hope before very long the minister and his officials in the department would sit down with representatives of the community federations in Edmonton and Calgary and, perhaps, some selected communities across the province. Whether you call in the chairmen of some of the recreation boards, some of the recreation directors, and the presidents of community associations from all across the province, I think it would be very helpful to the minister if he were to get a reaction from those people with regard to the regulations and to the forms themselves. I know those forms may be very easy for people who are dealing with the thing day in, day out. But as so often happens in government operation in the desire to have everything planned out on a long-term basis, the forms have gotten so darned complicated -- unless the minister is prepared to personally become involved, and it just isn't possible for the minister to be involved in every application himself. After a short period of time, I hope the minister would call together a random group like that, and ask that group to give their frank assessment of some of the regulations which may have to be revamped. Perhaps even more important -- that application form, which is pretty easy for staff of the Department of Recreation, Parks and Wildlife to fill out, but it isn't very easy for a person who works all day at a gas plant or some other job, then has to work on this on a part-time basis.

So I hope, perhaps by the fall session or by next spring, the minister could report back to us on such a meeting he has held, perhaps with some modifications in the program as far as administration. I think it well has the possibility of becoming so balled up in administration that we lose a lot of the good effects of the program.

MR. ADAIR: Certainly, Mr. Chairman, I'll take those under advisement. I think I might indicate we have had quite a number of meetings with some of the regional recreation directors who, in turn, will be reporting back as to what the program means to the municipal people they work for.

As a matter of fact, I've had discussions with both the City of Edmonton and, to some degree, through the officials and indirectly, the City of Calgary. I think one of the areas I indicated to them was the fact that with the program just getting off the ground, I would like to have them, after discussions with our regional people, interpret them as they see fit and send the application in so we can take it from that particular point. If we see pressure points, we would then get back to them, sit down, and discuss it. It may

be at that point we have to come in with some changes, rather than change before we get the program off the ground. I'm being quite honest -- it appears it's going to move fairly well, because we have that discussion going between the community and the people who are looking after the program for us.

MR. CLARK: Could I just make one more comment to the minister, Mr. Chairman. When the minister and his staff hold these meetings, I know the temptation is very great to talk professional to professional, with no disrespect to the people in the department or the recreation directors in the field. But it's always a good healthy exchange, it seems to me, to have the professional people in the department talking to the chairmen of the local recreation boards, and so on, because they're the people who feel the local pressure to a very great degree. I urge the minister not to miss that opportunity in the course of his reassessment in the next few months.

MR. ADAIR: I'll certainly take that under consideration. I think I might also indicate that I hope over the summer possibly to make some trips into the various regions of the province, discuss with the locally elected people in the area, as well as indicate to them through the media, what we think the program is and how we may work with them to sort of put that across to the lay person, other than the professional person. I think that's the point you're raising.

Appropriation 3517 agreed to:

\$20,000,000

Appropriation 3518

MR. NOTLEY: On that, I'm quickly trying to remember the arithmetic. Is it \$12 million, \$12 million, and \$12 million? What is the extent of the commitment from the province to the Commonwealth Games facilities over the construction period?

MR. ADAIR: The figure I have is \$11,666,666, to be exact.

MR. NOTLEY: Mr. Chairman, that's the total commitment? There's no provision for our sharing any of the overrun costs if in fact overruns take place?

MR. ADAIR: At the moment we haven't made that provision, Mr. Chairman. Certainly I think we'd be prepared to look at it as we go through the next couple of years, as to what the costs may be. We may find a levelling out of costs, and it won't be necessary. But I think we should certainly keep that as an indication down the road. If the requests should come in for some consideration, we would certainly meet with them to discuss it.

MR. NOTLEY: Mr. Chairman, to the minister. At this point in time, your initial monitoring is that the costs are in hand?

MR. ADAIR: I'm sorry. I can't really answer that question other than to say that everything appears to be in order. I haven't had any red flags brought to my attention at this point.

DR. BUCK: That's what they said about Syncrude.

MR. MUSGEVEE: Mr. Chairman, I'd like to ask the minister a question which concerns me a little bit, partly on 3518 and partly on 3517.

When you discuss these kinds of facilities with the local authorities through your department personnel, are you making sure that perhaps not just the vociferous elements of a community are being listened to, but that, where the need is apparent, it is being taken care of?

The other question I have is: are these communities conscious of what they're buying in the way of . . . It's wonderful to get a capital grant from the province. Frankly, I would refuse it. I would rather have a participation program where we each pay part of the capital costs, and we each pay part of the operating costs. Are these people locking themselves into ongoing operating costs they can't carry?

MR. ADAIR: I think one of the very first things we do in discussions with them is indicate that before their program is approved from a capital point of view, they have to be able to provide for us some indication of viability for at least a 5-year operating period. If that isn't the case, we must sit down with them to see if we can assist them in getting it to that particular stage.

We're not, at the moment, getting into the operation area. This is strictly the capital program. It does have some problems. We're alerting them to them, particularly the community league areas, I think. Any of the people I have talked to, we've asked them -- now I'm relating particularly to the two major cities -- to talk with their parks and recreation people and first to get their approval for that program, because they're the people who will be operating that facility down the road, along with the various volunteers in the area.

So I think, in answer to your question, by raising the concern that the program -- although it's a really good program, there is no question about it -- if you're going into

a major, a very large, facility, before we approve the program for you, you must in fact have that 5-year or longer projection as to how you are going to operate it.

MR. JAMISON: Mr. Chairman, I know you're an optometrist, but I was unable to get your attention for 3517, so if I could revert to 3517 with a couple of questions.

On 3517, with \$20 million and simple mathematics, over a 10-year program that's \$200 million with \$10 million coming out for the cities of Edmonton and Calgary. I was wondering, with the applications you have on hand at the present time, how close are you to the \$10 million, how many have been approved, and of those who have applications in now, when will they know about not getting the grant for this year and that they will have to go for '76?

MR. ADAIR: Well, at the moment, Mr. Chairman, we have some 17 applications in -- that's outside the cities of Edmonton and Calgary, 17 other applications. They range from Kinuso in the north, to Amisk, the county of Tofield, Stettler, and the south. We have tentatively approved, I believe, 3 right at the moment. Discussions are going with 6 I believe, I may be out just one or two on that, that are getting very close to receiving tentative approval.

The procedure after they have received approval from our particular part of the program is that we sit down with my colleague, the Hon. Horst Schmid, and go over the cultural part of the program. The tentative approval will go out to them subject to receiving back the final forms, the final five-year projection if that's the one they're short, or any of the other information we have asked them to provide for us. We indicate in the letter that will go out what we require to give them final approval.

We've got approximately 3 that are approved right now. There are 17 in total that have come from outside the cities. Quite a number will be coming in I think within the next, probably, month or month and a half where people are working on it right now. But they're making the decision as to whether they apply this year or wait until '76.

MR. JAMISON: Mr. Chairman, with the 17 in now, do they total less than \$10 million, or more? Will some be turned down this year and asked to apply for next year?

MR. ADAIR: At the moment, I don't anticipate any being turned down this year. We have not come anywhere near the \$10 million total outside the cities of Edmonton and Calgary, at the moment.

MR. COCKSON: Have you changed the regulations at all, or are you dealing specifically with capital costs in that estimate? There's no provision for operational costs there.

MR. ADAIR: No, in 3517 the major facility program is capital costs only.

MR. COCKSON: Is a request coming in? Is there a trend or an indication that they're asking for operational costs?

MR. ADAIR: No, I think it would be fair to say there have been discussions about operating costs, but very clearly it states on the application form of the program itself that this is a capital program. One of the requirements of a capital program is a projection of those five-year operating costs and how they're going to be able to meet them. We're attempting to assist them wherever we can if they're having problems with that. It won't be approved for the community if they can't meet the operating costs. It may be that they have to wait another year before they get their plan approved, and they're able to put it in place to cover the operations of that facility.

MR. NOTLEY: In the applications you receive today, do you have any indication how many of the communities that are applying, are applying for the full \$100 per capita? Are some of them just applying for, say, \$20 or \$30, or \$40, assuming that a year or two later they might be able to fill out their \$100 per capita by applying part of the additional for debt retirement, or what have you? Have you had enough applications in so far to find any trend on this, or is everyone just asking for the full \$100 per capita?

MR. ADAIR: No, Mr. Chairman, I don't think you could call it a trend yet. I believe six of the applications are asking for their full allotment. The other ones are asking for any particular portion of it ranging from, I think the lowest request was \$25,000 of an eligible amount of -- gosh, \$180,000, but I'm not sure of that, just using it as a ballpark figure. So quite a number are only requesting a portion of it right now relative to what they could, in fact, draw on.

