

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, March 11, 1976 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

Bill 219**An Act to Amend The School Act**

MR. PURDY: Mr. Speaker, I beg leave to introduce Bill No. 219, An Act to Amend The School Act. The amendment to The School Act would allow band councils on Indian reserves to nominate a school trustee if 10 per cent of their pupil enrolment is in a jurisdiction outside the reserve.

[Leave granted; Bill 219 introduced and read a first time]

head: **INTRODUCTION OF VISITORS**

MR. CHAMBERS: Mr. Speaker, I would like to introduce to you, and on your behalf to the members of the Assembly, two classes of Grade 6 students from the Kensington Elementary School located in Edmonton Calder. During the past while, they have been studying the parliamentary system. They are a very well-informed group of young people, as I found when I visited them yesterday. They are accompanied by their teachers, Miss De Mello and Miss Anderson. They are seated in the members gallery. I'd ask that they stand and be recognized by the members.

head: **TABLING RETURNS AND REPORTS**

MR. FARRAN: Mr. Speaker, I'd like to table the *Annual Report* of the Alberta Liquor Control Board.

head: **ORAL QUESTION PERIOD**

Provincial Treasurer's Statement

MR. CLARK: Mr. Speaker, I'd like to direct my first question to the Provincial Treasurer. The question is a result of the nine-month financial statement that the Provincial Treasurer released yesterday.

Could the Provincial Treasurer confirm that the provincial rate of spending has increased at a rate of approximately 33 per cent in the first nine months of this year?

MR. LEITCH: Mr. Speaker, I haven't calculated the rate of increase. If there isn't enough information available for the hon. leader to do that, I'll be happy to do it and supply him with that figure at a later date.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is the minister in a position to indicate to the Assembly the rate of increase in government spending in the first nine months of this year over last year?

MR. LEITCH: Again, Mr. Speaker, that's not a figure that I have in my head. As I say, if the information is not available on which the hon. leader can make his own calculations, I'll do it and present the figure to him.

MR. CLARK: Mr. Speaker, a further supplementary to the minister. Would the minister happen to have in his head a figure which could approximate the gross increase in revenue for this year over last year?

MR. NOTLEY: Less than the expenditures.

MR. LEITCH: No, Mr. Speaker. Again, that's a figure from the statement I'd want to check. I believe that information is public and available to the hon. Leader of the Opposition.

DR. BUCK: Right on, Merv.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. In light of the minister's generous offer to check and come back with the information, would the minister be prepared to do that? Also, might I ask the minister if it's still the government's intention to have \$1.5 billion in the heritage fund area at the end of March 31 this year?

MR. LEITCH: Mr. Speaker, when the question is: is it the government's intention to have that figure available at the end of March, I'm not sure whether I'm being asked about the wording in the legislation when it comes back to the House. The answer to that would be, yes, I would anticipate that figure to be \$1.5 billion.

Mr. Speaker, as we've earlier indicated the calculation is the receipts from the export tax and the incremental oil revenue from the time that additional royalty was imposed until the end of the current fiscal year. The estimated totals from those two sources would be within a few million dollars of the \$1.5 billion.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Will the 11 per cent guideline on the 1976-77 fiscal budget be based on the 1975-76 budget estimates presented in this House in February 1975, or on the actual expenditures for this year, which estimate a \$75 to \$100 million deficit?

MR. LEITCH: Mr. Speaker, I expect to give an expanded answer to that question about a week or so from now. I hope the member will be here when I do.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Premier. What assurance have this Assembly and the people of Alberta that the funds in the

heritage trust fund, which we're proposing, will not be used to cover deficits and supplementary estimates in the day to day operations of the government?

MR. LOUGHEED: Mr. Speaker, I think it's a very important point, and I would welcome discussing it in the Legislature when the legislation is before the House.

MR. NOTLEY: A supplementary question to the hon. Provincial Treasurer. In the light of the minister's forecast of a \$75 to \$100 million deficit for this year, does that include the transfer of the additional funds that will make up the \$1.5 billion to be transferred to the heritage trust fund?

MR. LEITCH: Well, as I interpret that question, Mr. Speaker, there seems to be some confusion in the questioner's mind. The deficit we're talking about is on budgetary accounts for the current fiscal year. I'm not sure how that ties into his question.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In order to reach the transfer, I believe right now we're looking at about \$1.1 billion. We have about another \$350 million to reach the \$1.5 billion figure.

Will it be necessary to deficit finance beyond the \$75 to \$100 million forecast to reach that objective?

