

LEGISLATIVE ASSEMBLY OF ALBERTA

Friday, June 20, 1975

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

PRESENTING REPORTS BY STANDING AND SELECT COMMITTEES

Select Standing Committee on Private Bills

MR. HORSMAN: Mr. Speaker, the Standing Committee on Private Bills has had under consideration the undermentioned private bill and begs to report the same, with the recommendation that it be proceeded with: Bill Pr. 2, An Act to Amend The Alberta Wheat Pool Act, 1970.

The Standing Committee on Private Bills begs to recommend that, with respect to the undermentioned private bill and petition, the fees less the cost of printing be refunded: Bill Pr. 2, An Act to Amend The Alberta Wheat Pool Act, 1970.

The Standing Committee on Private Bills begs to recommend that Standing Order 76 be suspended in respect to the late advertising in respect to Bill Pr. 6, An Act to Amend An Act to Incorporate The Canada West Insurance Company, and that the same be referred to the Private Bills Committee for hearing.

NOTICES OF MOTIONS

MR. HYNDMAN: Mr. Speaker, I'd like to give notice of a government motion to be proposed to the Assembly this coming Monday:

Resolved that the Legislative Assembly of Alberta request the Executive Council to appoint a committee of three Alberta citizens, namely, the Hon. Mr. Justice Clifton Prowse of the Supreme Court of Alberta as chairman; Mr. Dudley Menzies, the former chief commissioner of and alderman for the City of Edmonton; and Mrs. Ruth Wood, president of the Alberta chapter of the Consumers' Association of Canada, with instructions to, first, assess the adequacy or otherwise of existing, that is 1972, indemnities and expense allowances, including per diem living allowances of MLAs taking into consideration present circumstances including fall sittings, and to assess the existing 1972 salaries of the Speaker, Deputy Speaker, Premier, Leader of the Opposition, and members of the Executive Council. Secondly, to make recommendations to the Legislative Assembly as to changes, if any, in the said indemnities, expense allowances, and salaries, as may be fair and appropriate to present and anticipated circumstances. Thirdly, to complete and publish its report on or before September 15, 1975, and deliver a copy of the said report to the Speaker, the Premier, and the Leader of the Opposition.

INTRODUCTION OF BILLS

Bill 218 The Municipal Government Amendment Act, 1975

MR. NOTLEY: Mr. Speaker, I beg leave to introduce Bill No. 218, The Municipal Government Amendment Act, 1975.

Mr. Speaker, the purpose of Bill No. 218 is to make it possible for local municipal governments in this province to set up rent review boards within their own jurisdictions, if they so choose.

[Leave being granted, Bill 218 was introduced and read a first time.]

Bill 28 The Municipal Taxation Amendment Act, 1975

MR. JOHNSTON: Mr. Speaker, I beg leave to introduce Bill 28, The Municipal Taxation Amendment Act, 1975. This amendment will facilitate projects like neighborhood improvement programs where at present the cost of the program is charged to local improvement. This will allow the reflection of adjustments by participation of other levels of government.

[Leave being granted, Bill 28 was introduced and read a first time.]

Bill 34 The Department of Housing and Public Works Act

MR. YURKO: Mr. Speaker, I beg leave to introduce Bill 34, The Department of Housing and Public Works Act. This being a money bill, His Honor the Lieutenant-Governor has been informed of the contents of this bill and recommends the same to the Assembly.

Mr. Speaker, this bill formally establishes the new Department of Housing and Public Works and provides the legislative framework by which the department and the minister can function administratively. There are a number of principles in the new bill which will no doubt be adequately discussed during subsequent readings and in Committee of the Whole.

[Leave being granted, Bill 34 was introduced and read a first time.]

Bill 2 The Appropriation Act, 1975

MR. LEITCH: Mr. Speaker, I beg leave to introduce Bill 2, The Appropriation Act, 1975. This being a money bill, His Honor the Honorable the Lieutenant-Governor having been informed of the contents of this bill, recommends the same to the Assembly.

Mr. Speaker, the purpose of this bill is to give legislative approval to the expenditure of sums set forth in the estimates.

[Leave being granted, Bill 2 was introduced and read a first time.]

MR. HYNDMAN: Mr. Speaker, I beg leave to introduce two bills, being Bill 32, The Electoral Boundaries Commission Amendment Act, 1975; and Bill 35, The Legislative Assembly Amendment Act, 1975.

Bill 32 The Electoral Boundaries Commission Amendment Act, 1975

MR. HYNDMAN: The purpose of the first bill, that is Bill 32, The Electoral Boundaries Commission Amendment Act, is in preparation for the appointment of a new Electoral Boundaries Commission required by statute. The purpose of this bill will be to increase the number of electoral divisions in Alberta from 75 to 79 and to set forth in a simplified way the distribution of the proposed electoral divisions in Alberta.

[Leave being granted, Bill 32 was introduced and read a first time.]

Bill 35 The Legislative Assembly Amendment Act, 1975

MR. HYNDMAN: Regarding the second bill, Bill 35, Mr. Speaker, the primary purpose of The Legislative Assembly Act amendments will be to permit more direct involvement by elected members of the Legislative Assembly in the operation of some statutory boards and

commissions. It will also enable an MLA to be appointed to the board of Syncrude Canada Ltd. The bill provides that such MLAs may receive payment from government for their services in providing a stronger link between citizens and various Alberta boards and commissions.

[Leave being granted, Bill 35 was introduced and read a first time.]

Bill 12 The Department of Transportation Act

DP. HORNER: Mr. Speaker, I beg leave to introduce Bill No. 12, The Department of Transportation Act. This being a money bill, His Honor the Honorable the Lieutenant-Governor having been informed of the contents of this bill, recommends the same to the Assembly.

In essence, Mr. Speaker, The Department of Transportation Act outlines the reorganization and establishment of the Department of Transportation, and includes the safety branch legislation which was in the former highways act.

[Leave being granted, Bill 12 was introduced and read a first time.]

Bill 29 The Pipeline Act, 1975

MR. CHAMBERS: Mr. Speaker, I beg leave to introduce Bill 29, being The Pipeline Act, 1975. The purpose of this bill is to upgrade the existing act, particularly with regard to the safety of natural gas pipelines including those utilized in the rural gas utility program.

[Leave being granted, Bill 29 was introduced and read a first time.]

MR. HYNDMAN: Mr. Speaker, I move that Bill No. 29, The Pipeline Act, 1975, be placed on the Order Paper under Government Bills and Orders.

[The motion was carried.]

INTRODUCTION OF VISITORS

DR. BUCK: Mr. Speaker, I beg leave to introduce to you, and through you to the members of the Assembly, 55 grades 4 and 5 students from the Ardrossan school in my constituency. They are accompanied by their teachers, Mr. Alexandruk, Mrs. Baillie, Mr. Smith, and their bus driver, Mr. DeBruin. They are in the members gallery, and I ask them to rise and receive the welcome of the Legislature.

TABLING RETURNS AND REPORTS

MR. GETTY: Mr. Speaker, I'd like to table Motion for a Return No. 162, which has been requested by the Assembly.

MINISTERIAL STATEMENT

Department of Consumer and Corporate Affairs

MR. HARLE: Mr. Speaker, I wish to advise that I have asked the Clerk of the Assembly to distribute today to all hon. members government amendments to the proposed Bill 21, The Unfair Trade Practices Act.

I wish to announce these amendments in this way because the circumstances are unique in that when this bill was read a first time on May 20, I said there would be amendments at committee stage. I want to permit all members to have a little extra time to examine the amendments.

The amendments do not change the basic purpose of the bill, nor do they alter the general thrust of an important piece of legislation designed to protect both the consumer and the honest merchant. They do, however, provide numerous technical refinements which

provide greater clarity. These amendments reflect the input we have received in recent weeks from all sectors of the public: the buyers and the sellers in the market place.

Thank you.

ORAL QUESTION PERIOD

Oil Industry Financing

MR. CLARK: Mr. Speaker, I'd like to direct the first question to either the Minister of Energy and Natural Resources or the Minister of Business Development and Tourism. Perhaps a slight preamble. It deals with the question of availability of money for the petroleum industry through the conventional lending institutions.

I'd like to ask either minister if the government has been involved in any monitoring of the availability of capital through the conventional lending institutions, namely, the banks?

MR. GETTY: Mr. Speaker, we certainly do try to be as aware as possible of the availability of capital to the industry, because, as I pointed out before, the industry is such an important one in our province. Our assessment is that there has been the odd change in policy amongst certain lending institutions regarding advancing of funds on a loan basis for a certain type of development drilling loan. There has not been, as all members know, a buoyant stock market in resource industries over the past two years. However, I must say that has changed considerably recently.

Our basic assessment, Mr. Speaker, is that industry activity within the Province of Alberta has been substantial this year. It has been running ahead of last year. We are generally very satisfied with the level of activity, keeping in mind that the various programs and policies put into effect over the past five to six months have not yet fully made their effect felt in the industry. We are going to continue to assess this matter, Mr. Speaker.

Generally I must say the statistics have been relatively encouraging as to the level of activity. However, I would caution members to make sure when they are looking at statistics that they relate to Alberta. We don't want the level of Alberta's activity to be dragged down by any average when you bring in Saskatchewan and E.C., and to some extent the Northwest Territories, because policies in those jurisdictions have caused a severe restriction there. However, in Alberta, as most members know, there is quite a different set of circumstances.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. As a result of the government's assessment, is there any indication that the chartered banks have, as a matter of policy, withdrawn some of their capital which has been available in Alberta?

MR. GETTY: No, there isn't an indication of that as a policy, Mr. Speaker.

I mentioned to the hon. member that there was one change I'm aware of. It used to be -- this is not really government policy I'm trying to reflect now -- that a bank would lend funds on a one-well situation. If you drilled a well, found reserves, they would lend funds on the basis of the reserves thus established. Therefore, you could borrow money and drill the second well as a follow-up. As I understand it now, the banks will require more than one well before making that type of development loan, because they feel that one well is not leaving them sufficient collateral. That is a judgment business decision the banks are making.

MR. CLARK: Mr. Speaker, a supplementary question to the Provincial Treasurer. I would like to ask the Provincial Treasurer if he is in a position to indicate whether the treasury branches of the province are, in fact, establishing an oil and gas division. What progress is being made in acquiring individuals to beef up this area in the Treasury Branch system?

MR. LEITCH: Mr. Speaker, rather than rely on memory to report to the hon. Leader of the Opposition the activities of the treasury branches in respect to the resource development field, I'd like to take that as notice and respond at a later date in the Legislature.

Federal-Provincial Negotiations

MR. CLARK: Mr. Speaker, I'd like to address the second question to the Premier. It is almost becoming the traditional question in light of the negotiations and the federal budget coming down. Is the Premier in a position to report anything further as a result of his negotiations with the federal government?

MR. LOUGHEED: Mr. Speaker, no, there is nothing I could usefully report to the House today with regard to those discussions and negotiations.

Oil Lease Bids

MR. STROMBERG: Mr. Speaker, I was wondering if the Premier would inform this Assembly if the province will encourage the federal government's new Crown corporation, PetroCan, to bid on provincial oil leases?

MR. LOUGHEED: Mr. Speaker, I'd be delighted to refer that question to the Minister of Energy and Natural Resources.