Appropriation 3518 agreed to: \$3,330,000

Agreed to:  
Appropriation 3519 \$488,850  
Appropriation 3531 \$397,020

## Appropriation 3532

MR. CLARK: Mr. Chairman, I notice from the summary that for provincial parks, the increase is 41 per cent over the forecast last year. Just looking at the estimates very quickly, the major portion of increase seems to come in the area of administration and planning. Is this a fair place to ask the minister what additional parks he plans to embark upon this year?

MR. ADAIR: I think it would be a fair place to ask me.

MR. CLARK: The question asked.

MR. ADAIR: Mr. Chairman, I think the best explanation I can give right now is the four parks that were announced in the budget speech of February. Those four, plus the Capital City Park, the Fish Creek Park, and a couple of other parks that have had planning going on for some time now, have stepped up planning processes. So right at the moment -- gosh, I haven't got the names. If I can take that as notice, I'll provide you with the names that we've got the planning stages for in 1975. I haven't got the list right now. I'm sorry.

Appropriation 3532 agreed to: \$4,849,700

Agreed to:  
Appropriation 3533 \$1,393,380

## Appropriation 3541

MR. MANDEVILLE: Mr. Chairman, I have a few requests to make of our new minister of wildlife under this particular appropriation. I am looking forward to working with the new minister. I'm sure he is going to put more emphasis on programs for the conservation of our game.

I was pleased to hear that we wouldn't be opening the hen pheasant season this year. We've been fighting to stop the hunting of hen pheasant as long as it has been in existence, and we have it stopped. I'm pleased to hear we're not going to embark on a program such as this again.

As far as the seasons are concerned, I do hope the minister will take a good look at not having too long a pheasant season for this coming year. I think that having our seasons too long is one of the problems we've been facing in the last while. If we have a short season, I don't think it will really be necessary to close our season, if we just come into some better conservation programs and handle the situation such as this.

I think getting the hatchery under production in Brooks is going to be a big step towards solving our problem. I would also like to say to the minister, I think we shouldn't release these birds before we start a season to harvest our pheasant. I think we should wait until after the season is closed, turn the pheasant loose, let them get orientated and let them get set up and go through the winter. When we turn them loose when the pheasant season opens, they're so domesticated that the hunters go out, and they're so easy to harvest. That's an area I'd like the minister to take a look at: to release the pheasant after the season is closed, let them get orientated and let them get into the wild life.

Another area that has been an annual complaint is an eastern irrigation district. We have a large area down there and did have a lot of antelope, but the antelope has been hunted and harvested the last few years. They've been moving them down to Montana, and they haven't been coming back. This has been a request every year. Our past minister had been getting the request to close the season on antelope in the Eastern Irrigation District, both by the EID itself and the County of Newell. This is an area I do hope the minister will take a look at. Maybe we could open it up on a part-time basis or something of this nature.

We have another annual complaint. South of the Red Deer River we are getting a few deer, a very few. I know the hon. member from Milk River realizes we have a few deer starting down there, but they're harvesting these deer. I think if we closed the season south of the Red Deer River and, say, east of Highway No. 2, this would help bring back our deer population in the southeast part of the province.

As the hon. Leader of the Opposition mentioned, Fish & Game presented a brief to cabinet. Here again, I think we need to give some recognition to our farmers. Thirty per cent of our land in this province is owned by farmers. It's too large an area of land to neglect. Sometimes our farmers have to feed the game. They get involved in taking care of habitat, but they really don't get any direct benefits. If we can come up with some type of program -- I just don't know how it would work, whether it would be a tax benefit, which the Fish & Game mentioned, or some recognition to our farmers for what they put into producing our game. Even if they had some input into our game regulations. I think it would certainly help.

I think one other area needs some attention. I don't think we have a staff large enough to enforce our game laws. Possibly we need changes in some of our laws.

With these few comments, I hope the minister will take a look at some of these areas.

MP. ADAIR: Mr. Chairman, I certainly appreciate the remarks relative to some of the problems evident in southern Alberta.

Your comments about the lack of game officers and management officers are certainly recognized. This particular budget includes funds for six additional enforcement officers for this year. So we are hopefully moving to provide the proper number of game management officers to do the work they have.

They have a tremendous area to cover. I think they're doing a good job in a reasonable fashion because of the areas and distances they have to cover. As we increase the management force, it provides us with some opportunity to lessen the load on those people who are doing a great job for us.

MP. ZANDER: Mr. Chairman, I want to say a few words. We've heard enough from the south. Now let's hear some from the bush area.

In the constituency I represent, I think we have continually pleaded with the department to restrict the time of hunting and the amount of game, especially female game, harvested in the area. I wish the minister would consider restricting the hunting season in Game Area No. 5 from about the first part of October, so the game has a chance.

As you well know, Mr. Minister, in our area practically every half section has two oil wells on it. There are roads all over. You can drive for days if you have enough gas in your tank, and you'll never come out of there for weeks. You can fully realize the game has no chance in there.

From time to time we have asked the former government and pleaded with the minister who was there before to restrict the seasons, to maintain the game in there. If possible, I wonder if the minister would consider creating a game preserve in the area bounded on the east by the Calgary Power road to the power house. It's a triangular piece of land bounded on the west by the road going to the Brazeau Dam. The Brazeau canal itself serves a well-defined area where the game could at least have some chance of recovery.

I think you touched briefly on the game officer personnel. We have only one, sometimes one and one-half game officers for an area of that size. There is no way or means by which the game officer can keep law and order with the laws now in effect. I wonder if the minister would tell us: is there any thought at this time to increasing the number of men in the field, and by how many?

MR. ADAIR: The increase of 6 for this year, that's the third year of a 4-year program which was implemented to provide more enforcement officers or game management officers. This will be the 18th this year. Next year we'll see another 6 coming on stream in that 4-year program, then a review of the situation at that point. So with 6 included in this year's budget and 6 coming up for next year's budget, we're moving in the direction of getting, I think, additional help for the existing management people in the field right now. It's dearly needed, there's no question about it.

MP. CLARK: Mr. Chairman, could I just make one more comment to the minister with regard to the officers. In addition to adding officers who are badly needed in some areas, I think the minister should also spend some time looking at the amount of money allocated for travel. I am thinking very specifically of an officer in my own constituency, who is located at Olds. He has to go some distance east of Olds, west as far as you can go, halfway to Calgary, and halfway to Red Deer. There's just no way he can do an adequate job in that area or around the area with the amount of money allocated in the budget for their office as far as transportation is concerned.

It isn't a matter of bodies so much as it's a matter of enough money for transportation, for them to get the gas. It's a little ridiculous to have the people in the office and not be able to get them out in the field. Do this looking, and do some re-establishing of priorities before adding more people. I agree we need more. But even before we do that, we'd better have enough money to travel adequately for the ones we've got, so they can do a job of supervision in the area.

MR. ADAIR: Mr. Chairman, I respect your comments there. I would hope, as we increase, that we can take a look at that. I think, for example, of the game officers in my own particular area, who have to travel many, many miles -- I'll just use it in that particular area -- just to be seen, so to speak, without getting to the communities. There is some need, possibly, to take another look at that and see whether the management areas they have to patrol are in proportion to the moneys set aside for them, relative to the fuel and the travelling expenses. I'll certainly take note of that.

MR. PURDY: Mr. Chairman, I wonder if the minister would consider using some of the parks officers for wildlife and forest men. The main responsibility of the parks officer's job ceases about September 1. This is when our game laws are opened and -- I think I brought this up in the House previously -- if you could consider this, I think it would save the manpower shortages you have now, and these people could double up in the areas.

MR. ADAIR: That's a good point, Mr. Chairman, and with the two now coming under the same department we can certainly get them together to look at that and see whether it can be worked out.

## Agreed to:

Appropriation 3542	\$800,000
Appropriation 3543	\$500,000
Appropriation 3544	\$93,300
Appropriation 3551	\$82,740
Appropriation 3552	\$446,730
Appropriation 3553	\$430,970
Appropriation 3554	\$335,690
Appropriation 3555	\$221,370

## Appropriation 3556

MR. KUSHNER: Mr. Chairman, I wonder if the minister would mind explaining the early childhood services co-ordinating branch. I don't quite understand what they are co-ordinating, as a matter of fact. I wonder what it all really means.

MR. ADAIR: I'll attempt to do that, Mr. Chairman. Within the recreation and the youth departments, a number of people are assisting the Department of Education in working with the early childhood services people to provide the recreational input for the programs developed in the various areas, setting up workshops, and working with the people in the various communities that have early childhood service programs. I think that will basically cover our part of the program.

MR. GOGO: Before we leave Recreation, Parks and Wildlife, I wonder if I might ask the minister a question or two. One is: could he approximate the income from the parks camping facilities in the past year? Secondly, has he given consideration to a seasonal pass for use of the provincial parks?