MR. LEITCH: Well, Mr. Speaker, again there seems to me to be some confusion in the hon. member's mind. If he's talking about a deficit on current budgetary operations, the question of the province's total asset picture is a much different one. As I've indicated, the province — and I'm going from memory on these figures and would like to check them to make sure they are accurate — would have total assets of about \$2.3 billion by the end of the current fiscal year. Offsetting that would be debt by way of borrowings, funded debt and so on, of about \$5 billion. So the net assets of the province at the end of the fiscal year would be approximately \$1.8 billion, and a transfer out of that of \$1.5 billion would still leave net assets in the general revenue of about \$3 billion.

MR. SPEAKER: Might this be the last supplementary on this topic. It's true that these matters are not on the Order Paper, but the House well knows that there will be opportunities on a later occasion to go much more fully into all the points which have been dealt with so far.

MR. NOTLEY: Mr. Speaker, then one final supplementary question to the hon. minister on this topic. Has the government secured any projections as to the estimated deficit in order to reach the 30 per cent transfer of natural resource revenue which is set out in the bill — at least, it was introduced in the House last fall — or is the government considering any changes in the 30 per cent of natural resource revenue being transferred to the heritage trust fund?

MR. LEITCH: Mr. Speaker, the 30 per cent to which the question refers deals with revenues in the upcoming fiscal year, and as I indicated earlier, that's

a matter that will be discussed at somewhat greater length in a few days' time.

ADC Loans

MR. CLARK: Mr. Speaker, I'd like to direct my second question to the Minister of Agriculture. The question flows from the Ombudsman's report, which was tabled in the House yesterday, and that portion of the report which talks about individuals being able to borrow large sums of money from the ADC without any reasonable hope of repayment.

In light of those statements in the Ombudsman's report, I'd like to ask: is it the intention of the minister to have an investigation into these areas?

MR. MOORE: Mr. Speaker, all of those areas which were mentioned in the Ombudsman's report, with regard to the Ag. Development Corporation and the Department of Agriculture, have been subjects of review during the course of the last several months. Insofar as I'm concerned, the problem of delays in applications to the Ag. Development Corporation being approved or not, in addition to the possible occasional problem of individuals borrowing more than they might hope to repay, has indeed been rectified.

MR. CLARK: Mr. Speaker, a supplementary question to the minister, on the specific question of individuals being able to acquire more money than they're able to repay. Specifically, what steps has the minister directed the ADC to take?

MR. MOORE: Mr. Speaker, I'm not sure that the question period would allow a full answer to that, but, as the hon. member would know, we have a limitation of \$150,000 on direct farm loans. It varies, of course, with the kind of operation the individual is going into. That limitation is a top figure that's followed as a general guideline. Indeed, there are many operations where the board of directors and the management of the corporation may set the top lending figure below that if they consider the repayment ability of the particular individual or enterprise is not such that they can repay those amounts.

Mr. Speaker, I think it has to be said that it's a matter of judgment by the people we hire within the corporation, and the board of directors; in whom I have full confidence in making those decisions, to decide when and if an operation and an individual attached to that operation can make repayment on a particular loan over a 10-, 20-, or 30-year period.

MR. CLARK: Mr. Speaker, I'd like to ask the minister a further supplementary question in light of his comment on the maximum of \$150,000. Was this \$150,000 maximum implemented after the Ombudsman drew this matter to the attention of the minister?

MR. MOORE: No, Mr. Speaker, that's been a general rule with regard to direct farm loans, as far as I know, since the corporation came into existence.

MR. CLARK: Mr. Speaker, one further supplementary question to the minister, so there's no misunderstand-

tanding. The limit of \$150,000 that the minister talked about has no bearing on the comments made by the Ombudsman?

Mr. Speaker, to rephrase the question then, and perhaps to preface it by this comment: I asked the minister if he would outline specifically what steps had been taken since these matters were raised with the Ombudsman. The minister talked in terms of the \$150,000 limit.

So I asked: was the \$150,000 limit imposed after the Ombudsman brought this matter to the attention of the minister? Have any other steps been taken?

MR. MOORE: No, indeed. As I indicated earlier, that particular limit was there previously. The hon. Leader of the Opposition, Mr. Speaker, is quite correct in saying the limit doesn't have any particular reference, perhaps, to people who are not even able to repay that amount through their management or operations. Mr. Speaker, what I can say is that the expertise in the Ag. Development Corporation among the management, the field staff, and the board of directors is such today that I'm confident the incidence of people borrowing more than they can normally repay will be very limited in the future.