AN HCN. MEMBER: Back up and take a run at it.

MR. GETTY: Mr. Speaker, I haven't had an opportunity to consider the variety of implications regarding that. To some extent there are restrictions within the leases regarding other governments. However, Crown corporations of another government are not caught up in that restriction. Therefore, I think the wise move on my part would be to look into both the short- and long-term implications and reply to the member at another time.

MR. STROMBERG: A supplementary, Mr. Speaker. In accepting bids, will preference be given to small independents and Alberta companies over the large treasury of the federal government?

MR. GETTY: That tends to be hypothetical, Mr. Speaker. However, the government in the past -- and I see no need at this stage to change the policy -- has not exercised a judgment as to big and small companies or governments in relation to bids at sales. In the best interests of the people, bids at sales reflect the acceptance of the highest bid.

IPSCO Operations

MR. GHITTER: Mr. Speaker, my question is to the Minister of Business Development and Tourism. It arises out the agreement entered into between the provincial government and IPSCO in December 1973, and the subsequent explanation in March 1974 of that agreement by the minister of that time.

I'm wondering whether IPSCO has in fact introduced the equalized pricing situation as they are obliged to do in the agreement, so their products are sold in Alberta for the same price as in the Province of Saskatchewan?

MR. DOWLING: Mr. Speaker, the answer to that question is, yes.

MR. GHITTER: A further supplementary, Mr. Speaker. I'm wondering what steps have been taken by IPSCO for the establishment of a cold-rolling mill and related facilities for production in the Province of Alberta, as they are obliged to do within a five-year period under the agreement?

MR. DOWLING: Mr. Speaker, the IPSCO organization is in a stage of flux at the moment. Some interest has been expressed in the IPSCO shares by people in the steel industry or those who want to get into it. The situation is such that I'm not in a position to report at this time. I do know, as I informed the House before, that both the Alberta Energy Company and AGTL have expressed some interest on a discussion basis. I hope that some time very shortly we'd be able to report further.

MR. GHITTER: A further supplemental, Mr. Speaker, to the hon. minister. Notwithstanding the explanation to the prior question, has IPSCO, in fact, taken any steps under their obligations and agreement with the Province of Alberta to expand their facilities so that jobs will be created in the province, as they are obliged to do under their agreement with the Province of Alberta?

MR. DOWLING: Mr. Speaker, I'll have to take that as notice and respond to the hon. member as quickly as possible.

Iron Ore -- Peace River

MR. GHITTER: One further supplementary. While you're doing that, hon. minister . . .

MR. SPEAKER: Would the hon. member please use the ordinary parliamentary form.

MR. GHITTER: Thank you, Mr. Speaker. To the hon. minister. While you are examining that . . .

MR. SPEAKER: Would the hon. member . . .
[laughter]

MR. GHITTER: Would the hon. minister advise the House as to the stage of the feasibility report being undertaken by the Government of the Province of Alberta, relative to the Peace River iron ore deposits?

MR. DOWLING: Mr. Speaker, we did have an opportunity to visit the Research Council just recently to examine the progress they were making relative to research on the Peace River iron ore deposit. The deposit is not of the quality we would like. However, there are some possibilities that it could be developed to further develop an integrated steel industry in Alberta. We are confident that the work in progress in the Research Council will result in some positive findings. It's unfortunate the hon. Member for Calgary Buffalo wasn't there. We had a very enjoyable evening.

MR. NOTLEY: A supplementary question to the hon. minister. Is the government still of the view that development of the Peace River iron ore deposits will not take place until the mid-1980s? I believe the former minister indicated the mid-1980s as the time frame.

MR. DOWLING: Mr. Speaker, I did query the people in the Research Council regarding the time required to complete their studies on the deposit. The situation was such that they were unable to give me a firm date. However, we are keeping on top of it. I would like to see it developed, as would the people in the north country as well.

MR. COOKSON: Mr. Speaker, I would like to ask the minister a supplementary. Does a company such as IPSCO give any contribution toward research? I'm thinking in terms of the Research Council of Alberta, which is doing basic work on steel development.

MR. DOWLING: Mr. Speaker, in this particular instance, the research is being carried out by the Research Council of Alberta. However, there are occasions when there is a cost-sharing arrangement between the Research Council and a private entrepreneur to develop a research program relative to a particular product or something in the private sector.

We did see a number of examples on our tour of the Research Council facilities. Some of the research products which have been developed are now in place in the private sector. There are further projects under way.

Petrochemical Development

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Energy and Natural Resources. Has the government yet been able to establish a time frame for making a decision on the petrochemical applications for Medicine Hat, Brooks, and Raymond?

MR. GETTY: Mr. Speaker, I believe I answered that question in the House on a previous occasion. They were before a cabinet committee of the Executive Council to determine if the recommendations from the Energy Resources Conservation Board should be approved and under what conditions they might be approved. I can only say again that we will do that as quickly as we can.

MR. MANDEVILLE: A supplementary, Mr. Speaker. Would the minister be able to indicate approximately how much time would elapse before the announcement would be made?

MR. GETTY: It's difficult to do that, Mr. Speaker, because there are a variety of considerations. I draw to the hon. member's attention the conditions, for instance, that had been placed on the Syncrude approval when it went through cabinet. They were important conditions, which the people of Alberta were pleased to see as part of the conditions. I think we want to make sure that, in any approval of outstanding applications, we give full and adequate assessment to ensure that the conditions which might be attached to the approvals, should there be approvals, cover all eventualities we might foresee.

MR. MANDEVILLE: Mr. Speaker, one final supplementary question. In view of the concern expressed by Canadian Fertilizer and PanCanadian, would any consideration be given to approving the applications individually, instead of in a group?

MR. GETTY: Yes, Mr. Speaker, it is possible they will not be handled in a group, but individually. I think that's reasonable. I am also fully aware of the concerns of the applying companies for the need to have their answers as quickly as possible. We certainly are trying to meet those concerns.

Flooding -- Southern Alberta

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Environment. It's with regard to the rain in southern Alberta, which is unusual in itself.

Could the minister report on the flooding conditions of the Oldman River at the present time?

MR. RUSSELL: Yes, Mr. Speaker. If the members wish, I'd like my colleague, the hon. Deputy Premier, to follow up on measures the Alberta Disaster Services are taking.

I think most members probably saw the news announcement yesterday which indicated serious flooding along the Oldman and its tributaries. Today that has changed to severe. The report I got just prior to coming into the House is that precipitation is expected to taper off some time later today. Some of the smaller tributaries, primarily Lee Creek and the St. Mary River, are close to peak now and will peak today. The peak stage is estimated to be very close to the 1964 flood level.

In Lethbridge itself, the Oldman will continue into Saturday to rise. They are anticipating another 3-foot rise today. It may exceed the '64 flood level there. Insofar as Waterton Lake is concerned, they are expecting a continuing rise today, close to the 1964 flood levels, with about another 1.5 feet expected by the peak period tonight.

MR. R. SPEAKER: Mr. Speaker, I would direct my supplementary then to the Deputy Premier.

DR. HORNER: Mr. Speaker, as my colleague has outlined, there is a serious situation in flooding in the Oldman and its tributaries. A number of communities have been seriously affected, more particularly the water supply in the Village of Frank, the water supply in Waterton itself, and some of the health and community services that both those communities may require.

The Disaster Services people are on the spot in both areas and are making arrangements to have water moved into the Village of Frank and potable water, in spite of the floods, into Waterton itself. The other two communities primarily affected are the towns of Cardston and Pincher Creek. We're working with those two towns to provide the necessary advice and assistance to try to prevent as much damage as possible. Sand bags have been moved into both communities. Both MLAs in the area have been in close contact with the mayors of the various communities so we can do everything we can to minimize any damage from the floods.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Under circumstances like this, damages are usually caused to residences, private property, and that type of thing. Is the government open to consider compensation for those kinds of damages?

DR. HORNER: Mr. Speaker, in the past four years I think this government has set a pretty desirable precedent in helping people in areas where they couldn't be insured. I think it should be clear that if it's an ordinarily insurable damage, that's another matter.

However, we will certainly assess the situation once it clarifies, will report back, and see what we can do further to help.

MR. SPEAKER: The hon. Member for Pincher Creek-Crowsnest followed by the hon. Member for Spirit River-Fairview.

MR. BRADLEY: Mr. Speaker, my question was in relation to the flooding in southwestern Alberta. Obviously, the question has been answered.

Surface Leases

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Agriculture. Just a word of explanation. It concerns complaints from farmers in the Redwater area concerning surface leases held by Imperial Oil.

My question to the hon. minister is: has the government investigated complaints that in renewing the surface lease contracts, Imperial Oil is not upgrading them?

MR. MOORE: Mr. Speaker, I'm not aware of whether, in fact, the Farmers' Advocate or the Surface Rights Board have been involved in that. I'll have to check the matter and find out, if the hon. member would supply me with information as to the names or locations of the individuals.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Is the government giving any consideration at this time to amending The Surface Rights Act so there can be five-year reviews of those surface leases signed prior to the introduction of the new act in 1972?

MR. MOORE: Mr. Speaker, as the hon. member would know, we had an agreement, generally speaking, with the industry that it would carry out a voluntary review of surface leases signed prior to that period. My present information is that, generally speaking, the industry has responded quite well to carrying out that voluntary review. I wouldn't be in

a position yet to suggest or make any decision with regard to whether it would have to be made mandatory by changes in the act.

MR. NCTLEY: A further supplementary question. The minister has mentioned the voluntary review. Is he aware that Imperial Oil seems to be the last holdout in terms of this voluntary review?

MR. MCORE: Mr. Speaker, I am not at all sure that is correct.

Neighborhood Improvement Funds

DR. BACKUS: Mr. Speaker, a question for the Minister of Housing and Public Works. Has Alberta Housing committed all its funds for 1975 under the neighborhood improvement program, or are they still open under this program for cities other than Edmonton and Calgary?

MR. YURKO: Mr. Speaker, the Alberta Housing Corporation has, in fact, approved a schedule of allocation of the funds it has available, by virtue of government policy, to the various projects in Alberta.

School Year

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Education. In light of the fact it seems we will have to build Noah's Ark in the South, and the ice age is coming in the North, I would like to know if the Minister of Education is considering having the school year terminate on June 15, the children going back to school on August 15 -- moving it up to when we seem to have summer in this country.

MR. KOZIAK: I'm sure the school book branch would provide two copies of each book to place on Noah's Ark, should the hon. member wish to construct one.

DR. BUCK: Canadian content, I hope?

MR. KOZIAK: Indubitably.

Mr. Speaker, various school boards within the Province of Alberta determine the commencement and expiration of the school year according to local circumstances. Seeing that flood conditions vary throughout the Province of Alberta, that probably is something the school boards might take into consideration in setting their own school year.

Housing Lots

MR. YOUNG: Mr. Speaker, my question is to the Minister of Housing and Public Works. It concerns representations made to me to the effect that some planning authorities have expressed the view that sufficient subdivision is available now, that we should go into a hold position, and that there is a reluctance on the part of some municipal authorities to enter into further approvals.

Does this position accord with the minister's view of needs to resolve the housing situation which he has outlined in the Legislature?