MR. ADAIR: If you'll just allow me a moment to go back to the parks appropriation. I believe your question was relative to the revenues from parks? Approximately \$300,000 was returned from the parks last year.

I haven't given any consideration to a seasonal pass. Are you speaking of a pass you could purchase to go in? Possibly you could give me your suggestions; we'd certainly take a look at that. I haven't had any other suggestions in that area, nor have I looked at it.

Appropriation 3556 agreed to: \$45,470

Total Income Account agreed to: \$47,411,320

## Appropriation 3581

MR. NOTLEY: Mr. Chairman, on this particular appropriation, I'd like the minister to perhaps give us some indication of what he sees in the future in parks development. We now have the provincial parks and the two major urban parks; we have a number of small municipal parks. Does the government see a classification, if you like, of parks and cost-sharing of some of the smaller parks?

MR. ADAIR: Mr. Chairman, I answered that in part a little earlier, but I think I can expand on it a bit. I mentioned we were looking, in the department itself in co-operation with the Department of Transportation, at putting together a recommendation that will include all levels of parks: campsites, highway campsites, forestry recreation campsites, provincial parks and/or areas. It seems a lot of the requests coming from various organizations or areas are not necessarily for provincial parks per se to start with, but for camp facilities.

It's hoped we can put together the type of a categorization system, if I can use that, which would allow us to -- I guess the best way would be to say a proven area could have a campsite to start with that would be a future area for consideration as a provincial park, but would see the campsite facilities, the day-use facilities, installed on that basis now. There are other areas where we could get involved in campsites, but not necessarily provincial parks. We are looking at that concept right now.

MR. NOTLEY: Mr. Chairman, during the discussion of the new Provincial Parks Act last year, we debated the role of the private park or campsite. As I recollect the discussion, the minister suggested there might be some room for private campsites adjacent to provincial parks, as opposed to campsites that are near major cities where you have an overflow of population -- privately owned campsites which are actually close to a water resource. I'm wondering if you have any information you could give to the committee as to the number of private campsites set up adjacent to provincial parks in the last year, since The Provincial Parks Act was passed.

MR. ADAIR: I don't have that information at hand, but I'll try to get it for you. I just don't have any idea what number is adjacent to provincial parks at the moment, but I could find out and pass the information on to the hon. member.

Total Capital Account agreed to:

\$1,365,000

MR. ADAIR: Mr. Chairman, I move the resolution be reported.

[The motion was carried.]

#### Department of Transportation

DR. HORNER: Mr. Chairman, if I could briefly recap the events of the reorganization, and outline some of the objectives we have, then perhaps as we go through I'll try to answer some of the questions. The primary objective of taking all facets of transportation and putting them under one department is to use transportation as a tool in the development of both the economic and social areas of our province. That applies both to the rural and urban areas. I don't think I have to repeat that transportation becomes of vital importance to any province, like Alberta, which is landlocked and which depends upon efficient and adequate transportation to move its people and its products to the market. I think it bears repeating that when we ship over 75 per cent of our general production outside our province, transportation becomes that much more important to us in our economic and social well-being.

We've taken the former Highways department and, in effect, made it the construction branch, to do the things related in an engineering and construction way to transportation. We have taken the area that my former colleague, the former Minister of Industry and Commerce, had developed in relation to transportation research and policy development, and brought that in as another segment of the department. In addition to that, there have been transfers of the construction of forestry roads and airports into our construction branch. In effect, the department is now set up with a major construction branch, a major policy development branch, and an administrative branch, if you like, doing the administrative things that are required.

As my colleague, the Minister of Recreation, Parks and Wildlife, has said, there are some more transfers we are looking at only because of the problems related in an administrative way, and indeed other problems we would like to see resolved prior to the transfer. We are now talking about moving the highway campsites into one general parks program.

The motor vehicle branch has already been transferred to my colleague, the Solicitor General, who is having a look at the function of the highway transport board and its related functions. We will be reporting to the Legislature once we've resolved in our own minds how that should apply. Our present thinking is that indeed the so-called inspection patrol services -- I have a great deal of doubt whether they should be in a department such as mine, but rather should be part of the Solicitor General's. There is some problem in that they are closely related to the problem of weight limits and that kind of thing, and as we resolve the question of whether the engineers should -- I have no doubt that engineers should set the standards, but another regulatory branch should be enforcing them.

So I think the Legislature can look forward to an additional report on what we have done and how we intend to operate in relation to the highway patrol. As I've said, in my view that should be an extension of my friend, the Solicitor General. He should have that regulatory function. At the same time, the engineers, of course, are greatly concerned with regard to weight limits and engineering design, those kind of things.

The other important area which is now involved in the administrative section of the department is the question of safety. This becomes more and more important as we read every day and every weekend of the major carnage still going on on our highways. I don't think though, by some sort of magic imposition of a speed limit or other thing, we're really going to cut down. I think it has to be a combination, and a very meaningful one, in regard to safety.

As I've said earlier in this House, we'll be coming back to the Legislature with that. I would hope by that time we would be able to assess the things which have taken place in the United States, and the speed reduction in Australia with their mandatory seat belt legislation, this kind of thing. We would hope we can come back with a reasonable approach in that area. I'd certainly welcome any advice and ideas that members have in relation to the entire safety area. Nobody is going to have all the answers, or indeed the total answer. I think that's a joint function of all of us in relation to the kind of carnage that's going on on our highways.

That, very briefly, Mr. Chairman, is the structure of the department. I want to say our objective has been related to all modes of transportation. Of course, we have the traditional area in which we've been building and maintaining highways and secondary roads throughout the province, the access roads, the roads to provincial parks, our assistance to municipalities to improve their road construction: a variety of things connected with our highway system, improving that system, and bringing it into as good a situation as we can.

In regard to highways, let me say that our objective, of course, is to finish some of the major highways that have been long outstanding.

The road to McMurray, for all intents and purposes, is complete. We do appreciate there are some narrow stretches, and we're going to have to do some widening. That was a matter of trying to get the road completed, getting the transportation artery there, and then coming back to do something additional.

Some other highways in this province are narrow and require some wider base. We have a lot of areas saying, well, before you get carried away widening those highways, how about building us one? I've received representations from all hon. members, particularly in rural Alberta, including my friends in the opposition, in relation to the number of roads they would like. Having had some experience as a rural MLA, I can only assure them that given the amount of money the government will allocate, we will do the best possible job in as fair a manner as we can in building highways all over the province.

I did want to say, though, that we do put some emphasis on completing the roads to McMurray, the Mackenzie Highway, and the David Thompson. Let's get those behind us. Then we can concentrate on some of the others.

You know, all roads are important, but I'm sure my friends from southern Alberta would agree with me that I did mention Highway No. 3 and its completion. Yet, I could take them up to Highway No. 9 and get some representation from other hon. members who tell me what needs doing. The east-west provincial highways are important, Highways 13 and 12. The widening of the road west of Lacombe is pretty important because of the amount of traffic, particularly in the summer time; the strengthening and widening of the Yellowhead, I've noticed recently the Yellowhead Highway Association becoming more active.

We have had some assistance from the federal government in the strengthening program. That applies to all the highways and in total amount does not do as much as we would like it to do. There are additional east-west roads in the north that I don't think have had that amount of attention in the past. I think of the new tourist route people are talking about that would hook up Cold Lake through Highway 49 to the British Columbia border as a major need in the coming years.

Then, if I go to the north-south roads, while we have hit Highway 2 and it has done a tremendous job, there is a need, of course, to finish 22. It's called 922 in most places. Surely our objective should be to bring that to highway standards as soon as possible. As we move further east there are 36 and 41. I'm sure I could get the same kind of response from people in the area of 41 as I got from those in the area of No. 3.

I mention all of these because I want to impress upon members that we do appreciate that roads are of primary importance, our key to being able to do the kind of things in development we want to do in this province.

I move very quickly from the question of roads and our objectives in that area, to the question of railroads. There are very many facets in the whole area of railroads. I can either start or end with our own infamous one. I would suggest, though, that perhaps more important than anything -- and we commented on it briefly today -- is the question of freight rates: of getting rid of some of the anomalies, the short and long hauls, the rate groupings that are important if we're going to make our smaller communities as viable as some others in the industrial sense; the question of rail line abandonment and our ability to provide transportation facilities of one kind or another for those people.

It may well be that, provided we can share the costs equitably with the federal government, other things besides a rail line will be affected. The interesting thing to me, and the reason I feel pretty strongly that rail line abandonment should be under one minister, is that a lot of the lines that are now listed in Class B have never, in fact, been applied for by the railways involved. It makes me suspect the entire Grains Group assessment of our rail lines. If they're talking about abandoning -- and I feel kind of personal about this -- when they were talking about abandoning the line to Barrhead and I phoned the president, he said, no way, we're making too much money on the lumber and other things coming out. If you assess it on grain alone, there's a different matter entirely.