Mr. Speaker, I should say however that in agriculture, as the hon. Leader of the Opposition would know, we're not always able to predict what the incomes of farmers will be a few years down the road. For example, in the beef and dairy industries and other areas, we weren't aware a year ago that the Government of Canada would reduce the subsidy payments to industrial milk producers from 100 per cent to 60 per cent. We weren't aware that the Government of Australia would be moving beef at a subsidized price into Canada over the last two years. So there are a number of factors that don't allow us to be absolutely sure that the individual will always have the ability to repay every loan we make. Bear in mind as well, Mr. Speaker, that the ADC is a lending institution of last resort.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. The question comes from the Ombudsman's report once again. It comes from that portion of the report which deals with the problem of a more than reasonable amount of time in getting answers from the corporation.

My question to the minister: in light of the fact the minister indicated these matters had been discussed with the Ombudsman, what steps has the minister or the corporation taken during the last period of time to speed up this area of the corporation's operations?

MR. MOORE: Mr. Speaker, the hon. Leader of the Opposition should recall that in debate last year, as well as in Public Accounts, I indicated to the Legislature that arrangements had been made with the field staff and the headquarters staff of the Ag. Development Corporation to ensure that a loan application received in Camrose would have an answer within 10 working days approving that loan, rejecting it, or asking for more information. I'm happy the staff has been able to meet that kind of direction. Over the last several months, my office has received almost no complaints with regard to delays in loan applications.

DR. BUCK: Mr. Speaker, a supplementary to the minister. Has there been a change in policy as a directive from the minister to the district agriculturists giving them the power to decide if an application should go to Camrose?

I've had many complaints that the D.A.s have told farmers, no, your application has no chance of succeeding, take it back. Have the D.A.s been advised that this is a new direction? Do they have that power?

MR. MOORE: Mr. Speaker, first of all, we've moved almost totally throughout the province to having loan officers attached to the Agricultural Development Corporation making the judgment decisions with respect to loans that are submitted or not, and assisting farmers in filling out those loan application forms. There are some occasions yet where D.A.s are involved. Generally speaking, the role of D.A.s is in extension work today.

However, with regard to the loan officers, we asked them — as I think we properly should — not to send applications to Camrose that in their opinion might well be turned down. In other words there is a judgment decision in the field, wherein a loan officer will say to an individual who is applying for a loan, in my view, your application is not one which would find the support of the corporation's management or board of directors in Camrose. On the other hand, I've said as a matter of general principle it is the right of any individual who makes an application for a loan, whether or not the field staff think it will be approved, to insist that it be forwarded to Camrose and reviewed by the management of the corporation and perhaps the board of directors there.

MR. SPEAKER: Might this be the final supplementary on this topic.

DR. BUCK: On a point of clarification to the hon. minister, Mr. Speaker. Is the loan officer and the district agriculturist one and the same in some areas?

MR. MOORE: Mr. Speaker, with 62 D.A.s throughout the province and about half that many loan officers, I'd have to check to make sure. I do know that in some areas we still have district agriculturists handling the lending program. Generally, the move has been toward providing loan officers in at least every second D.A. district, so that the district agriculturists might be relieved of most of the work they had done previously in submitting loan applications to Camrose.

Interest Rates

MR. TAYLOR: Mr. Speaker, my question is to the hon. Provincial Treasurer. A very short explanation is necessary first. The Bank of Canada recently increased the lending rate to chartered banks from 9 per cent to 9.5 per cent, and it is expected that this increase will be reflected by the banks in each province.

What will the general effect of this interest hike be on employment and business activity in Alberta?

MR. SPEAKER: With great respect to the hon. member, this is the sort of general market information which I think we shouldn't be dealing with in the question period. It's the sort of thing you might find in the market reports in the business section of a newspaper. I would seriously question whether — unless there happens to be specific information on hand, very specific information in a department — it's within the functions or duties of the minister to provide that kind of service, that kind of market report, which in many cases is a matter of opinion.

MR. TAYLOR: May I give the question in a different way? Is this increase in interest having an adverse effect on employment in Alberta?

MR. SPEAKER: If the minister wishes to take his courage in his hand and express an opinion of that kind, perhaps we might deal with it briefly; although, really, it is a similar type of question to the one I referred to previously.

MR. LEITCH: Mr. Speaker, I'm not sure I'd feel wholly safe about giving any predictions of that nature, but I can say that it is generally accepted that an increase in the cost of borrowing money tends to have a downward effect on business activity.