MR. YURKO: I'm not at all certain, Mr. Speaker, that I understand the thrust of the hon. member's question. Perhaps he might simplify it for me.

MR. YOUNG: The thrust, Mr. Speaker, is that some planning and municipal authorities seem to be expressing the opinion that more subdivisions are not really necessary at this time. Does that accord with what the minister sees as required to resolve the housing problem?

MR. YURKO: Mr. Speaker, the situation in every municipality is different. The City of Edmonton has indicated that it has a fairly substantive number of serviced lots on the market, but generally the serviced lots are in the area of very high-priced homes. Other municipalities, of course, are not in the same situation as the City of Edmonton. There is a need for subdivisions which will cater to more modest homes in terms of bringing a more modest type of housing on the market so people can, in fact, afford to buy.

MR. YOUNG: Supplementary, Mr. Speaker. Would the minister consider the possibility of convening meetings of the planners and the municipal authorities in each regional planning area in order that we may see a harmonizing of our objectives and policies?

MR. YURKO: Mr. Speaker, the suggestion is certainly worth while. I'm all for harmonizing the process of getting more housing on the market.

Rental Accommodation Financing

MR. GHITTER: Supplementary, Mr. Speaker, to the hon. minister. By way of background, I had two calls this week from people ready to construct apartment blocks in the urban core of the City of Calgary, but who advise no financing is available to construct the apartment blocks that have been approved by the planning process.

I'm wondering if the minister has anything in mind to alleviate the existing tight financial situation.

MR. YURKO: Mr. Speaker, we are giving serious consideration to the possible development of a core housing incentive program in regard to the possibility of accelerating rental accommodation in the core areas of cities. However, this program is still under consideration, and I have nothing to announce at this time.

College Saint-Jean

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Advanced Education. Is it the intention of the University of Alberta to purchase College Saint-Jean?

DR. HOHOL: Mr. Speaker, there are no current plans for the University of Alberta to purchase that particular college.

French Language Grants

MR. R. SPEAKER: Supplementary question to the Minister of Education. Can he explain why Alberta requested less than half the grants from the federal government to support French-English or French instruction in Alberta than Manitoba requested?

MR. KOZIAK: Mr. Speaker, perhaps I could take that question as notice and report back to the House.

PWA Operations

DR. BUCK: Mr. Speaker, I'd like to address a question to the minister responsible for transportation. I'd like to know, Mr. Minister, if the government has given PWA any directives to try to reverse the returns shown on the annual statement, from 75 cents per share down to 45. Have there been any government directives to PWA to try to reverse this trend?

AN HCN. MEMBER: Better than any other air line in the country.

DR. HORNER: Mr. Speaker, the hon. Member for Clover Bar may not appreciate the general financial position of air lines throughout the world. The performance of Pacific Western Airlines has generally been very good. Generally, the air line industry has not been that profitable in the past year. We're hopeful that with the Premier's directive in his statement, which we have conveyed to the board of directors, to run an efficient, profitable regional air line, we'll see the profits of that air line increase in the future.

DR. BUCK: Mr. Speaker, supplementary to the hon. Deputy Premier. Is the sale of the trucking division part of one of those directives?

DR. HORNER: Mr. Speaker, the sale of the trucking division was recommended by the board of directors. We accepted that recommendation, again, to improve the efficiency of the regional air line.

DR. BUCK: Final supplementary, Mr. Speaker. Can the hon. Deputy Premier indicate, or does he have the information available, what PWA received for the trucking division in the sale to the employees?

DR. HORNER: Mr. Speaker, there is a question on the Order Paper, which I accepted and to which I will be responding now the sale has been completed, in relation to those facts. I would hope to file that return early next week.

Oil and Gas Pricing

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Premier. In light of the comments attributed to the Prime Minister and the Premier of Ontario that the Prime Minister will be announcing a new oil price come Monday, is the Premier in a position to confirm that's his understanding as to when the announcement will be made?

MR. LOUGHEED: Mr. Speaker, again, it's somewhat difficult for me to answer those questions, because they are matters of discussion between the Prime Minister and myself on a government-to-government basis. Certainly they are made in such a way that I for my part feel they are conversations which have to be considered as privy between the First Minister of Canada and myself.

As far as timing is concerned, to which the question of the Leader of the Opposition was directed, I think I could fairly say that, although this is subject to change, we anticipate this will be a matter of public discussion and public announcement on Monday.

MR. HYNDMAN: Mr. Speaker, on a point of order. I'd like to ask leave of the Assembly to revert for a moment to Introduction of Bills, in order that the Minister of Energy and Natural Resources can introduce a bill.

HON. MEMBERS: Agreed.

INTRODUCTION OF BILLS (reversion)

Bill 26 The Oil Sands Technology and Research Authority Amendment Act, 1975

MR. GETTY: Mr. Speaker, I beg leave to introduce Bill No. 26, The Oil Sands Technology and Research Authority Amendment Act, 1975. This being a money bill, His Honor the Honorable the Lieutenant-Governor having been informed of the contents of the bill, recommends the same to the Assembly.

Essentially, Mr. Speaker, the purpose of this bill is to allow the Oil Sands Technology and Research Authority to extend the scope of their activities to heavy crude oil, in order that we may have greater emphasis in research on recovering additional heavy crude oil, which has been found, and we trust will be found, in this province.

[Leave being granted, Bill 26 was introduced and read a first time.]

MR. CLARK: Mr. Speaker, I wonder if I might rise on a point of order and ask the Government House Leader if he could give the Assembly some indication of how many more bills the government plans to introduce and deal with this session, other than The Income Tax Amendment Act that the Attorney General answered, I think, Wednesday of this week?

MR. HYNDMAN: Mr. Speaker, there will only be two or three other than the bill mentioned by the hon. opposition leader, and those will probably be in on Monday.

Bill Pr. 6 An Act to Amend an Act to Incorporate The Canada West Insurance Company

MR. ASHTON: Mr. Speaker, I beg leave to introduce a bill, being An Act to Amend an Act to Incorporate The Canada West Insurance Company.

[Leave being granted, Bill Pr. 6 was introduced and read a first time.]

MR. SPEAKER: May the hon. Minister Without Portfolio and Member for Wetaskiwin-Leduc revert to Introduction of Visitors?

HON. MEMBERS: Agreed.

INTRODUCTION OF VISITORS (reversion)

MR. SCHMIDT: It's my privilege this morning to introduce to you, and through you to the members of this Assembly, 35 grades 7 and 8 students from the Iakedell school in my constituency. They are accompanied by their principal, Mr. Richard Asp, and their teacher, Mr. Dennis Polei. They are seated in the public gallery, and I would ask them to rise and be welcomed by this Assembly.

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS
(Third Reading)

Bill 20 The Workers' Compensation Amendment Act, 1975

MR. HYNDMAN: Mr. Speaker, on a point of order in regard to this bill. I'd like to move that Bill No. 20 not be read a third time, but be referred back to committee for the purpose of considering a further small amendment which will be proposed in committee probably next week by the hon. Minister of Labour.

[The motion was carried.]

GOVERNMENT BILLS AND ORDERS
(Second Reading)

Bill 1 The District Courts Amendment Act, 1975

MR. LOUGHEED: Mr. Speaker, I move second reading of Bill No. 1, The District Courts Amendment Act, 1975.

Basically this is an administrative improvement to this bill. It deals with the question of confirming the situation with regard to the district courts and establishing a figure of 18, rather than the figure of 15, to reflect the number of district court judges.

[The motion was carried. Bill 1 was read a second time.]

Bill 13 The Department of Energy and Natural Resources Act

MR. GETTY: Mr. Speaker, I beg leave to move second reading of Bill No. 13, The Department of Energy and Natural Resources Act.

Mr. Speaker, as I pointed out originally in the House, and we have had some discussion on it because of the estimates preceding the bill, the Department of Energy and Natural Resources that is created by this act essentially brings together certain sections and responsibilities from the previous Department of Lands and Forests and the past Department of Mines and Minerals.

Bringing together these responsibilities is certainly a task that I'm finding to be challenging, and I'm not yet able to see the end, when the amalgamation and the effect of bringing together will be completed. I would only say, though, that it is our intention, as I expressed the other day, to ensure that the renewable resource portion and responsibilities of the department will receive the same emphasis as the non-renewable or energy resource portion.

Other than that, Mr. Speaker, I'd be pleased to hear any comments members might have regarding the bill and the department and try to respond to them, if possible, when I close debate.

MR. CLARK: Mr. Speaker, in commenting on second reading of Bill No. 13, I'd simply like to ask the minister to keep in mind the comments made in the course of the variety of debates in the House concerning the lands branch. Perhaps when the minister is concluding his remarks on Bill 13 in second reading, he could give us some indication of the time line he is looking at as far as this review of where the lands branch will end up. Yes, if he would do that, we've covered the other question of groups wanting to get hold of the minister -- but some indication of the time line we're looking at when we could expect a final decision on this matter.

MR. SPEAKER: May the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

MR. GETTY: It's certainly an important question, Mr. Speaker. In my mind, as long as it's not certain where the responsibility will ultimately lie, there will be anxieties and

decisions not being made that should be, and will obviously have a significant influence on the province.

Frankly, I've been impressed by the magnitude of the responsibilities of the administration of public lands and the extremely effective job carried out by the former Minister of Lands and Forests. I frankly had no appreciation for the aerial extent of the public lands of the province and the job the department did under the direction of the previous minister.

I have found that the public servants who work in this area of the Department of Energy and Natural Resources are extremely capable and deal with difficult judgment decisions every day. Where there are a variety of people interested in the decision, if five people are anxious to obtain a right to use a piece of public land and if one person gets the decision in his favor, obviously four people are unhappy. An extremely difficult judgment has to be made each time.

I would hope, Mr. Speaker, that the task force involved in the ultimate disposition of the public lands branch will be able to report to the Executive Council, and an Executive Council decision made within four to six months, which would, I think, be a fair period of time. I intend to make that my own target time. I know that they are meeting on a regular basis now. As I said earlier in the House during estimates, one of the major concerns will of course be to ensure the protection of the multi-use of public lands so they will not come under the priority of any relatively biased interest. That may result in a portion of the public lands administration going to a different department, as suggested by the hon. Member for Bow Valley. That is certainly going to be given consideration.

One final comment, Mr. Speaker, on a slightly different matter with regard to the Department of Energy and Natural Resources, has to do with the oil and gas industry in Alberta and the upheaval that industry has experienced over the past 18 months as a result of many factors, many external to the province. It's my intention, Mr. Speaker, to attempt to have the Department of Energy and Natural Resources do everything possible to assist the oil and gas industry within this province to continue to do the fine job which I feel they have done in the past: a job which has placed Alberta, and therefore Canada, in the enviable position of self-sufficiency in oil and gas.

In the past, when we had surplus oil and gas and not nearly the same demand for the product, the ability of the industry to work and seek out markets provided this province with the extremely high standard of living we have been able to enjoy. They have come through a difficult period of time. They are adjusting, as is the style of the oil and gas industry, adjusting well to the changing conditions. They are an optimistic, risk-taking industry, and I find them prepared to play the game to the utmost, as long as they have a reasonable view of the conditions under which the game is to be played. Mr. Speaker, I could say that the department will, perhaps, even be leaning over backwards, and certainly I personally intend to, to do everything possible to assist the oil and gas industry once again to be able to do the same kind of job they have done in the past, that is, so effectively to explore and develop Alberta's oil and gas resources.