Similarly, in my honorable friend from Spirit River-Fairview, the railways never applied for abandonment, but somebody in Winnipeg in the Grains Group decided they really didn't need that stuff anyway. So it goes throughout the province. There's no doubt if we look at it seriously and sincerely, there are some lines that, in fact, if we can make some arrangement that the federal government recognizes its long-term responsibility to provide transportation into those communities, we can have some rationalization. But that shouldn't be. That rationalization shouldn't take place at the cost of the people in that particular community, and I think that's our general objective in the rail line abandonment area. So all of that tied in with the railway situation we have to be aware of and concerned about.

The major bottleneck in our railway transportation is our inability to unload railways at ports and get the goods onto ships. It intrigues me, again, that the Grains Group spent a lot of time and money evaluating and doing something about our collection system and our railways, when their major concern should have been to open the bottleneck that's always been in the ports of Vancouver, and improve our ability to divert to Prince Rupert, indeed, into Churchill. The Hudson Bay Route is meeting for the first time in Edmonton today. My short address to them would welcome them here and let them know we're as vitally concerned about the ports on the eastern side as those on the west. We need an availability to all those ports to be able to market our goods properly. So, we consider the port situation as part of the railway complex, because that's the major end of the rail we have.

Moving very briefly, then, into the air lines and the air thing, we are concerned, of course, with such general matters and the kind of service we get from our national air lines, both CP Air and Air Canada, our ability to have an impact on the bilateral agreements the federal government is negotiating from time to time, and frankly, our inability in the last go-around to make sure we had a carrier moving into Alaska, which should be a natural for us. That's in the primary air line.

In the secondary, we could continue the argument with regard to whether we should or shouldn't have bought PWA. As a matter of fact, we now own it. Our instructions to PWA are to run an efficient businesslike air line. The only caveats are that they should help, not hinder, the development of third tier air lines, and that they should have an impact in the cargo field.

To answer my honorable friend from Clover Bar, I understand he asked the Premier a question, and some newspaper reported that I and my colleague from Energy and Resources were buying two DC 10s. That isn't true. I don't know where that rumor came from, but that's one of the better ones I've read lately. [interjections] I have no intention of doing anything of the kind. Well, I didn't know whether the hon. member had talked to Mr. Brewster, or whether he was taking Mr. Brewster's line. But both are wrong. We had no intention of buying any DC 10s.

AN HON. MEMBER: Any others?

DR. HORNER: The nature of the aircraft required for a profitable air line surely should be a result of deliberation, discussion, and the recommendation of the board of directors you are paying to run that air line. If and when they come forward with recommendations, I will be the first to pass them on to the Legislature, also any requests they might have for financing those acquisitions. That will be a continuing role.

As I mentioned earlier in the question period, we are actively looking at the question of third tier. Again, one of the problems is that, in fact, the Canadian Transport Commission has not come along with its third tier policy. After discussions with them on Friday, we're hopeful that policy will be here by fall. I think a great number of communities in this province, in fact, deserve third level air line consideration. We would like to tie into a network as a feeder for both our regional and primary air lines, and to give us an effective air capability.

May I just conclude, Mr. Chairman, with a brief word with regard to urban transportation and what it means. I don't believe you can separate urban from the total. We intend to develop an integrated approach to transportation. Rapid transit, ring roads, and cross-city arterials are all part and parcel of a total provincial transportation policy rather than just something in the city. I can appreciate the need to come to some decisions for the cities. We will try to do that at the earliest possible moment.

However, I'm sure everyone must recognize when we go in the direction of major commitments in the urban areas, we are talking about a great deal of money. Those decisions, as much as we might like to speed them up, have to be made with due care and consideration. They will have long-term impacts on financing and the way our cities grow, so they are pretty important areas.

That, Mr. Chairman, is a very brief outline of the structure of the department and some of our objectives. Admitting at the start that I don't have a complete knowledge of every highway number in the province, we'll do our best to answer any questions.

MR. NOTLEY: Mr. Chairman, first of all, I appreciate the minister's introductory remarks. Might I just say I have complete confidence that when it comes to getting money, the Minister of Transportation and Deputy Premier will be in no trouble. There is no peer in the cabinet in that area. As a consequence, I think we can all look forward to somewhat more rapid progress on our various highway objectives throughout the province.

I want to say just a word or two about air lines, and perhaps ask the minister to respond on the meeting he had Friday of last week. One of the most frustrating things with Air Canada and CP for people living in Alberta is that when you wish to travel to another part of Canada, you go to Air Canada, find a flight schedule for 1, 2, or 3 o'clock, whatever the case may be. Then you go to CP and find their flights are at almost the identical times as Air Canada's. It seems to me one of the real problems is that by having the flights at the same time, we don't complement the air service as much as it should be. I wonder if that was specifically discussed at the meeting over the weekend.

Looking briefly at the provincial air line policy, we can talk about many areas where PWA could move. It seems to me one of the areas which might be usefully explored is the STOL type of aircraft for the Edmonton-Calgary run. I am not sure how long we are going to be able to land jets safely at the Industrial Airport. I don't pretend to be any expert on that. And I might just say, as an aside, Mr. Minister, when jet service for Peace River goes on stream, I would hope it doesn't go out to the International Airport. I think people from the North have as much right to be reckless as people from Calgary.

The point I'm trying to make is: if there is a safety hazard in landing those jets at the Industrial Airport, and I don't pretend to know, that should apply to the Calgary-Edmonton run just as much as the run from the North. I notice the run to Dawson Creek is out of the International Airport. I believe even the run to Fort McMurray is out of the International Airport. I would simply make the point that the determination be made as to whether or not it's safe to land jets in that airport and then be applied across the board.

I would think some of the newer STOL aircraft -- especially the new de Havilland, I believe -- that go somewhere in the neighborhood of 300 miles an hour, might, in fact, be almost ideal commuter aircraft between Edmonton and Calgary on the so-called airbus run. Again, that's something the board of directors of PWA would no doubt be looking at, and I think it bears some consideration.

The smaller air lines -- I think we have two excellent services in Time and Bayview -- are providing very good service. I think in any work we do with PWA, we should complement or provide room for the smaller air lines. Again, we can do that in part, it seems to me, Mr. Minister, with scheduling, so we don't have two flights taking off at the same time for the Peace River country, Medicine Hat, Lethbridge, or what have you.

While we are talking about the role of the smaller air lines, one thing never quite discussed during this spring session, but raised last fall and during February was: what is PWA going to do about their application to go into Lethbridge? Are they going to let that drop and leave it to Time Air, or are they in fact going to try to get in on that run?

Mr. Chairman, I want to say just a couple of words about rail line abandonment and freight rates. I know the announcement made today in the House of Commons is still rather sketchy, but what perturbs me is the crucial area for western Canada, namely the freight rate policy, still seems to be a matter of discussion. We've had ongoing discussions since WEOC. It troubles me that the government seemed to come out with a very clear-cut policy on transportation in the Windsor-Quebec City corridor; there was no discussion about that. They are concrete plans, and they're off and running. But when it comes to the historic problems of freight rates in the west, it's going to be discussed some more.

It's encouraging to hear Mr. Marchand say there will not be higher rates on short hauls than on long hauls. That's certainly a gain and I think we have to acknowledge that. It's encouraging, too, to hear the government say they're going to look at clustering rates so that little companies setting up in Redwater, for example, would pay the same freight rate as one being established in Edmonton. That's clearly necessary if you're going to achieve any kind of decentralization. But I hope the western Canadian transportation ministers wouldn't ever let Ottawa back us into a corner where in order to get concessions on other things -- on the transportation, the finished commodities produced in the West -- we would accept a quid pro quo of eliminating, doing away with, or seriously modifying the Crowsnest Pass rates. It's pretty obvious the railroads are determined to try in every possible way to eliminate the Crow rates. It would seem the strategy we may see is simply to say, well we'll have a trade off, we'll do away with the Crow rates which are inefficient for the railroads, not enough money in it. You give up the Crow rates, and we'll move a little bit on giving you a better rate on finished goods coming out of Alberta or Saskatchewan. I would hope we would not get ourselves into that corner.