MR. TAYLOR: One further supplementary then, Mr. Speaker. Is the treasury branch following the lead of the other banks in increasing its interest rates?

MR. LEITCH: Mr. Speaker, I couldn't answer that without first checking with the treasury branches, but again generally their interest rates follow very closely those of the chartered banks.

Defence Research Establishment — Suffield

MR. HORSMAN: Mr. Speaker, my question is for the Minister of Federal and Intergovernmental Affairs. In view of the continued uncertainty and concern being expressed in Medicine Hat and southeastern Alberta by Defence Research Establishment employees, I wonder if the minister can advise the House whether he has any further information respecting any change in the decision of the Government of Canada to close the Defence Research Establishment at Suffield, and thereby move many Alberta families away from this province?

MR. HYNDMAN: Mr. Speaker, some months ago, the federal Minister of National Defence, Mr. Richardson, announced that it was the federal government's policy to move the Defence Research Establishment to Winnipeg. By reason of effective representations of the Member for Medicine Hat-Redcliff, this government made representations to the federal government, at a number of levels, suggesting that they should reconsider or modify that intended position. We have seen no movement in that area over the course of the last few months. Matters are virtually at a standstill, but I can assure the Assembly that we will continue, where appropriate, to make representations to Mr. Richardson to try to get him to modify or change his position, bearing in mind the

very substantial contribution to Alberta of the employees of that establishment and their families.

MR. HORSMAN: A supplementary question, Mr. Speaker. I wonder if there are any further plans by the minister to carry on further discussions on the possible transfer of the research facilities to the Government of Alberta, in the event that the Government of Canada does proceed with the final closure of the establishment?

MR. HYNDMAN: Mr. Speaker, we'd certainly like to explore that. In fact, we have been following that up as a possible alternative. One of the problems we faced is that so far the federal government has not been able to give us any kind of reasonable access to the establishment in order that we might assess in what way all or part of it could be used as part of the Government of Alberta operations, perhaps in environmental research.

But we'll continue to follow that up, because we believe that if the move to Winnipeg does take place there may well be a place for the very substantial scientific capability of that establishment in Alberta.

Rent Regulation

MR. GHITTER: Mr. Speaker, my question is to the hon. Minister of Consumer and Corporate Affairs. I'm wondering if the minister would advise the House whether or not there have been any alleged landlord violations of The Temporary Rent Regulation Measures Act; and if so, whether or not charges have been laid against any of these landlords.

MR. HARLE: Mr. Speaker, we have received a number of complaints. A number are under investigation. Some have been referred to the officials in the Department of the Attorney General, and charges will in fact be laid if circumstances are suitable.

MR. GHITTER: Supplementary, Mr. Speaker. I'm wondering if it's the intention of the minister to cause amendments to the act to ensure that the large number of eviction notices presently being utilized by landlords would come under the ambit of this act.

MR. HARLE: Mr. Speaker, I think I could respond in this way. We are monitoring the situation. If it is determined that changes are needed in the legislation, they will be presented in due course.

MR. GHITTER: Further supplementary, Mr. Speaker. I'm wondering if the hon. minister could advise whether or not there have been any applications for increases above the permitted increases referred to in the act over and above the 10 per cent; and if so, whether or not any of these applications have been allowed by rent regulation officers in either Edmonton or Calgary?

MR. HARLE: Mr. Speaker, I will have to check for the statistics with the chairman of The Temporary Rent Regulation Measures Act. The situation at the moment is that we are handling as much as possible, and we simply have not been able to get statistical

information. I'm not even certain at this stage that any actual decisions have been rendered.

MR. GHITTER: Final supplementary, Mr. Speaker, to the hon. minister. Would the minister also inquire whether or not it is in fact the policy of rent regulation officers in Calgary not to allow any increases requested by applicants under the act?

MR. HARLE: Mr. Speaker, I'd have to ask the hon. member to expand on that particular question.

MR. GHITTER: Well, Mr. Speaker, I'd be happy to discuss the matter with the hon. minister after this session rather than in the question period.

DR. BUCK: Supplementary to the hon. minister. Is there any protective mechanism in your department for the tenant a landlord wants to have removed for one reason or another, and he just picks a very picayune reason for giving notice? Is there any way that the tenant can be protected against that type of landlord?