MR. CLARK: Mr. Speaker, I wonder if I might ask the minister one question dealing with his comments on the lands branch. From previous discussions in the House, it is my understanding that the government is basically considering three propositions: one, that the lands branch may go to Environment; another one, that it may go to the Recreation, Parks and Wildlife department; and a third, that it might possibly end up in Agriculture. Is that a fair assessment of the possibilities the task force presently has under review?

MR. GETTY: Yes, I think generally that's right -- or stay in the Department of Energy and Natural Resources, which you didn't mention. That would make a fourth alternative. I think generally, Mr. Speaker, the answer is, yes. However, I wouldn't want to prejudge some recommendation from the task force or a deliberation by a cabinet committee or Executive Council that raises a potential alternative we have not discussed. But basically those are the alternatives.

MR. CLARK: Mr. Speaker, I wonder if I might ask one more question. Is the government giving consideration to the possibility of a lands department, a proposal which I believe has been put forward by such organizations as the Western Stock Growers and one or two other groups?

MR. GETTY: I think it's fair to say that proposition will certainly be given consideration. But it is not one which, as of right now, is high on our list of potential alternatives.

[The motion was carried. Bill 13 was read a second time.]

Bill 5 The Senior Citizens Benefits Amendment Act, 1975

MISS HUNLEY: Mr. Speaker, it's my pleasure at this time to move second reading of Bill 5, The Senior Citizens Benefits Amendment Act, 1975.

I think this bill and the concept of it have been well and truly discussed from time to time during the course of my estimates and during question period, Mr. Speaker. It is

not my intention to dwell at any great length on the philosophy behind this extension of benefits to senior citizens, because I'm sure all hon. members agree it is a desirable and necessary thing.

Perhaps it would be well though to mention, because of the new federal legislation -- and I'm at a bit of a loss, Mr. Speaker, in speaking to a bill of this Legislature, as to whether I should be referring to and discussing a bill of the federal House. But I know it's uppermost in the minds of many people because of the changes to include a spouse at age 60 under the federal old age security provision.

[Dr. McCrimmon in the Chair]

I would like to take this opportunity, Mr. Speaker, to caution all hon. members not to create false expectations in the minds of Alberta citizens, because there are some serious flaws in the federal legislation as our first examination of it reveals. One of the problems we see with that legislation is that once a pensioner dies, the spouse, aged 60 to 64, would lose the benefit they are about to receive. I think that would create a great deal of problems. So I do think it would be unwise for any hon. member to encourage false expectations in our citizens that the Alberta government might be considering dropping and making our Alberta assured income plan tie in with the federal one so it would become effective at age 60 for spouses.

That's not to say, Mr. Speaker, that this would not be done. But I think any suggestion that it's possible in the immediate future would be unfair to our citizens. It is not that we are unaware of their need. We will try to meet that need as best we can, in a responsible fiscal manner we see the responsibility of this government. I did want to suggest to hon. members that they might keep that in mind and wait until there has been an opportunity to really assess the federal legislation. Having said that, Mr. Speaker, I commend to all hon. members the intent and purpose of Bill No. 5 and ask their support in second reading.

MR. R. SPEAKER: Mr. Speaker, I certainly agree with the intent and principle behind Bill No. 5. During the last four or five days I've had three or four letters from couples. The question they raise in their letter -- and I'm sure the minister has received letters, maybe like this too -- they say for one person it's \$255, but when we talk about a couple it's \$495. Maybe it's better if we separate -- that type of thing. I understand in these kinds of programs it has been normal to have that kind of relationship -- two can live cheaper than one type of arrangement. My question to the minister is: what is the logic behind that? I'm sure there is some good answer to it.

MR. TAYLOR: Mr. Speaker, I'd like to make just one or two comments. I, too, appreciate the words of the hon. minister in not raising the hopes of the people. I find it very, very difficult when you go into a home, their hopes have been raised, and then month after month after month goes by and nothing happens. That type of matter is a most difficult one with which to deal.

I'm glad the federal government is going to honor the commitment of the Prime Minister during the last election and provide some assistance for those who are under the age when their spouse is receiving the pension. This has caused a great deal of interest among many, many people because, whether we like it or not, people don't always marry in the same age group. As a matter of fact, sometimes there is 20, 30, or 40 years between the two. I think a good example of that is the Prime Minister of Canada where, I believe, there are quite a few years. Were something to happen to the Prime Minister of Canada, I don't think there would be any difficulty in his spouse and family being well looked after. But people who don't have a bank account and don't have an income find this a very great worry, particularly when there are children between a younger spouse and an older spouse.

One of the points I would like to mention is that I would like to see the hon. minister give some consideration to exceptional and extenuating circumstances with regard to senior citizens. In The [Workers'] Compensation Act, there is provision for the compensation board to deal with exceptional and extenuating circumstances, and it provides some assistance, sometimes for a period of a year, sometimes for a very short time. When this was first suggested a few years ago, it was said quite blandly that it couldn't be administered, that the board would be swamped. But I don't think that's the case at all. Yet it has been an instrument by which some really worth-while things can be done by the board when things are most difficult. You can't foresee the things that happen. That clause has given the board an instrument with which they have helped at least three or four cases in my constituency, and actually kept them off public welfare. Even public welfare would not have met the need that arose out of those particular circumstances.

Senior citizens find themselves in a similar position at times. One of the extenuating circumstances I find in senior citizens is when both spouses are blind. It seems to me that people in that category deserve something more than those who have their sight, who have their hearing, who have their faculties. I know a very sad case in connection with this, where the people are just not getting by on the amount of money they are presently receiving. The increase provided by this government is going to be a real godsend to them. But I think if we imagine ourselves in that position, there are extra expenses and items that have to be considered when both spouses are blind, or even when one is blind, compared to spouses who both have their eyesight. I mention that as just one extenuating circumstance, but I think it illustrates the point I am trying to make.

So I would like the hon. minister to consider, for a future amendment, something that would provide an instrument by which extra help can be given for periods of extreme hardship suffered by senior citizens.

MR. DEPUTY SPEAKER: May the hon. minister close the debate?

HON. MEMBERS: Agreed.

MISS HUNLEY: I would also like to advise hon. members that there is an amendment to this act. It will be introduced at the committee stage. I didn't want to take any chances, Mr. Speaker, that it might not receive Royal Assent in time. So the intent of the amendment will be to deem this act to have been in force and effect at all times after June 1, 1975, because it's our intention that the cheques we've talked about will go forward in June. I thought it was well to be sure there was no legal hindrance to that.

In speaking to the reason for the rate for couples, one hon. member has already alluded to it, the fact that two can live cheaper than one. In many cases, this is so. We really use the background of the federal legislation which does, of course, do that. If we use the federal chart as of April 1, a single person receives \$209.99. So does a married person whose spouse is under 65. That person is treated as single for our plan as well as the old age security plan. But for married couples, the rate per pensioner is \$200.30. So there is a reduction there.

We did follow that same philosophy in developing our own. Of course, the reason was for it was basically monetary. I don't agree that for the small difference in income we would be encouraging people, if I could use the term, to live in sin. I don't really think that's a valid argument in favor of increasing the amount payable to couples to be exactly double that paid to a single individual.

In regard to special needs for senior citizens, I would advise the hon. Member for Drumheller that under social assistance, we do take care of special needs. We're aware of it. It is the only vehicle we have at the present time for taking care of special needs, but we do that. Of course, it's the intent of this government, I'm sure supported by members of the Assembly, that we would continue to do so, so that any person in need is taken care of, and particularly those, our senior citizens, who perhaps have unusual needs in many more instances than others.

I would thank hon. members for their contribution to this debate.

[The motion was carried. Bill 5 was read a second time.]

MR. DEPUTY SPEAKER: May the hon. Member for Drayton Valley have leave to revert to Introduction of Visitors?

HON. MEMBERS: Agreed.

INTRODUCTION OF VISITORS (reversion)

MR. ZANDER: Thank you, Mr. Speaker. It's my pleasure today to introduce a group of students from the Warburg Elementary School. They are sitting in the public gallery. They are accompanied by their teachers, Mr. Reyes and Mrs. Osbak; by parents: Mr. Hakstol, Mrs. Rufs, Mrs. Sam, Mrs. Zukowski, Mrs. Drozd, Mrs. Scobie, and Miss Gellelt. I ask them to rise and be recognized by the Assembly.

GOVERNMENT BILLS AND ORDERS (continued) (Second Reading)

Bill 10 The Irrigation Amendment Act, 1975

MR. MOORE: Mr. Speaker, I move second reading of Bill No. 10, The Irrigation Amendment Act, 1975.

The act, Mr. Speaker, is basically designed to formalize the change in the structure of the Irrigation Council. It will increase the members of the council from five to seven, allow us to have on the council people who are involved in actual irrigation activities, and will create a situation where we're no longer required to have professional people from the Department of Agriculture and the Department of Environment sitting on the council.

I recommend to members that it be proceeded with. It certainly has the support of the present Irrigation Council and, I believe, all the irrigation district boards in the southern part of the province.

MR. MANDEVILLE: Mr. Speaker, I'm not going to take up too much time of the House in making a few remarks on this bill. As this is the second time it has gone through second reading, I imagine I can say that I'm pleased I'm back here to be able to speak on it on second reading. I can recall that when the Deputy Premier, the past Minister of Agriculture, got up and introduced the bill, he introduced it very calmly, said two or three words just like the minister did at the present time. He didn't engender any enthusiasm in the opposition. And bingo, when he closed the debate, he really fired and said, got no interest and the opposition are not concerned about irrigation. So, Mr. Speaker, I'm not going to run any risk at all on this. I'm going to make a few remarks on Bill No. 10, on irrigation.

I agree it's an important bill, and it has two steps which I think are really good. One is changing the constitution of the board and putting farmers as the majority members, who I think will be able to really make a contribution to the council. The other is that the Local Authorities Board is not going to have to approve additional acres to irrigation districts. This is a step that's going to really improve the situation, as far as adding acres to irrigation districts, especially in light of some districts describing themselves by parcel. Whenever they have to add a parcel of land to irrigation, they have to go through the Local Authorities Board. Now this bill will permit the council to do this with -- I understand there's got to be an order in council.

I have to say, with the views of the Minister of Agriculture and the Minister of Environment, when we add to our irrigation in this province, we should add to the present districts, add the acreage to the districts that we already have set up. I think this is really a step in the right direction. We have approximately 700,000 acres in present districts that we can add to the irrigation roll. In the Eastern Irrigation District, which is in my constituency, we have 200,000 acres that could be added very easily to the irrigation district.

There's another area, Mr. Speaker, I would like to have the minister take a look at -- I think it's in process -- and that's the transfer of titles. At the present time, when a title is transferred it doesn't come back from the land titles office to the irrigation districts. It goes back to the municipalities. I realize this is in the process of being changed, but it's been in this process for some time. I know the Attorney General did some work on this as far as the land titles office is concerned. I think that with the transfer, setting up new equipment, and type of filing, they have had some problems in doing this. However, it will be a big help to the irrigation districts when they do get this completed.