As far as the safety question is concerned, I'm glad to see that the government is taking a look at safety on the highway and examining speed limits. I must say when the speed limits were first reduced in the United States, I was down in Massachusetts shortly thereafter and found that the public acceptance was just amazing. The people were not all that upset. They didn't consider it the end of the world because there was a 50 mile speed limit. They accepted it. I think we would find the same thing in Alberta. I believe the government is doing the right thing by amassing the statistics. From what I've been able to gather the statistics would tend to indicate that a lowered speed limit does reduce the number of fatalities, does reduce the number of accidents and the property loss. It's not a magic answer, it's not the only answer, but it is one step which can be considered along with other moves the government should make.

MR. KIDD: I would hope that the hon. Minister of Transportation would take a properly balanced view with regard to transportation costs. The Crow rates, of course, are quite applicable to the Province of Saskatchewan's New Democratic Party, and they are applicable to quite a degree in Alberta. But a great number of other things and other rates are applicable in Alberta. I would think that protecting our processing of meat in Alberta is one, and having the proper cost of transportation of that. Therefore, I think that while the hon. Member for Spirit River-Fairview has posed many questions that vary from flying airplanes to the Crow rates to about eight other things, I would just ask one simple question of the hon. Minister of Transportation: do you not agree that we should take a balanced view of transportation which, of course, is the most important thing in Canada in the sense that John A. Macdonald started and developed it on that basis? But it must be balanced.

Thank you.

MR. CLARK: Mr. Chairman, I'd like to raise four or five points with the minister. First of all, on the question of overall safety and the problems on our highways today: I don't think anyone can minimize the problem, but let's not think either that there are any simple solutions.

With regard to the comments made by my friend from Spirit River-Fairview, who's really to my left politically but sits on my right, let me say to those people who accepted the 50 miles per hour speed limit in the States, remember the American people were very conditioned to an energy shortage all across the United States at that time. I don't, with all due respect -- I was going to say I don't care who the government is; I really do. But as far as convincing Albertans we're having an energy shortage in Alberta and conditioning Albertans to accept 50 miles per hour, we had better think for some time

before we move on that. I'm not sure I have very many positive suggestions to make, but I guess I'm really saying the 50 miles per hour suggestion isn't the solution some people south of the border have thought it to be.

The second comment I'd like to make deals with the question of the inspection service people. The minister indicated that where that group is going to settle in the end is still, if I might use the term, up for grabs. I'm rather pleased to hear that. From discussions I've had with some of the people involved in the inspection service, they too are quite concerned about where they are in fact going to end up. I would like to make two comments. First of all, I would hope that a decision could be made before long. I certainly would support what I think was the minister's inclination, to perhaps move them to the Solicitor General's department. I think that would be a big step in the right direction.

The third point I would like to make deals with the question of the construction program for the year. I know the minister has heard us on several occasions in the Assembly berate certain cabinet ministers for special warrants and so on. But you know, it would be a great deal of help to those of us on this side of the House if the minister could give us some kind of indication as to how many miles of main highway construction he sees in the works for this year. How many overpasses on No. 2 in addition to the one at Crossfield? How many overpasses is the minister looking at? How many miles of district road -- this kind of thing. It seems to me it would then be much easier for us over here to assess the special warrants.

Those members who were here during the spring session will recall I think something in excess of \$20 million in special warrants -- \$22 million, was it. If we knew the government right at this time was thinking in terms of X number of miles of main highway construction, X number of overpasses, or ballpark figures in these areas, it would be much easier to reconcile that kind of consideration down the road. If it is simply a matter of construction costs going up, well and good. Then we can look at construction costs.

The fourth point I'd like to make deals with the question of PWA. I frankly don't think there is any merit in rehashing the PWA argument again. I would be very interested, though, in knowing if the minister has talked with the president or some of the directors of PWA with regard to the acquisition of additional planes. Have PWA's directors expressed any interest or recommendations to the minister in that particular area? I think the comments as to Bayview and Time Air are extremely appropriate. I don't always do this, but I commend the minister for his interest in the area of, I guess, third tier development across the province.

The last point that I want to make is simply this. As much as I generally enjoy the comments of my friend from the Banff constituency, I wouldn't want the minister to rely on him as the sole advisor on the Crowsnest problem. Seriously, I think all members, regardless of where they may sit in the Assembly, recognize how important the Crowsnest Pass agreement is to Alberta. It seems to me one of the worst things this minister could do -- I'm not suggesting he would at all. I'm sure he wouldn't want to go down as the minister who in fact -- for one reason or another the Crowsnest agreement slid out from under the province during that period of time. I'm not suggesting at all that Dr. Horner is the kind of person who would let that happen. I just wouldn't want to let this opportunity pass without making that comment.

MR. ZANDER: Mr. Chairman, I would certainly like to congratulate the minister on the attitude he has taken to allocations for secondary roads. I think, Mr. Chairman, we have to look back to the year 1971 when the allocations for these main roads in the rural areas was really neglected. This year for the first time we have a 25 per cent increase in the budget. Now, I know that many of our urban friends would not consider these important roads, but certainly those who leave the city on a weekend -- and we see quite a number of cars that travel the secondary highways in the province -- realize that utilization of these roads must be brought up to some standard of safety. In the state they are in now, they are a hazard to any travelling public because of the dust conditions. I know that in the past few years we have made great improvements to our secondary roads. I hope this almost 26 per cent increase will bring about a better standard of roads in our secondary road system.

Secondly, Mr. Chairman, I have to endorse the village and town approach roads. In highway construction many years ago, the by-passing of the towns and villages and leaving it only to gravel roads -- now we find we're going to have to do this. If we want to industrialize our smaller centres and bring the population back from the urban areas to the rural areas, we must improve the services to these smaller centres. I know the hon. leader of the Opposition has mentioned the special warrants. I think they were \$22 million last fall, but I think we have to remember they were well justified at that time because in the Province of Alberta, as we well know, every year is not a construction year. We find that maybe one in five, or maybe one in four is an ideal construction year. I would certainly not have the minister leave with this impression, that special warrants should not be needed or should not be used when we do have a good construction year, especially late in the fall.

AN HON. MEMBER: Could you tell us how many miles of highway . . . ?

MR. ZANDER: Well, as long as he attends to the Drayton Valley constituency, I won't mind.

Now, I know that over the past years the municipalities and counties have been struggling with the amount of traffic and the heavier loads that are going over our county

and municipal roads. I think our urban friends will agree that the wealth is not created in the city alone; that it also is created in the country. I know I have some urban friends sitting around me here, but I think we must realize that. My constituency only, Mr. Minister and Mr. Chairman, nets the province daily something like \$300,000 in natural resources. That is only oil and not counting the timber that comes out of the area.

So I would say, Mr. Chairman, looking at the construction of roads in municipalities on their capital grants, I see there is an increase of 15 per cent. I would hope the minister would find it possible to increase this perhaps to 20 per cent next year.

Mr. Chairman, the minister also mentioned Highway 922, a 900 series highway in the main highways chain. It comes from Cochrane, follows the mountains, and connects Highway No. 11, Highway No. 57, Highway No. 39, Highway No. 16, and Highway No. 43. That means the oil industry, of which there is a lot of development in the mountain areas and adjacent to the foothills, does not have to take the major highway, No. 2, coming north. As the traffic is heavy enough on Highways 16 and 2 now, I would encourage the minister to look at Highway 2. I know we had considerable construction on that. I certainly hope the minister could say where the construction would be this year. Is it going to be from Rocky Mountain House south -- I think it was needed in there. Is there going to be any work done on that section from Rocky Mountain House north, which will connect Highways 43, 57, and 16?

MR. KIDD: Mr. Chairman, I think the upgrading of secondary roads is extremely important. But when roads are oiled prior to being upgraded, properly levelled, and a proper base being established, that money is lost. I think most urban members will agree. I would commend to the attention of the hon. Minister of Transportation that no money should be spent on oiling roads that do not have a proper grade.

MR. COOKSON: I'd like to commend the minister on his new portfolio. I'd also like to commend him on the 100 per cent increase in his budget, which if he hasn't got, he'll get, some way or another.

One of the resolutions the Member for St. Paul and I spoke on one time -- we've never won a resolution yet in this Legislature . . .

SOME HCN. MEMBERS: Hear, hear.

MR. COOKSON: . . . we just keep tryin' -- was the resale of used equipment. I draw this again to the minister's attention. He'll probably get a snow job from the people who sell this surplus equipment through two central agencies located, I think, one in Edmonton and one in Calgary. Our argument was that this equipment could readily be sold in other parts of the province. I thought we had a good argument, but we lost it. If the minister wouldn't mind spending a little time reviewing that particular request, in hopes that some of the rest of the province might share a little bit in the sale of surplus and used equipment.