MR. HARLE: Well, Mr. Speaker, in the legislation we did provide some protection at the stage where an application was made by a landlord to get an order for possession. George McClellan particularly is looking at all the situations that are brought to his attention. We're making tenants aware of their rights, and so far there have not been any applications in court for possession that we are aware of.

DR. PAPROSKI: Mr. Speaker, a supplementary on that particular item, if I may. When a tenant indicates an issue of increased rent over and above the guidelines to the rental review board — and this may be approved or not — does the landlord get the name of that tenant?

MR. HARLE: Mr. Speaker, it depends on the situation. If it is felt that the name should be kept confidential because of the necessity of getting the facts, then that name is kept confidential. However, if it is an application for an increase and the tenant wishes to make a statement with regard to that increase then, of course, that is brought to the attention of the landlord.

DR. PAPROSKI: Mr. Speaker, on that same topic, if I may. Is the minister aware that on the application form to gather information, it states that that information and the name of the tenant will, in fact, go to the landlord for his information?

MR. HARLE: The only time that a name would be kept confidential would be in a situation where an investigation is being carried out.

MR. R. SPEAKER: Supplementary to the minister. Has the minister or any personnel within his department given a directive to the rent review officers that any requested increases in rent over and above 10 per cent are to be turned down automatically?

MR. HARLE: No.

Retail Food Business

MR. NOTLEY: Mr. Speaker, I'd also like to direct this question to the hon. Minister of Consumer and Corporate Affairs. A short explanation is necessary. I am referring to the last submission of the late Food Prices Review Board, dealing with concentrated power among food chains in Canada.

My question, Mr. Speaker, to the hon. minister is: has the department reviewed this report, and does it share the general conclusion that unnecessary concentration of power in the retail food business is adding approximately 4 per cent to the consumers' bill across the country, and substantially higher than that in the prairie region?

MR. HARLE: Mr. Speaker, the Mallen report itself has been reviewed by myself and the research people in the department. I think it's important to realize that that particular study was one which was done suggesting further investigation. Therefore, I don't think that it's suitable for me to accept the recommendations or conclusions reached in the report. In fact, Mrs. Beryl Plumtre made it quite clear that the conclusions reached needed further investigation and study. The Mallen report was published purely because of a need to release the final material in the hands of the Food Prices Review Board.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In view of the comment with respect to further investigation and study, is it the intention of the Alberta government to pursue this matter with specified studies on concentrated power in the retail food business, at least as it applies to the province of Alberta?

MR. HARLE: Mr. Speaker, this matter is a concern to the government. I am presently having the department prepare some suggested studies along that line.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Is it the view of the Alberta government that there is adequate competition in the retail food business in the province of Alberta, but particularly as it relates to the two major cities?

MR. SPEAKER: It is clearly a matter of opinion on which we could have a very long debate.

MR. NOTLEY: Mr. Speaker, perhaps I could rephrase that question and ask the hon. minister whether the government has any statistics or information concerning the adequacy or otherwise of competition in the retail food markets in Edmonton and Calgary?

MR. HARLE: Well, Mr. Speaker, that question is a rather large one. I'm sure that within the department there is a fair amount of material. But I think the problem is to get down to specifics. As I say, we are looking at the recommendation in the Mallen report, and seeing whether we can design some studies which will give us the necessary information.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. A word of explanation is necessary for this question. One of the points

brought out in the report, the minister will recall, is the concern that barriers to smaller firms getting into larger shopping centres represent a problem and increase ultimate costs to the consumers.

My question, Mr. Speaker, to the hon. minister is: is the Government of Alberta specifically considering this question, and does it anticipate any legislative action that might be taken to deal with it?

MR. HARLE: Well, Mr. Speaker, I'm sure that the hon. member is aware that there is a court order already in existence in the cities of Edmonton and Calgary, as it relates to one firm in the market place. That order, of course, has an expiry date. We will be monitoring the situation as the expiry dates in the order occur.

MR. NOTLEY: Mr. Speaker, one final supplementary question to the hon. minister. That court order does have an expiry date, but the larger question involved is: is the government at this time giving any consideration to undertaking perhaps some legislative follow-up to the recommendation contained in this report, to ensure the opportunity for smaller firms to set up in the retail grocery business in large shopping centres?

MR. HARLE: Not specifically, Mr. Speaker. The legislation, The Combines Investigation Act, has been used in the situation to obtain the order which presently exists. In view of the fact that that investigation was very effective and produced that order, I would see little need to go further at this time.

Rural Telephones

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Utilities and Telephones. What is AGT's policy in regard to reinstallation of telephones on individual line service in the rural areas?