I would also like both the Minister of Agriculture and the Minister of Environment to take a look at the formula they have set up at the present time for distributing the grant to irrigation districts. I think it should be based on need. Some of the older districts can use more of these funds than the newer districts that are in better condition. I think possibly there could be some changes in the formula for distributing the grants to the irrigation districts.

I was pleased with the comments our urban member from Medicine Hat made on irrigation. I thought they were very constructive. He was able to see that irrigation does make a big contribution to the food supply in this province.

One other area that needs consideration is drainage. There are irrigation districts at the present time -- the problem they have with drainage that no one is responsible. The municipalities are not responsible. The counties are not responsible. The irrigation districts are not responsible. Water resources are not responsible. If we could just pin down who is responsible for drain water . . . At the present time, it's the farmer. The only one you can pin the responsibility to is the farmer, which is right. The only thing is, when it gets into an irrigation ditch, it's hard to define which farmer is responsible for that water. If we could establish an authority responsible for irrigation water, it would be a big help to the irrigation districts.

Capital works is an area I have mentioned several times in the House. I have a capital works project in my own constituency. It's the Bassano Dam. They're going to spend approximately \$12 million, it could be \$20 million, on rehabilitating a dam that's only going to be a diversion dam. I think, when we're spending this type of money, we should have a multipurpose dam. I would like pressure put on the federal government, before it goes into renovating the Bassano Dam and spending this large sum of money, to take a good look at putting a dam downstream that could be multipurpose. It could store water and they could use it for recreation, generating power, and so on.

With those few comments, I have to say I think this is a good bill.

MR. ZANDER: Mr. Speaker, I just want to make one observation on the bill. In view of the fact that we are funding some \$200 million in the area, and the facts that were revealed to us today of the flooding condition in the southern part of the province -- and the dryness -- the minister could probably think about taking some of this money and bringing it back so we could also get some water in the north and north-central part.

MR. DEPUTY SPEAKER: May the hon. minister close the debate?

HON. MEMBERS: Agreed.

MR. MCCRE: Mr. Speaker, I want to respond to just a couple of things raised by the hon. member from Brooks. First, with regard to bringing new lands into irrigation, I have said, and the hon. Minister of Environment has as well, that certainly the first priority

will be the addition of new lands to existing irrigation districts, or the development of lands presently not irrigated which are lying within the present boundaries of existing irrigation districts. So I think it is fair to say that we probably all agree on that point, including the irrigation district boards.

The other points that the member raised with regard to land movement, distribution formulas, drainage, and so on, are all ones which have been brought to my attention in a variety of ways. Certainly with things like the distribution formula with respect to our new funds for irrigation, we have that under consideration and have asked all the district boards to suggest to us how they best think the cost sharing might work. The hon. member is quite right in suggesting there may be room for a decision which would allow some flexibility on the basis of need.

As for comments by the hon. Member for Drayton Valley -- I suppose a lot of people don't realize, Mr. Speaker, that although the amount is not large, the additional \$200 million in funds for irrigation over the next 10 years is not totally confined to southern Alberta. Certainly we anticipate expenditure of some funds throughout this province, particularly in some rural valleys, with regard to market gardening. In addition, I might remind hon. members who have never lived in southern Alberta that the average annual rainfall in Drayton Valley is something like 8.5 inches more than it is in Brooks.

With that, Mr. Speaker, I recommend that the Assembly approve Bill No. 10.

[The motion was carried. Bill 10 was read a second time.]

Bill 11 The Alberta Municipal Financing Corporation Amendment Act, 1975

MR. LEITCH: Mr. Speaker, I move second reading of Bill 11, The Alberta Municipal Financing Corporation Amendment Act, 1975. Mr. Speaker, the principle of this bill is to increase the aggregate lending capacity of the corporation from \$1,000,400,000 to \$1,000,700,000 to better accommodate those who borrow money from that corporation.

[The motion was carried. Bill 11 was read a second time.]

Bill 14 The Ombudsman Amendment Act, 1975

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill 14, The Ombudsman Amendment Act, 1975. I don't believe any lengthy explanation of the bill is necessary insofar as it contains only one amending section relating to the increase of the salary of the Ombudsman to \$34,000 a year effective January 1, 1975. For the information of members, I might point out that the Ombudsman's initial salary, established in 1967 when the office was first established, was \$20,000. By an amendment in 1972, that salary was increased on January 1, 1971 to \$28,000, and to \$30,000 on January 1, 1972.

MR. TAYLOR: Mr. Speaker, I'd like to say a word or two in connection with the bill. This is a position the Legislature has created, and I think the position is doing a job in the province for those who need help when they need help. While there may be many disappointments when the Ombudsman is unable to do what the person wants, at least it does provide an avenue for review. I think that is very important.

In connection with the salary increase, there's one point I would like to mention in regard to this particular bill. That increase is very comparable to increases recommended for all people across the country by the Canadian government. One of the things which irks the rank and file of our people is when workers only get a 10, 12, 13 or 14 per cent increase, and then they see others in high positions getting 30, 40, and 50 per cent increases. I can understand why that is so irksome and so annoying to the workers of the province who earn much lower salaries and wages, and who need the money probably more than those in higher positions. But this one does come within that orbit or ambit, and I think that's wise. It's something in the vicinity of 13 per cent, so it falls generally in the category recommended by the Canadian government. In that connection I support the bill.

MR. DEPUTY SPEAKER: May the hon. Government House Leader have leave to close the debate?

HON. MEMBERS: Agreed.

[The motion was carried. Bill 14 was read a second time.]

MR. HYNDMAN: Mr. Speaker, I'd like to beg leave of the Assembly to revert to Introduction of Bills for the hon. Provincial Treasurer to introduce a bill.

HON. MEMBERS: Agreed.

INTRODUCTION OF BILLS (reversion)

Bill 30 The Utility Companies Income Tax Rebates Amendment Act

MR. LEITCH: Mr. Speaker, I beg leave to introduce Bill 30, The Utilities Companies Income Tax Rebates Amendment Act. This being a money bill, His Honor the Honorable the Lieutenant-Governor having been informed of the contents of this bill, recommends the same to the Assembly.

Mr. Speaker, the purpose of this bill is to enable and authorize the government to make payments to the income tax rebate fund, which is set up under this legislation, earlier than we were formerly able so the refund will more closely approximate the payments made by the consumer.

[Leave being granted, Bill 30 was introduced and read a first time.]

GOVERNMENT BILLS AND ORDERS (continued)
(Second Reading)

Bill 15 The Alberta Property Tax Reduction Amendment Act, 1975

MR. JOHNSTON: Mr. Speaker, I move second reading of Bill 15, The Alberta Property Tax Reduction Amendment Act, 1975. I believe one or two words may be appropriate with respect to this act.

The important principle or postulate which is reflected herein is that we will eliminate the provincial school levy from farm lands. It's a very important consideration for those living in the rural areas. As well, we will increase the senior citizens' renter assistance grant from \$100 to \$150. Thirdly, the amendment to this act provides for the administration, by the rebates by the local authorities -- it's giving to them the responsibility for handling the education tax reduction.

With those brief introductory remarks, I will allow questions or consideration of the particular amendments.

DR. BUCK: Mr. Speaker, I'd like to say just a few words. I support the bill and I support the principle. But I'd like to say, Mr. Speaker, that I would challenge the new minister to put his fertile mind and his counsel's mind to the second step. Already the reduction which is going to be given to us is being used up for educational costs, so that we just can't stop here.

So, Mr. Speaker, with those few remarks I would like to say to the minister it's going to be a challenge to him in the forthcoming years to look at the problem of taxation. I certainly support the bill and look forward, in the next few years, to other steps.

MR. DEPUTY SPEAKER: May the hon. minister close the debate?

HON. MEMBERS: Agreed.

MR. JOHNSTON: Mr. Speaker, I certainly accept the challenge and the suggestions from the hon. Member for Clover Bar. But at this point I do urge that the members of the Legislative Assembly accept second reading of Bill 15.

[The motion was carried. Bill 15 was read a second time.]

Bill 23 The Financial Administration Amendment Act, 1975

MR. LEITCH: Mr. Speaker, I move second reading of Bill 23, The Financial Administration Amendment Act, 1975.

Mr. Speaker, the amendment in this bill would increase the salary of the Provincial Auditor from the current level of \$37,500 per year to \$43,500 per year, effective August 1, 1974.

Mr. Speaker, there is a further amendment in the bill which is necessary because of the movement of the Data Processing Centre to the Minister of Government Services. As the legislation now stands, the requirement is that cheques and things of that nature be prepared in the Auditor's office and record kept in the Department of Treasury. The two amendments provide that the cheques should be prepared under the authority of the Auditor -- so that will not change -- and that the record of them be kept under the authority of the Provincial Treasurer. Although in neither case will they specifically be in the

Auditor's office or the Provincial Treasurer's department, in each case they will be prepared under the authority of the Auditor and the Provincial Treasurer.

[The motion was carried. Bill 23 was read a second time.]

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

HON. MEMBERS: Agreed.

[Mr. Deputy Speaker left the Chair.]

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COMMITTEE OF THE WHOLE

[Dr. McCrimmon in the Chair]

Bill 27 The Department of Government Services Act

MR. HYNDMAN: Mr. Chairman, just a few words with regard to this act. I think we can proceed through committee study. One amendment may be forthcoming within a few days, introducing the standard grants section to Bill 27. I suggest the committee go through the bill now and we hold it in committee until the grant section comes in at a later date.

[The title and preamble were agreed to.]

MR. SCHMID: Mr. Chairman, I move that Bill 27, The Department of Government Services Act, be held in committee until next week so certain amendments can be made.

[The motion was carried.]

Bill 22 The Cultural Development Amendment Act, 1975

[The title and preamble were agreed to.]

MR. SCHMID: Mr. Chairman, I move that Bill 22, The Cultural Development Amendment Act, 1975, be reported.

[The motion was carried.]

Bill 6 The Department of Advanced Education Amendment Act, 1975

[The title and preamble were agreed to.]

DR. HOHOL: I move that the bill be approved, Mr. Chairman.

[The motion was carried.]

MR. HYNDMAN: Could we wait a couple of minutes, Mr. Chairman. We have some other [inaudible].

Bill 20 The Workers' Compensation Amendment Act, 1975

MR. HYNDMAN: Mr. Chairman, I move Bill No. 20, The Workers' Compensation Amendment Act, which was backed up from third reading. The amendment has been distributed, I guess.

MR. CRAWFORD: Mr. Chairman, the amendment is about to be distributed. When it is, hon. members will see that the changes are extremely minor. In one place, the Legislative Counsel's office discovered a reference in the act should have been to the word "subsection" instead of the word "section".

In the other one, a change of notable importance, although a very small one in the sense of the words involved, deals with the part of the bill referring to its coming into force upon being assented to. In order that there be no doubt whatsoever about the validity of the retroactivity clause, to April 1, even though that date was already in the act, I believe, the Legislative Counsel thought it wise to say the act shall have been deemed to have been in force at all times on and after April 1, 1975. So those are the only items in the amendments to Bill 20.

Mr. Chairman, I move the bill be reported as amended.

[The motion was carried.]