One of the things I want to draw to the attention of the minister, because he asked for some suggestions, is that usually when the Department of Highways relocates a highway, it leaves an old grade. You can find these throughout the province. In their negotiations, they resell the land to the owner of the adjoining property. But no effort is made to reclaim the original highway. It's an unsightly sort of thing. I don't think it would really take very much to make that piece of property at least farmable or able to be cultivated again. I would suggest the Minister of Environment, perhaps, since he's in the House at the present time, might lend an ear to this suggestion: that when the Minister of Highways relocates a highway, he reinstate the old grade so it can be cultivated or put into agricultural use again.

I might draw to your attention, Mr. Chairman, that some 28 miles go under pavement each hour in the Province of Ontario. It gives you some idea of the rate at which land is being taken out of production. I still want to make a special plea for more and better roads on the one hand, and on the other hand, take into consideration the land being lost through construction of roads. I'm just giving you a Gordon Taylor, minister of Drumheller speech, one hand and the other hand.

I would like to make one other comment. We got into an argument about the problem of posts located along highways. I remember the former Minister of Highways was looking for ways and means of developing a new kind of post you could knock over and it would still come back up. I hope you will spend some time on that problem. I see these 4 by 4s broken all over the place. They're lying in the ditches. Incidentally, they make excellent fireplace wood -- I know. Really, I don't see any value in the total cost of reinstalling these posts. Anyone who has had any experience in operating a snowplough knows it's absolutely hopeless to attempt to go around these posts, so they are sheared off. It's just another cost I think we could readily do without.

In the area of grants for municipalities, I would just like to make this comment, Mr. Minister, again on the one hand and on the other hand: we must address ourselves to some way of reducing the number of roads. As we upgrade the roads, I think we're going to have reduce the miles of roads. I've argued this many times at the municipal level. There should be some kind of long-term plan to upgrade our rural roads and, at the same time, reduce the miles of roads.

I don't think our municipal people are going to do this unless we can perhaps devise an incentive grant which says, if that particular road is to be paved, funds will be made available to take another road out of production. This involves a reallocation, in some

cases, of farmsteads. It also involves planning through The Planning Act with regards to subdivisions. When the roads were originally laid out in the province, they were, generally speaking, a mile apart east and west and two miles apart north and south. That was fine at the time when farms were a quarter to a half section. They have become larger. The farmsteads are further apart. Yet the municipalities feel they still have to keep up this enormous mileage of roads. I don't think it's possible. It won't be practical in the future. There are many areas completely devoid of gravel, another depleting resource, and I think we have to address ourselves to ways and means of reducing the mileage.

With regard to the problems at the Lakehead, the problems at the Vancouver terminals and Churchill, I wish the minister all the luck in the world. I think it goes without saying there's no way this country can continue to provide cheap food for the rest of the world and for this country itself, as long as we're blessed with the kinds of strikes that upset the whole process of delivering food to the rest of the world. My only suggestion here, Mr. Minister, and I know you will do your best in this regard, is to negotiate with the federal government to make sure when we're tied up at one point, there is another way we can move grain out of this country. Barring that, the federal government should be required to carry some form of insurance, which will protect the agriculture producer faced with one of these monstrous strikes at a time when he needs a dollar in his pocket.

DR. HORNER: Mr. Chairman, just briefly responding to a number of the hon. members, I appreciate the suggestions the Member for Spirit River-Fairview had with regard to timing of flights. We're trying to have a look at that in a total sort of advisory aviation council or some body in which we could get all the air lines flying in Alberta to sit down together and see if we can work out a better accommodation for our people.

The question of the STOL aircraft -- I can assure all hon. members that the board of directors of PWA is looking at their plane needs for the next several years. I think the Leader of the Opposition wanted to know whether we've had any requests from PWA for additional aircraft. I can say to him very straightforwardly, no. We've suggested to them it might be useful if they were to set up a planning division within the company to give us some long-range projections as to what they might need in regard to aircraft. They intend to do that. I hope, in due course, that we will receive that kind of communication from them. But at the moment, no.

The question of STOL and its use between Rockcliffe and Montreal -- all of us are watching. My understanding is they are still using a Twin Otter on it. The Dart V11 isn't ready for introduction as yet, but everybody is watching it to see what it will do. There has been some interest, of course, in the Russian Yak, which is perhaps not a STOL aircraft but very close to being one, and how good it is.

I can assure my honorable friends that any third level development we have in air lines will take into account the work Time and Bayview have done. Indeed we would like to see them the leaders in providing that kind of expansion of third level services.

The question of the Lethbridge area and its services via jet is still, in my view, open. But we have said to PWA not to interfere at the moment, until some resolution of Time's future and their development, the way they're going. The other problem is, of course, that the City of Lethbridge is very interested in being tied to jet service through Air Canada. That will all be under negotiation in the coming months. We hope to have a resolution which will make most of the people in Lethbridge, and most of the people in Alberta, happy.

I just might add, in concluding my remarks to the hon. Member for Spirit River-Fairview, that he should know my stand in regard to the Crow rates over a great number of years. They're not up for trade, bargaining, or any other one. They belong to the people of western Canada, who in my view, have paid for them many times over in a number of ways over the years. Any particular discussions we have in relation to other freight rate phenomena, in my view, don't take into consideration the Crow rate.

I appreciate both the hon. members' remarks with regard to safety. It isn't just a one-shot thing which you can put a figure on and say, now we're going to have safer highways. Indeed, the hon. Leader of the Opposition was very close. There are a number, not only the transportation journals, but the medical and psychological journals, that are now doing evaluations of the psychological impact of the energy crisis in the United States, and whether it didn't have as major effect on making people drive slower as did the mandatory speed limits. These are very interesting reports now coming out.

There was a crisis psychology going on which enabled them to sell that 50 miles per hour very easily. Whether we could do it in Alberta, I'm not sure. I would hope we might be able to sell more adequate speed limits on a strictly life-saving basis rather than any other way.

The inspection services -- as I said earlier we are looking at how we might make this an effective highway patrol as an arm of the Solicitor General. That will be done just as soon as we can get some time to do it. The problem is that tied in, in the structure as it is now, are other people who aren't really in the inspection service. To separate them is the problem at the moment.

In regard to the construction program for this year, hon. members will appreciate that in highway construction there are carry-overs. There are all kinds of things that limit your total spending. I think, though, the major factor is the question of weather, and the question of availability of equipment and materials. Certainly, a year ago we had a long open fall, and we got a lot of basic work done. That necessitated the special warrants. I say quite frankly to my friend, the Leader of the Opposition, if we have a

good building year, I would hope he wouldn't object to us coming back with special warrants to get some of the roads that are so desperately needed in Alberta.

The question of the secondary road program -- again, we will do as much as is physically and financially possible in relation to time, weather, availability of men and equipment. [We will] always be aware that, indeed, some of our municipalities can be a major factor in that area because of their availability of equipment and men particularly.

We are having a look at the question of the town and village program now, because inflation has certainly caused a major problem with some of our towns, in relation to the amount of grant, and how much it will do today as compared to when it was brought in. We do have some other additional problems in some of our smaller communities where they have massive engineering problems in relation to their main streets. Certainly one of those is in the constituency of my honorable friend from Drayton Valley -- the town of Breton. We're having a very hard look at it to see how we can help, on a special basis, a community where the engineering problems are very great indeed.

The question of oiling, of course is -- you know I guess you can get into more argument on the question of when and how and whether you should oil a road than on any other single thing. As we move across Alberta, I think you'll find an interesting thing. In certain areas of the province, oiling a road is a pretty adequate way of handling it. The kind of oiling job you can get done is going to depend on soil, weather, and when it's put down. Certainly, it is a major factor in dust control. We are doing some experimental work with relation to calcium chloride in the County of Two Hills again this year to see whether we can bind it into a more effective way.

I take notice of the comments from the hon. Member for Lacombe. I hope he appreciates that he lives in one of the older municipalities which has a great deal of roads. In most of the municipalities I know in Alberta, we are not too worried about reclaiming old highways, but I think it's a good idea. What we would like to do is build some of the first ones in some of those areas. The question of having fewer roads from a straight economic base and the very logical way that my friend is -- that's probably true. I can't help but think back though to previous arguments in this Legislature with regard to the problem one gets into when he closes road allowances. I would not want to . . .

AN HON. MEMBER: Like to see how you handle it.

DR. HORNER: . . . have to spend a great deal of time defending the closure of road allowances when there are many other things to get done in the transportation field.

Mr. Chairman, I think that covers, in a general way, the comments hon. members made.

MR. HORSMAN: Mr. Chairman, just one question I would like to raise with the minister. First of all, may I say I am encouraged by his comments regarding Highway No. 3. We look forward to great things from the minister.