Bill 19 The Department of Business Development and Tourism Act

[The title and preamble were agreed to.]

MR. DOWLING: Mr. Chairman, I move the bill be reported.

[The motion was carried.]

Bill 21 The Unfair Trades Practices Act

MR. HYNEMAN: Mr. Chairman, insofar as the minister introduced a number of amendments today under ministerial announcements, perhaps the Minister of Consumer and Corporate Affairs would outline to the committee the import of the amendments at this time. Then we can consider them.

MR. HARLE: Mr. Chairman, the amendments I have introduced by way of ministerial statement are before you. Basically, they are rather technical in nature and result from the submissions made to us. A lot of them are based on briefs which were of a very technical legal nature and arise because of the necessity, perhaps, to be somewhat precise in the wording of the bill.

If any member has any questions, perhaps he might raise them.

MR. TAYLOR: Mr. Chairman, in connection with the amendment to Section 7, is it intended, where evidence is secured that a person has kept a double set of books or has destroyed books, that that matter be taken to court? What is the actual action?

MR. HARLE: Yes, Mr. Chairman. In discussing this particular section with the people drafting the legislation, it was discovered that they intended the ex parte application to be made, in a situation where there was an implication of concealment or destruction of records, to allow the director to enter a building or premises and remove this material.

The wording of the original section would have meant that the director would have had this power notwithstanding that fact. In other words, it wouldn't have been a requirement, in applying to the judge for this order, to show that in fact this was happening. As it was an ex parte application, in other words, without notice to the supplier, it was felt that it should be used only where there was some indication of concealment or destruction of records.

[The title and preamble were agreed to.]

MR. HARLE: Mr. Chairman, I move the bill be reported as amended.

[The motion was carried.]

Bill 17 The Department of Consumer Affairs Amendment Act, 1975

MR. HARLE: Mr. Chairman, there are some amendments, the Clerk's office has them. Perhaps they could be distributed.

These are not as important as the amendments to Bill 21. They are consequential and result from the reorganization of the government as announced by the Premier. Specifically, these changes are additional consequential amendments which have to be made in order to meet the requirements of the reorganization of the government.

[The title and preamble were agreed to.]

MR. HARLE: Mr. Chairman, I move the bill be reported as amended.

[The motion was carried.]

Bill 24 The Landlord and Tenant Amendment Act, 1975

[The title and preamble were agreed to.]

MR. GHITTER: Mr. Chairman, I move the bill be reported.

[The motion was carried.]

Bill 5 The Senior Citizens Benefits Amendment Act, 1975

MR. HYNDMAN: Mr. Chairman, the amendment may or may not have been distributed; however, it's a very short one. Perhaps if the hon. minister could explain the amendment which relates to the effective date of the bill, we could then proceed into committee on Bill No. 5.

MISS HUNLEY: Mr. Chairman, I move the bill be reported as amended.

[The motion was carried.]

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, the Committee of the Whole Assembly has had under consideration bills 6, 19, 22, and 24, and begs to report the same. Mr. Speaker, the Committee of the Whole Assembly has had under consideration bills 20, 27, 21, 17, and 5, begs to report same with some amendments, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (continued)
(Third Reading)

[It was moved by the members indicated that the following bills be read a third time, and the motions were carried.]

No.	Name	Moved by
4	The Medical Profession Act, 1975	Hunley
8	The Department of Health and Social Development Amendment Act, 1975	Hunley
7	The Department of Manpower and Labour Amendment Act, 1975	Crawford
9	The Hospitals and Medical Care Statutes Amendment Act, 1975	Crawford (for Miniely)

GOVERNMENT MOTIONS

1. Mr. Leitch moved that the Assembly approve in general the fiscal policies of the government.

[Adjourned debate: Mr. Miniely]

MR. HYNDMAN: Mr. Speaker, Mr. Miniely not being here, he waives his right to debate. The hon. Member for Edmonton Norwood is ready to proceed.

MRS. CHICHAK: Mr. Speaker, I indeed take pleasure in participating in budget debate under Motion 1. In my opening remarks during the course of the throne speech debate, I dealt primarily with one subject and indicated I hoped I would have an opportunity to speak again in the debate to indicate some of the concerns I have with regard to issues very relevant not only to my constituency and constituents but to many sectors of this province. Although we have attempted in our terms of office since 1971 to put forward programs and develop policy to overcome and resolve the kinds of problems Albertans have been experiencing, this of course has not totally resolved all of them, although I think our policies generally reflect our concern. I'm not satisfied that we have, to date, dealt with the issues thoroughly enough. I particularly left these matters to put to the attention of the House and the government under this debate, because the majority are issues that concern our budget and the expenditures of this province.

I will try to contain my remarks to the key priorities I see at this time, and probably will not include all of them. In any event, I feel it is very important that we move and plan, if we have not adequately provided in our budget in this fiscal year, to adequately resolve and deal with these issues. I certainly hope my remarks will be taken into consideration for future budgetary planning.

The matter of day care facilities has been an item for discussion and some pressure over the past few years -- a great many years perhaps. It has been made the focal point in more recent years, since we indicated our concern and [indicated] that this item was one of the priorities of this government. We may look at a day care facility as the type of thing which may be provided in areas where those who require the use of the facility are perhaps of a financial status able to cope with the cost when the facility is provided through the private sector. I am more concerned about that segment of the population which is not in that fortunate financial position.

I have brought to the attention of the House in the past that the structure of the constituency of Edmonton Norwood is such that we have a very high percentage of low-income families, unskilled workers, one-parent families, and unemployed persons on social assistance. They really don't have the resources, perhaps even the educational capability, to plan for themselves, resolving their family responsibilities, in order to upgrade themselves and move out of a low societal status, as we might sometimes think of the term.

I think it is essential that we address ourselves more carefully to the degree to which we provide this facility and the involvement we have. I think that if we review expenditures through our social assistance programs in areas such as Edmonton Norwood, a facility of this nature -- perhaps more than one, because of the large numbers -- is a very critical point for consideration if we are to minimize the number of families who have pride and would like to get out of the situation they are in.

Although one of the policies and priorities in our current programs is day care facilities, I'm really not convinced we have addressed ourselves to the degree necessary to allowing the kind of budgetary requirement we really ought to meet. I think we can do a great deal to help decrease the kind of assistance we must provide for the very many citizens who really do not want to be where they're at.

Another concern in my constituency is the matter of housing and financing. Although I recognize we are now in the stages of developing policy with regard to our housing programs, I hope the minister in charge of housing will take into consideration the points made to him in a submission by the Norwood neighborhood association, expressing the needs of the inner core of the City of Edmonton -- and perhaps of the City of Calgary, if their situation is similar. Older districts have old residences which need a great deal of upgrading, but are in fact in such a situation that it is worth while to make improvements rather than demolish them and put new homes on these properties. Because of the nature of planning in the early stages of the development of the City of Edmonton, lot sizes in the Norwood constituency are extremely small. Today's land requirements for the construction of new homes would eliminate a great number of these individual residential lots to meet by-laws as to minimum size of lots.

Therefore it is very important that we assist in the way of mortgage funding so families can improve their existing homes. The difficulties being experienced in areas such as Edmonton Norwood are in the nature of the mortgage policies the independent lending institutions follow. The existing policies discourage to a great extent, rather than encourage, the replacement of home-owners by new residents in the area. They discourage the improvement of these homes because they do not make funds available for this type of reconstruction. They also require the income level to be far beyond that of most of those who wish to reside in an older area such as Norwood.

There is a uniqueness about many of the residences in the older districts. They are attractively developed in the way of landscaping. Many of the homes are very attractive in design and should be preserved. However, the down payment required for anyone who wishes to move into the area to purchase these homes is far beyond their capability. They are at a disadvantage, because if these same individuals with an adequate income could, in fact, purchase a home in the suburban or outer areas and would have the down payment funds, the amount required in the inner city core is tripled. Because of the inadequate ceiling level of the mortgages made available for homes, they can't move into the area.

Norwood finds itself in the situation where practically 50 per cent of the residential owners are absentee landlords. If the neighborhood is to survive, it must have the pride of ownership in residence in place. I hope the submission made will be studied with real care to be sure the lending policies we develop within our housing situation will be such that we'll overcome these kinds of problems.

Another area I would like to deal with is the educational facilities and programs available to schools in the inner city and the schools located in the outer areas of the urban centres. It seems to me I have observed a great deal of discrimination in the types of facilities available to the children in the inner city compared to those in the outer areas of the city. Although we have moved very extensively with regard to special programs, special funding put in place in many of these schools through the school boards, these apparently are not adequate to resolve the real problems being experienced.

Let me cite a few examples in regard to this matter. The constituency of Edmonton Norwood is one where there is a very high degree of movement of families in and out of the area. These are families of low income or on social assistance. The children are culturally deprived. They need a great deal of counselling. They have many and various handicaps. Although we have put in place special funding to resolve some of these difficulties, the experience is that there just are not sufficient counsellors in these schools. The teacher-pupil ratio is far too high. It is being related to that in the outer areas or in the schools that have newer and grander facilities, and do not experience the kind of traumatic problems that exist within many of the schools, in fact all of the schools, in my constituency.

I think we need to take a more careful look at the programming and whether, in fact, we need to move a little more in directing the school boards, where special funds are made available, to deal more effectively and adequately in overcoming these kinds of problems and removing the kind of discrimination that exists for the pupils in these schools compared to other areas.

I think it is essential to look at the feasibility of altering or adding structures to the existing schools within the inner city, particularly in the area of Edmonton Norwood, to see whether these would resolve the problems, or whether there should be some overall change in the number of schools that provide the basic education. In fact, we do need at least one or two high schools in the area. It is unfair to the families within this area that at great expense they should have to move to send their children to schools quite [far] away from their residences and experience the additional cost, which they can ill afford because of their income levels.

I would like to touch as well on the area of the handicapped. I recall that in my first speech in this Legislature in 1972 I talked about the handicapped and the schools we have in the City of Edmonton -- W.P. Wagner and L.Y. Cairns -- to provide the kind of educational facilities, programs, and assistance to children who have various degrees of handicap, not necessarily mental but slower learning or whatever their problem is. It seems to me that we have not concentrated sufficiently on or looked seriously enough at the schools we have provided specifically for these children, to make certain funding is available to provide the counselling and special type of teacher-instructor necessary in these schools.

With a few exceptions, W.P. Wagner trains young people who will never reach university, will never be capable of coping with the requirements for university entrance or to go on into a profession, and will remain in the unskilled labor force. I think we have not done a sufficient job in that area to see there is the proper training and assistance in placement and follow-up. I find that many students who have graduated from W.P. Wagner have tried to get apprenticeship training so they could get into the kind of work the skill and aptitude tests indicated they were best suited for. We find in too many areas they are not the kind of apprenticeship programs available to them.

I have to be critical of our government in this area. I have brought this to the attention of one or two of the ministers concerned, and I believe they are looking at it. But I think we have to concentrate. We can make policy here, but it seems to me the difficulties are being experienced within the administrative arm in accepting the carrying out of our policies as they are intended, although I have to acknowledge that many of our administrative people are very capable and sincere. But there are too many in areas where obstacles are placed. Service is really lacking for individuals who approach the departments for employment and apprenticeship. I think we must concentrate in resolving that very area. If employees within the administrative arm who are in a position to make some of these decisions, to carry out our policies, are not prepared to accept them, it seems to me they are in the wrong positions. I say, very seriously, we must examine these positions.

I'd like to bring forward another area where perhaps we need to concentrate a little more in resolving the problems of the handicapped, and that is the area of blind and deaf children. I know we are concerned, but I wonder if we have done enough. It must be acknowledged that we have had so much to carry out, so much to do, that it can't all be accomplished. So I am hoping that my remarks will be taken for future consideration, and that we will come with programs and policies that will resolve these problems.

The kinds of problems parents experience have been related to me. Children who are partially blind or hard of hearing require special kinds of glasses or aids. The costs to these parents are insurmountable in many areas. As a result, many of the children suffer permanent damage. We have not provided adequately -- if we have in our policy, we haven't in our administration -- aid and assistance in these areas, to help these families, to assess at an earlier age the difficulties the children are experiencing. Lack of sight or hearing isn't visible to us and can go unnoticed for a long period of time when it ought not to.

I'm not sure we have an adequate facility in the province to cope with children who are blind or partially blind, and to give aid with respect to hearing. I would certainly like very much that we take a very serious look in this area and see whether the policies

we now have need a great deal of upgrading or changes, and that we, in fact, do bring those changes into place at the earliest possible date.

I think it's important that we recognize that every area of our society that has the capability and expertise, and has no financial problem in making itself heard and expressing itself, has done so and, it seems to me, has benefited before those areas that are at this kind of disadvantage. I know we have striven very hard to recognize that we must deal first with those who are less fortunate, and have set our priorities in that way. But I'm not sure we have made an adequate study of all these areas, and that we have put in place the kinds of programs we need.

Mr. Speaker, there are many other matters that perhaps I would like to have touched on. Inasmuch as I was not prepared that we would revert to Motion No. 1 on the Order Paper -- I had about five minutes notice -- I am afraid I will have to leave additional remarks perhaps to another time.

I thank you, Mr. Speaker, for having had this opportunity to bring at least these points of view before this Legislature and to our government.

MR. HYNDMAN: Mr. Speaker, I beg leave to adjourn the debate.

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

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (continued)
(Third Reading)

Bill 18 The Department of Telephones and Utilities Amendment Act, 1975

DR. WARRACK: Mr. Speaker, I move third reading of Bill 18, The Department of Telephones and Utilities Amendment Act, 1975.

[The motion was carried. Bill 18 was read a third time.]

MR. HYNDMAN: Mr. Speaker, I ask unanimous leave of the Assembly at this time to move to second reading of three bills introduced today: The Appropriation Act, 1975, Bill No. 2; The Department of Transportation Act, Bill No. 12; and The Oil Sands Technology and Research Authority Amendment Act, Bill No. 26.

MR. SPEAKER: Having heard the motion by the hon. Government House Leader, is there unanimous consent?

HON. MEMBERS: Agreed.

MR. SPEAKER: The motion is carried.

GOVERNMENT BILLS AND ORDERS (continued)
(Second Reading)

Bill 2 The Appropriation Act, 1975

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 2, The Appropriation Act, 1975.

[The motion was carried. Bill 2 was read a second time.]

Bill 12 The Department of Transportation Act

DR. HORNER: Mr. Speaker, I move second reading of Bill No. 12, The Department of Transportation Act.

Very briefly, as I recounted on my estimates, the reorganization of the Department of Transportation is a consolidation of the former Highways Department with that section of the former Department of Industry and Commerce having to do with transportation policy development and research, and in addition, a transfer from the former Lands and Forests Department of the responsibility to build and maintain forestry roads and airstrips in the province.

I might just very briefly recount, Mr. Speaker, that one of the initial benefits of that consolidation has been in the recent letting of the contract on the Mackenzie Highway, where in addition to doing 21 or 22 miles of road, we added the Footner Lake airport to that particular contract. Our preliminary estimate for the work in building both the airport and that piece of highway was something like \$3.5 million. The accepted tendered price to build the two pieces was \$600,000 less than that. I think that alone is a pretty good reason to try to consolidate and to more effectively use government resources in the building of these two transportation modes, if you like.

We would hope that kind of saving can be carried out throughout the province. It was particularly noticeable in that particular area, where it's sometimes difficult to get good contractors and get enough of them bidding. So when the project was amalgamated, we were very pleased with the result. As I have said, we hope additional programs throughout the province could be done in that manner. Where we have highway construction going on in an area, perhaps that's the time to be doing construction on the smaller airports we have in mind throughout the province.

Very briefly, Mr. Speaker, we would hope to have some announcements for our urban friends in the coming weeks in which we can reach decisions with regard to major policies in the urban areas. That's going to be a major portion of the new department.

As I said on introduction, the bill does contain the legislation with regard to improved safety operation in the province that was in the previous Highways Department act. We would hope, as I've said in the House, to develop over the course of the summer, not by using a great number of people, but rather by trying to correlate and assemble all the material there is around in relation to traffic safety, a position which will be supported by the people of Alberta in a major attempt to reduce accidents on our highways.

Mr. Speaker, I'd be glad to answer any further questions either now or when the bill reaches committee stage.

MR. TAYLOR: Mr. Speaker, I would like to say a few words on the bill. Of course, it was just distributed, and I've only had a chance to browse through it. But I agree generally with the principles involved and initiated in the bill, primarily the policy of combining branches of departments that are doing similar or much the same work.

I think I outlined once before that for years while in government, I had endeavored without success to have the roads section of Lands and Forests moved to the Department of Highways. That has now become a reality, and I am delighted to hear it.

I remember many times of friction between the two departments, generally because of different standards adopted under different ministers, and because one department was charged with building roads and bridges and another was doing much the same in a designated area of forestry roads. This created difficulties on many occasions. On one occasion I remember firing an engineer for incompetence, and I might say gross incompetence. The next thing I hear, he's working for the road department of Lands and Forests, which was pretty earth shaking. That couldn't happen under the combined set-up, and I think that's one excellent thing.

The other point I think even more important, though, is the one mentioned by the hon. minister, getting more out of every public dollar that's spent. Obviously, when you're letting a number of contracts, if you can combine them in an area, you're going to get a better price than having five or six different groups going in, moving equipment, and so on. Maybe one or two could go in and do the job, give a better price to the public, and get more work done.

I'm happy to see airports and railways also brought under the Department of Transportation. At one time, as a matter of fact when I first entered the cabinet, I was given the portfolio of Telephones and Railways. We didn't have any railways, and I remember asking the Premier what I was supposed to do about railways, because I had some pretty strong feelings about some of things the CPR was doing. He said, well, you're not supposed to do anything about railways. Just forget about railways, and look after the telephones.

Eventually the name was taken off, and eventually the government went into the railway business. But it wasn't put under Telephones, and it wasn't put under Highways. The engineers of the Department of Highways brought a number of things to my attention, for instance, that they were building too low a grade in certain areas between Grande Cache and Grande Prairie. They had evidence that water had come up over there, and they came to me with the story, at least the deputy minister did. I took it to the cabinet committee charged, along with the CNR, with building the railway. I was politely told that my engineers were not railway engineers, that they didn't know anything about it, and to just leave that to the CNR engineers.

Well, that's what happened, and everybody knows the rest of the story. A few hundred thousand dollars were wasted, and the public purse was lost. CNR engineers didn't know as much about that country as engineers, not because they weren't trained, but because they didn't have the experience in that country that highway engineers had. We could have saved many thousands of dollars and built a much better grade had we listened to the engineers in the Department of Highways. Again, I'm happy that's going to be under one minister and one department, where there will be discussions by the engineers before this type of thing -- all of the data and information available will be made available whether it's a railway, an airport, or whatever is being built.

Bringing airports into the field of transportation, I think, is an excellent matter too. Again, airports were generally built by Lands and Forests. Mostly they came under the control of the Minister of Lands and Forests. Many times two contracts were let in

one area where one contractor could have done it and saved money, as was done in the case cited by the hon. minister.

Sometimes it takes years to learn these things. But I'm glad we have learned that sections of departments doing similar work should be brought together under one head. It doesn't matter how close the co-operation is between ministers and how good the liaison is between the workmen and professional people in each branch, you still don't get the same co-ordination, the same direction, because no two people think exactly alike. Worst of all, you don't get the best possible value out of every dollar spent. I believe this new department is going to have a new chance of saving money for the people of Alberta and of doing some very excellent public work.

One other section I'd like to mention briefly is urban transportation. I wasn't here to hear the hon. minister's explanation of the estimates the other day, but I have heard that Mr. Leo LeClerc has been appointed assistant deputy minister in charge of urban transportation. I think this is an excellent move. We can say all we like that it's the responsibility of the city, but a few million dollars belonging to the people of Alberta is going into urban transportation, and I think properly so. It's getting to be a big thing, a giant thing. The matter of rapid transit itself, to say nothing about the freeways, arterials, structures, underpasses, and overpasses, all of which are essential to carry modern transportation, I believe makes it mandatory that governments have a close connection, and even some direction, in regard to urban transportation, of course preserving local autonomy to the greatest possible degree.

I don't think there's any reason, when public money belonging to the people of Alberta is going into urban transportation, that a provincial government minister shouldn't have some input into how that money is being spent. This unconditional grant business sounds okay, but I think it can be taken too far. I think the minister who is going to have to answer to the people and the legislature for that money should have -- the way I feel, must have -- some input into how that money is being spent, either by approval or by having engineers on the project, and possibly some other ways as well.

Just one other section in the bill I'd like to mention is the safety branch. It appears that in every province of Canada and in every state in the union, people are dying on our highways and streets. Efforts are being made, and there's a multitude of programs, to try to prevent it. Yet every year we generally find an increase in the number of people dying and being crippled on our highways and streets. I realize how difficult a problem this is. You have thousands of drivers. It only takes one driver to make a mistake that can kill several people. It's no easy thing, for those who think it's an easy matter, to try to weed out every driver.

I made a check one year of the deaths on the highway to find out how many of those drivers should not have had a licence. I found that three-quarters of them had never had an accident that year. The person allegedly responsible for that accident had never had an accident before, and was generally a good driver. In many cases, alcohol was a factor. He became impaired and consequently thought he was a better driver, but became a worse driver and a hazard on the highway. Others, through a lapse, maybe being too tired, suddenly had an accident. Look at the single-vehicle accidents in which people are killed on good roads, and you find some of the answers. You almost have to control every individual if you're going to prevent this type of thing.

I think education is an important thing. I hope the safety branch will expand education to the degree where safety practices when we're driving our car, when we're walking, become as habitual as brushing our teeth in the morning, and we won't lapse into a brown study when we're at the wheel of a lethal weapon. The construction of roads and so on, the elimination of hazards, is important but not completely important.

I remember going through the streets of old Quebec with the late hon. Mr. Talbot, who was the minister. In the old part of Quebec they break every rule in the book as far as building roads is concerned. They put curves on hills, they are way too narrow, they have no sight vision when you come over the hill. Every rule is broken. I said to Mr. Talbot, you must kill an awful lot of people on these roads. He said, the strange thing is that our death rate on these roads in old Quebec is far less than on our modern highways -- and this was several years ago, the week before he opened a six-lane divided highway out of Montreal. He said, almost every day since then there's been at least one person killed on that highway constructed with all the modern techniques.