The question that concerns me, Mr. Chairman, is whether or not good contractors are presently available for the construction of highways. I say good contractors. Not just people who are able to build roads properly, but contractors who are prepared to behave as good citizens. The minister, I am sure, is aware of the situation that arose on Highway No. 3 last year. I know he has taken steps, and very quickly in my opinion, to correct some of the difficulties which arose there. I am not quarrelling with what was done, because I think, as we are spending public money, we must see that these contractors carry out their job properly and don't give the Province of Alberta and the Department of Transportation a bad name. So, I would like to hear some comments from the minister as to the availability of the contractors to build these highways, particularly the major highways, in the coming years.

DR. HORNER: Briefly, information from my senior engineers is that they are hopeful the availability of good contractors, material, and equipment is much better than it was a year ago at this time. We won't really know, as we try to put the contracts out on a logical basis, but so far we're receiving a number of bids on each contract. I think that's the key to assuring as well as we can that we'll get effective and efficient contractors. Directly, my information is that the supply of good contractors, men, and equipment, has improved over a year ago.

MR. R. SPEAKER: A question with regard to the contractors. Are most of the contractors hired Alberta-based, or do a number come from adjacent provinces?

DR. HORNER: I think most of the contractors are Alberta-based. Some have been coming in from provinces where the road program has not been as good as ours. They are coming here looking for work. I think we should welcome the good ones as additions to the business community in Alberta. Indeed, if we can get more competitive bidding by having these additional contractors, I would hope they would come. I would also hope they would set up Alberta offices so they can have adequate supervision of the contracts they might undertake in the province.

DR. BUCK: Mr. Chairman, I would like to make a point or two. I'm just a little concerned, Mr. Minister, in that we all seem to have tunnel vision. We can only see the automobile. I think we have to start thinking about public transportation more than we have been.

Last year I was fortunate enough to win two tickets to Scotland -- about the only way I'd ever get there -- and I was quite impressed with the public transportation. It really

bothers me to see the rail liner going past Fort Saskatchewan, from Edmonton to North Battleford, usually with about 75 people on it, I think. I would estimate that 50 per cent of them are on railroad passes, running up and down that railroad. We have to use motor vehicles to get from, say, Lamont or Fort Saskatchewan to Edmonton, when on a 20-minute train ride for a low cost -- I think we just have to look at an alternate form of transportation.

At the same time I say to the hon. minister I realize he's going to be over there only for a year or so before he moves into the Premier's chair, so he has to move quickly. I want him to promise this: do not let the City of Edmonton get rid of all those railroad tracks. It would be a terrible mistake, because when the day comes that we realize we're going to have to use those railroad beds to move people from Leduc, Fort Saskatchewan, or any of the satellite towns into the heart of Edmonton, the railroad beds will still be there. That's a challenge to the Deputy Premier while he's still Deputy Premier, because when he moves into the Premier's chair he won't have time for such mundane things. I'd like the minister to think about that.

MR. YOUNG: Mr. Chairman, just a couple of comments to the minister. I think it would be appropriate, on behalf of myself as an urban member and possibly other urban members who apparently decided the appropriate form of expression is to quietly mention to the minister our concerns around and within the city, to say in particular that there are problems in a number of our cities, if not all of our cities now, from the industrialization and traffic which arises as a consequence of service centres. For instance, I would say to the hon. Member for Drayton Valley, who purported to read the minds of some of the urban members, that none of his \$300,000 a day of oil would get out of that ground if his equipment didn't come from certain servicing yards through the cities.

AN HCN. MEMBER: Japan.

AN HCN. MEMBER: Hong Kong.

MR. YOUNG: We have some challenges here. I wouldn't like them lost sight of. I'm sure the minister hasn't lost sight of them. The hon. Member for Clover Bar has mentioned one.

As you well know, Mr. Minister, there are problems in tying together provincial highways which arrive at one side and depart from the other side of the city, with a question mark as to responsibility in between. In certain metropolitan areas there are problems in tying in some of the rapidly developing suburban communities with transportation to the city. I know you are well aware of that. I choose to briefly express what I think would be the most appropriate way, assuring you that we'll be watching to make sure that isn't forgotten.

MR. KUSHNER: Mr. Chairman, I would like to direct a question to the Minister of Transportation. I have had some inquiries; I wonder if the minister has had some requests. Should the Deerfoot Trail actually go through Fish Creek? I know it's a kind of touchy area, but there is some feeling it possibly should, because it may overload Macleod Trail.

DR. HORNER: If I could just respond initially to the hon. Member for Calgary Mountain View in regard to the question of the Deerfoot. We're in the final [inaudible] process of trying to resolve that problem with the City of Calgary. As soon as we have it resolved, I would be quite happy to make a statement to the effect. It would seem to me we can look at, and have been looking at, some alternatives in a joint committee with the City of Calgary. I would hope we can bring that to a resolution fairly quickly.

The problem, as I'm sure hon. members appreciate, is that we have two metropolitan areas. We're trying to bring both of them to a resolution as soon as possible so we can develop a similar or fair policy for both in relation to our participation in their transportation needs and requirements. I would be very happy if we had reached that resolution, but we haven't. I can only assure both honorable gentlemen that it is a top priority to try to reach some of those decisions, so both cities can move ahead knowing the parameters of provincial participation. As I said, that will be done as soon as possible.

I want to say to my honorable friend from Clover Bar that we will be looking at public transit. I'd like to encourage him to ride the dayliner on occasion from Fort Saskatchewan to sittings of the Legislature, so he would have some accurate knowledge of just how it's operating. He might give us the benefit of that some time later.

MR. CLARK: What about the one from Calgary?

Appropriation 1501 agreed to: \$141,217

Agreed to:	
Appropriation 1502	\$1,203,768
Appropriation 1504	\$416,438
Appropriation 1505	\$1,412,884

## Appropriation 1511

DR. BUCK: How many ferries are left in the province?

DR. HORNER: I don't know.

Appropriation 1511 agreed to: \$279,000

## Appropriation 1512

MR. CLARK: Mr. Chairman, I wonder if the minister can give us some indication of this \$15 million on primary highways. I see this as being work on perhaps the one to Fort McMurray, or other roads like that. What roads are you looking at here? What kind of miles are you looking at?

DR. HORNER: This vote, I should point out to my honorable friend, is for maintenance of primary highways. The primary highway is on the capital votes.

MR. CLARK: No. 2, things like that?

DR. HORNER: Yes, and maintenance, small patching jobs, snow removal, and all of those other things that go into maintenance.

Appropriation 1512 agreed to: \$15,077,000

## Agreed to:

Appropriation 1513	\$3,980,000
Appropriation 1514	\$600,000
Appropriation 1515	\$600,000
Appropriation 1523	\$3,300,000
Appropriation 1527	\$2,739,380
Appropriation 1540	\$11,335,108
Appropriation 1550	\$7,931,662
Appropriation 1551	\$2,432,195
Appropriation 1555	\$8,336,000

Total Income Account agreed to: \$51,448,652

MR. CHAIRMAN: If you would turn now to Page 4 of the capital accounts.

## Agreed to:

Appropriation 1581	\$2,489,222
Appropriation 1582	\$2,834,303
Appropriation 1583	\$14,571,235

## Appropriation 1584

DR. HORNER: That's the vote under which the primary highways are built and will vary, as one can see from the estimates and the comparable forecast of what in fact was spent. That reflects the kind of weather that we had last fall more than any other fact, plus a factor for inflation. That includes work on probably every major highway in the province in one way or another: the intersections at Carstairs for instance, additional preliminary work for the one at Didsbury, the one at Penhold, the others on Highway 16 west particularly. Those are the major interchanges in the program. There is some additional work on the Leduc one. All are very important, particularly from a safety point of view. Some of their costs are higher than others, but as I've said, that includes the primary highways and the secondary road 900 series. The other vote we'll come to has to do with the secondary roads which is the 800-and-below series.

MR. MANDEVILLE: Mr. Chairman, just how much of this vote will be spent on extending the four lane program that started on Highway No. 1? It's apparently supposed to have been approved up to Strathmore last year, but it wasn't completed.

DR. HORNER: There are 14 miles of paving, about 3.5 miles of base course, an additional 2 or 3 miles of actual grading -- that's more in the connection to Highway No. 1 than otherwise. We don't have an accurate cost estimate of some of the four lane transition, as it involves our negotiations with the City of Calgary to date, but there will be additional work done there as well.

MR. ADAIR: Mr. Chairman, to the minister. Are funds included in this vote for the Kinuso-Gunn Route to provide access for the people of north-central Alberta to the national parks?

DR. HORNER: [Inaudible] included in this appropriation. That would come under a different one. We would be doing any work on that road, under our access north agreement, as a major penetrator in the oil field areas between Swan Hills and Lesser Slave Lake. But it is under consideration at the moment.

MR. NOTLEY: Is the minister in a position to give us any breakdown on the work going to be done in what's called the woods and water scenic route?