So while the construction of roads is important -- I don't underestimate that -- it's still very important to get to the driver, and to get each driver educated. You never know which one of us, if we're not making safety habitual, may suddenly lapse into a brown study and kill somebody.

I remember speaking to one of the engineers of the Department of Highways one time about driving safely. I was leery when I was driving with him. He said, well, it's strange you should mention that, because the other day I drove in Calgary. I went through eight sets of lights. I went back and counted them afterwards. He said, I just couldn't remember going through one set of lights. I was trying to solve an equation in my mind, and I suppose the lights were green or else I would have probably stopped. But, he said, I suddenly became frightened. What might I have done when I couldn't even remember going through eight sets of lights in a busy place like Calgary?

The safety branch has its work cut out for it. The hon. minister certainly has a challenging job too. By co-operation, I don't think we should all leave this to the minister or the department. Safety is everybody's business. If safety doesn't become part and parcel of every one of our lives in our driving and walking, we're not going to make a substantial decrease in this death rate on our highways and streets. But by co-

operation under good policies, under people who have the know-how in the safety branch, I think we can substantially reduce the massacre taking place on our highways and streets.

I support this bill, and I look forward to the Department of Transportation doing some excellent work in this province with regard to highway and bridge construction, railway and airport construction, and more than anything, reducing the loss of life on our highways and streets.

DR. BUCK: Mr. Speaker, I too support the principle of the bill. I do want to make one or two comments. I'm pleased to see the minister in charge of this department in that position. Because when the minister wields that big axe, he does make things happen. But at the same time, Mr. Speaker, I hearken back to the days of the bush pilots, which will take me on to my next subject. Sometimes the minister does fly that department by the seat of his pants like the old bush pilots used to do. I don't show any great envy for some of the assistant ministers and heads of departments, because they'll have some problems trying to keep up with the minister.

But to get to the question I want to ask the hon. minister, Mr. Speaker, does the department have an overall plan as to how they're going to locate airstrips in the province? Or are they just using the old system of the former Minister of Highways? When he replaced the ferries he just said, if there's a ferry, there's going to be a bridge there eventually. It worked out in 98 per cent of the cases, but there's the odd case where sometimes the bridges weren't exactly in a strategic position. I would like to know from the minister if there is some type of grid program for airstrips, if there's an overall plan. I'm sure somebody smarter than I has thought of this already, but I would certainly like to know from the minister.

The second point I would like to bring to the attention of the minister -- I know this has been mentioned -- is that because we are growing rapidly in our major cities, because there are many provincial funds involved in ring roads, and rapid transit, I certainly commend the thought to the minister that there must be more co-ordination between provincial governments and municipal governments. We just can't go our separate ways as we have been, saying to the major cities, here is X number of dollars you can use over the years to come. There has to be co-ordination, for the sake of land use, for the sake of economy, and for the sake of serving the people.

So, Mr. Speaker, with those few words, I believe the direction we're going in is excellent. I'm glad to see the departments have been brought together. The principle is right. I even agree with the appointment of the minister to this position. So, Mr. Speaker, I certainly support the principle of the bill.

MR. SPEAKER: May the hon. Member for Stony Plain revert to Introduction of Visitors?

HON. MEMBERS: Agreed.

INTRODUCTION OF VISITORS (reversion)

MR. PURDY: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce a group of students from Spruce Grove. They are accompanied by their teachers, Miss Bailey, Mrs. Iazzarotte, and Mrs. McLellan. Mrs. McLellan was a former guide in the House here. I would ask the students to rise and be recognized by the Assembly.

GOVERNMENT BILLS AND CARRIERS (continued) (Second Reading)

Bill 12 The Department of Transportation Act (continued)

MR. SPEAKER: May the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

DR. HORNER: Mr. Speaker, very briefly, if I could respond first to the hon. Member for Clover Bar with regard to the question of airport planning. One of the objectives in the consolidation under the Department of Transportation was to get a better handle on the question of airport planning, because this, of course, has to go along with the planning of third-level carrier service in the province.

Indeed, we intend to use our elected people in a special committee overseeing the question of where we build airports and the kind of airports we build. We would hope that later in the year we can have some sort of projection as to where we see ourselves going in relation to the various categories of airports in this province, though I can say to

him immediately there is going to be some planning. There will be guidelines set out, and criteria, that kind of thing, so it will be done on a useful basis.

As I said earlier, with regard to urban transportation, Mr. Speaker, we would hope to have some announcements in the near future, in relation to the very things the hon. member talked about: co-ordination between the province and the other elected governments in the province in relation to their transportation problem. We'll move into that area as quickly as possible.

I would want to say to the hon. Member for Drumheller that I appreciate his remarks very much. As a new minister, in a difficult portfolio, I will be seeking his co-operation, indeed guidance, on occasion, in relation to trying to get the best value for our dollar in trying to provide some of the transportation resources to the people of Alberta. I do appreciate his comments in regard to the department generally.

I would like to re-emphasize what he concluded on, that safety surely is the responsibility of all of us as individuals. No government is ever going to be able to legislate completely the safety of our highways. So it has to become part and parcel of our way of life, our training of our children, and indeed, our attitude towards the use of the public highways. I endorse his remarks very strongly because there is a feeling I sometimes have had over the past six weeks that if only big daddy government would legislate something, we're going to stop some of the carnage on the highways. That may be partly true, I'm not sure. But I'm absolutely sure it has to be an individual approach, an attitude toward safety that's going to be the overriding thing before we're really going to make a major impact.

So, Mr. Speaker, before concluding, may I say this to all hon. members in both parts of the House. We've instructed our district engineers to become transportation engineers. We've instructed them to work with the local elected MLAs of whatever party to develop the transportation priorities in their communities. I'm sure my honorable friend from Drumheller will appreciate this after his explanation of what happened on the ARR -- for his information, I've already asked the bridge and other engineers in the department to form themselves into a group to go and supervise some of the engineering going on there now. I agree with him. They know more about the conditions engineeringwise in that particular area of the province than anybody else. We intend to use them as transportation engineers. Not being an engineer, and being a lay person in that field, perhaps I can get away with the statement that I don't think there's very much difference in engineering a road, a railroad, or an airport. That might be a little bit naive, but I think it's pretty near the truth.

So we've asked our engineers in all areas of the province to become transportation-oriented. I want them to know, to be able to tell me, about rail line abandonment in their area. I want them to tell me about the bus service in their area. I want them to tell me what they think about some of the transportation problems. I've asked them specifically to work with each elected MLA in the area, in dealing with the priorities of that particular MLA and his area and, of course, the municipal governments in the area as well. Using that approach, I think perhaps we can, and hope to, do the job in Alberta of providing better transportation service.

[The motion was carried. Bill 12 was read a second time.]

Bill 26 The Oil Sands Technology and Research Authority Amendment Act, 1975

MR. GETTY: Mr. Speaker, I wish to move second reading of Bill No. 26, The Oil Sands Technology and Research Authority Amendment Act, 1975.

The simple and basic purpose of this amendment, Mr. Speaker, is to extend the scope of the Oil Sands Technology and Research Authority to research into the production of heavy oil in addition to what we commonly refer to as oil sands production.

I think, Mr. Speaker, most members are familiar with the attention and efforts that are now being paid to maintaining self-sufficiency in oil for Canada and that there will be tremendous expenditures over the coming years with which to find new sources of oil and gas reserves. It will be done in Alberta, offshore in the North Sea, in the Arctic, and of course in our own oil sands.

Mr. Speaker, surely we should be directing our attention as well to increasing recovery of oil that we already know is there. One dramatic spot where perhaps we can make a breakthrough is in the heavy oil field. With the particular production problems they face, in many cases we produce roughly 5 per cent of the oil and leave 95 per cent of it in place. So, Mr. Speaker, it is really in a sense an untapped source. Many of the production problems they face and much of the technology may be like that which can be used in the production of oil from the oil sands. Therefore, it seems wise -- and I certainly recommend endorsement of the principle of this bill -- that the Oil Sands Technology and Research Authority also direct their attention and assistance to additional research in the production of heavy oil.

MR. MILLER: Mr. Speaker, I would just like to make a few comments in regard to this bill, which is very welcome to the people of my constituency. I commend the minister for bringing it forward.

In my opinion, heavy oil is one of the sleeping giants we have here in Alberta. It is labor-intensive and needs a lot of service people. The heavy oil differs from the light

oil in these respects. It needs this to have this increased recovery. As the minister said, presently we have 4 or 5 per cent initial recovery. By using fire-flooding or steam-flooding we can increase that to 30 to 35 per cent. With this bill, we may be able to double even that and get our recovery up to 60 or 70 per cent. This is a target for which I hope we would be aiming.

I think the challenge is here now. As the minister said, we need these sources of energy. We have the outlines of the fields in many areas. The overburden in the Cold Lake area amounts to 1,300 or 1,400 feet. In the Lloydminster area the overburden is 1,800 to 2,000 feet. The cost of drilling is not that great, but the cost of recovery -- getting the oil out of the ground -- is the important aspect.

I think we should be paying special attention as well to the bottom third of the barrel. The top two-thirds is readily marketable. The bottom third is a heavy deposit and it needs increased upgrading. There is a use for this; it's a case of our going out and finding a use for it. Particularly, we might be able to use this for power generation or some other need.

This is an important resource, and I'm very glad the minister brought this bill forward. I would ask the support of the Legislature.

[The motion was carried. Bill No. 26 was read a second time.]

DR. HORNER: Mr. Speaker, I move you do now leave the Chair and the House resolve itself into Committee of the Whole to discuss Bill No. 2.

[The motion was carried.]

[Mr. Speaker left the Chair.]

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COMMITTEE OF THE WHOLE

[Dr. McCrimmon in the Chair]

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

Bill 2 The Appropriation Act, 1975

[The title and preamble were agreed to.]

MR. LEITCH: Mr. Chairman, I move that Bill No. 2, The Appropriation Act, 1975, be reported.

[The motion was carried.]

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

[Dr. McCrimmon left the Chair.]

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[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bill No. 2, begs to report same, and asks leave to sit again.

MR. SPEAKER: Having heard the report and the request to sit again, do you all agree?

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, in the few minutes remaining I'd like to ask leave of the Assembly to move to third reading of Bill No. 2, The Appropriation Act, and third reading of Bill No. 20, The Workers' Compensation Amendment Act, which was lacked up earlier in the day. I'd like to ask for leave pursuant to Rule 69.

MR. SPEAKER: May the hon. Government House Leader have the unanimous leave requested?

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (continued)
(Third Reading)

[It was moved by the members indicated that the following bills be read a third time, and the motions were carried.]

No.	Name	Moved by
2	The Appropriation Act, 1975	Leitch
20	The Workers' Compensation Amendment Act, 1975	Crawford

MR. HYNDMAN: Mr. Speaker, I move that we call it 1 o'clock.

HON. MEMBERS: Agreed.

MR. SPEAKER: Assuming the motion by the hon. Government House Leader to have been carried, the Assembly stands adjourned until Monday afternoon at 2:30 o'clock.

[The House rose at 12:58 p.m.]