DR. HORNER: I could do it better if I had a big map. A variety of highways is involved. I can only say to my honorable friend that Highway No. 49, I think, is of major concern to him. We appreciate that concern, and provided we have the weather and some necessary additional funding at the appropriate time, it is on the program.

MR. NOTLEY: Mr. Chairman, if I could follow that up. I thought that answer would have done justice to Henry Kissinger. Is it on the program this year, or this decade, or when?

DR. HORNER: As I have said, Mr. Chairman, that is on the supplementary program if we can get the time and money to do it.

Appropriation 1584 agreed to: \$80,105,078

Appropriation 1586

MR. R. SPEAKER: Mr. Chairman, to the minister. Is it your intent to combine this program with the Department of Recreation, Parks and Wildlife? Will this vote then move over to that department for administration?

DR. HORNER: Yes, Mr. Chairman. Once we have made some final decisions in that area, any votes related to those particular areas will be transferred. For instance, the motor vehicle branch vote was still in my estimates, but will be transferred to the Solicitor General. Similarly, some capital votes in Energy and Natural Resources are going to be transferred to Transportation to look after those forestry roads.

MR. R. SPEAKER: However, Highways will continue to look after the operation of these particular campsites, or will Parks have a crew to do that from now on?

DR. HORNER: I think that's part of the resolution, to have an effective and maintenance approach to these. It may well turn out to be that in certain areas, Highways will continue to maintain for the other department. But other ways, such as tendering them to somebody in the local area, might be more efficient. The new rest area between here and Wetaskiwin is a major thing which requires full-time attendance. The others are, of course, part time. I think we should look at how we can improve our maintenance and at the same time maybe reduce the cost.

MR. R. SPEAKER: In the interim, would the minister be responsible for setting up the priority of locations for these particular sites? The next question is, then, to get a site such as this, a visit to the minister's office is the right thing to follow it up with?

DR. BUCK: It's a priority system.

MR. R. SPEAKER: On that basis, is there a criterion to judge whether an area needs a campsite or is it on the basis of the representation?

DR. HORNER: The criteria are simply going to be the number available in the particular area, the distance between them, and that manner of criteria which will adequately serve the motoring public.

AN HON. MEMBER: Even the Member for Clover Bar.

Appropriation 1586 agreed to: \$400,000

Agreed to:  
Appropriation 1587 \$1,100,000  
Appropriation 1588 \$3,000,000

Appropriation 1589

MR. CLARK: Mr. Chairman, the minister may recall a delegation from my constituency. I would like to have the good news right now, if the minister's in the mood.

DR. HORNER: And I'd be delighted to be able to give the hon. Leader of the Opposition the good news right now, but that isn't possible yet. I assure him I'll try to get him an answer in the ensuing weeks.

MR. CLARK: I'd like a little clarification. The ensuing week?

DR. HORNER: Weeks.

MR. CLARK: Oh, I was hoping it was week.

[interjections]

No, it isn't me.

To the minister, Mr. Chairman, with regard to this appropriation. This is basically the appropriation that builds the roads in the grid-road system? I'm just not sure what the new term is, growth roads, but basically the grid-road system, is that right? Is the minister in a position to give us some indication of how many miles he is looking at across the province this year?

DR. HORNER: I can do a quick calculation. Mr. Chairman, I may have a total here. Just a moment.

MR. CLARK: Mr. Chairman, if the minister wants to give us the information in a day or two, that's quite all right.

DR. HORNER: Fine. I could get that fixed up.

MR. CLARK: And a breakdown of carry-over and new areas this year, and so on.

DR. HORNER: Yes. That's the way it would work.

Appropriation 1589 agreed to: \$26,140,000

Agreed to:

Appropriation 1590	\$1,680,000
Appropriation 1591	\$1,989,000
Appropriation 1593	\$17,600,000
Appropriation 1594	\$11,500,000

Appropriation 1595

MR. NOTLEY: Mr. Chairman, I notice a rather regrettable reduction of 7.5 per cent here. The minister is shaking my faith in his confidence to obtain money. I can assure him, if there's any concern about not having enough work to do in IDs 19, 20, and 21, there would be enough requests to accommodate the entire appropriation of \$5,400,000. What is the reason for the cutback, and is there going to be any reconsideration of that appropriation?

DR. HORNER: We're certainly having a look at this appropriation in the sense of what it's used for. One of reasons for the cutback is that we have moved in a major way in some of the 900 series in IDs, and that has cut down the amount required. But I agree with the hon. member that that is an area in which a major re-look is required. I think it has to be based, perhaps not totally but somewhat, on resource development in a particular area. We have to develop a policy that would look after those kinds of roads in the IDs which require heavy traffic, as well as providing the ordinary construction we do every year in those areas. All I can say to the hon. member is that we intend to have a look at that, and perhaps he'd reserve his judgment on his faith for a while.

MR. TRYNCHY: Mr. Chairman, I too would like to urge the minister to have another look at Appropriation 1595, grants to improvement districts. Improvement districts 14, 15, and 16 could more than use what we have here. This year we have \$300,000 for road construction when our requests are well over \$1 million. The roads we're concerned about are just market roads, roads to newly settled areas, young farmers wanting to get into the areas; not industrial roads or good roads, or the real heavy market roads such as secondary systems. I'd like to see the minister have another look at this, because we sure can use it in the ID I represent, and I'm sure he can in his, too.

MR. APPLEBY: The hon. Member for Whitecourt and the hon. Member for Spirit River-Fairview have gone from improvement districts 14 to 21, left out 17 and 18. I'm sure the hon. Member for Lac La Biche will join with me in saying, please look at 17 and 18 too.

MR. KIDD: Mr. Chairman, I hope ID 8 will not be left out of that consideration.

Agreed to:

Appropriation 1596	\$483,000
Appropriation 1597	\$4,000,000
Appropriation 1598	\$18,000,000
Appropriation 1599	\$18,883,680

Total Capital Account agreed to: \$191,296,838

DR. HCRNER: Mr. Chairman, I move the resolution be reported.

[The motion was carried].

MR. HYNDMAN: Mr. Chairman, I believe there is a matter with regard to the figures reported for the Executive Council. Perhaps Mr. Chairman may advise the committee as to a change in the report that you'll be making to the full House.

MR. CHAIRMAN: On Friday, June 13, 1975, the Clerk handed me the wrong slip on the announcement. The Committee of Supply reported an incorrect figure for Executive Council. The figure reported was \$87,116,141.89. The committee begs leave to correct its report of Friday, June 13, 1975, and report the proper figure at this time being \$16,697,395.

Are you agreed?

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Chairman, I move the committee rise, report progress, and beg leave to sit again.

[The motion was carried.]

[Dr. McCrimmon left the Chair.]

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[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, on June 13, 1975, the Committee of Supply reported an incorrect figure for Executive Council. The figure reported was \$87,116,149.89. The committee begs leave to correct its report of June 13, and report the proper figure at this time, being \$16,697,395.

Mr. Speaker, the Committee of Supply has had under consideration the following resolutions, begs to report same, and asks leave to sit again:

Resolved that a sum not exceeding \$42,617,420 be granted to Her Majesty for the fiscal year ending March 31, 1976, for the Department of Energy and Natural Resources;

Resolved that a sum not exceeding \$48,776,320 be granted to Her Majesty for the fiscal year ending March 31, 1976, for the Department of Recreation, Parks and Wildlife;

Resolved that a sum not exceeding \$242,745,490 be granted to Her Majesty for the fiscal year ending March 31, 1976, for the Department of Transportation.

MR. SPEAKER: Having heard the amendment to the report of June 13, 1975, by the hon. Chairman of Committee of Supply, and in view of the saving it effects, does the Assembly accept the amendment?

HON. MEMBERS: Agreed.

MR. SPEAKER: And having heard the further report by the hon. Chairman with respect to today's meeting of the Committee of Supply, do you all agree with the report and the request for leave to sit again?

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, as to business tomorrow, in the afternoon there will be the usual private members' afternoon. In the evening, the two Subcommittees, A and B, will meet; Subcommittee A to consider the estimates of the Department of Education, and Subcommittee B to consider the estimates of the Department of Municipal Affairs, beginning with the attendance and availability of the northeast commissioner. The locations of those committees, I presume, will be the same as they were on the previous occasion.

On Wednesday, we will continue with Committee of Supply, covering the Department of Federal and Intergovernmental Affairs; legislation, which I gather, Mr. Speaker, has been reviewed by and will be carried through by the Members' Services Committee; Department of Government Services and culture; plus, if time is available, those departments considered tomorrow night.

I move the Assembly do now adjourn until tomorrow afternoon at 2:30.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until tomorrow afternoon at 2:30.

[The House rose at 10:28 p.m.]