DR. WARRACK: Mr. Speaker, if I heard the question correctly, it was on reinstituting service. I take it that this would be the situation where private line service had been provided, then someone moved and the succeeding person in that location wants the same service. I'm afraid, Mr. Speaker, that I'll have to check on that. I don't know the answer offhand.

Fort Saskatchewan Correctional Institute

DR. PAPROSKI: Mr. Speaker, a question to the hon. Solicitor General, regarding the Fort Saskatchewan Royal Hilton — Mr. Speaker, I mean the Fort Saskatchewan jail. Would the minister confirm that 21 rooms being renovated and/or built for the inmates of the Fort Saskatchewan jail will indeed have wall-to-wall top-rate carpet and mahogany doors? If the answer is yes, Mr. Speaker, how can he justify such an expenditure in this time of restraint?

MR. SPEAKER: The question period is really not an appropriate time to justify anything, only to get information. The hon. member's question is so

specific that really it looks like an Order Paper question.

DR. BUCK: Everybody in Fort Saskatchewan knows the answer to that.

MR. SPEAKER: If by chance the minister happens to have that specific information, perhaps he might give it briefly.

DR. PAPROSKI: Thank you, Mr. Speaker.

MR. FARRAN: Well, Mr. Speaker, the Fort Saskatchewan Correctional Institute falls far short of the Royal Hilton. Even though it will be improved when the renovations are finished, I think the members will agree. I'd be happy to arrange for a tour of the facilities by any members.

My information is that broadloom has been included in the furnishings of the dormitory area of the minimum security system for women prisoners. The costs were no greater than for tile. The rationale is this — and I understand it was aired on a radio program recently — for understandable reasons, tension runs high in prisons. Bright surroundings relieve tension. This particular area is one of maximum privilege and minimum security, after careful classification. Many of these women are charged with comparatively minor offences. They haven't been tried as to whether they are innocent or guilty.

Mr. Speaker, maybe I could add that generally speaking women prisoners make the most of their surroundings in prison, and are much quicker than men to decorate their cells and so on. Women prisoners are usually less troublesome than men. This might be interesting.

When I first visited the women's quarters in the Calgary Remand Centre, I found 12 women in a poorly lighted gang cell without enough light to read, no radio, no decent toilet facilities. I arranged for them to have better accommodation, nail varnish, cosmetics, the occasional hairdo . . .

MR. SPEAKER: Order please. Possibly we've come a long way from the carpet which was originally . . .

MR. FARRAN: I'll conclude then, Mr. Speaker.

Anyway, the improvement in morale was immediate. We would not recommend such things as broadloom for maximum or medium security units, as has been done in some jurisdictions in the United States. The privileges in prison are graduated according to the progress and attitude of the inmate. Corporal punishment, even solitary confinement — which is now limited to fairly short duration — have gone. The only remaining method of maintaining discipline is the incentive of graduated privilege.

DR. PAPROSKI: Mr. Speaker, a supplementary on that topic. Having accepted that rehabilitative answer, doesn't the minister consider this discrimination, in view of the fact that the females get this privilege? If we must spend that money, why not have 10 rooms with wall-to-wall carpeting for the men and 10 for the women?

MR. SPEAKER: Order please. The hon. member is clearly inviting a further expression of opinion. Per-

haps that could be done by means of a resolution on the Order Paper.

DR. BUCK: Mr. Speaker, a supplementary to the hon. minister. In this same female section of Fort Saskatchewan Correctional Institute, are the metal doors being replaced by wooden doors?

MR. FARRAN: In any of the regular maximum or minimum security cells, obviously steel doors are used. Within the dormitory it is possible that there might be a mahogany door. This is the minimum security area, highest privilege in the institution. I think you should remember that our purpose is to rehabilitate as well as to punish. Good housekeeping should be encouraged.

Dental Association Reception

MR. BATIUK: Mr. Speaker, I'd like to pose my question to the hon. Minister of Social Services and Community Health, along with a supplementary.

MR. SPEAKER: Does the hon. member already know what the answer is?

AN HON. MEMBER: Let's have number one, eh?

AN HON. MEMBER: You just blew the whole thing, Batiuk.

MR. BATIUK: Mr. Speaker, since the minister represented the hon. Premier at a reception of the dental association last night, could the minister advise whether she passed a message to the hon. Premier; and if not, whether she would be willing to do so now.

MR. SPEAKER: Order please. Seriously speaking, there are a number of members who have not yet asked their first questions.

Deerfoot Trail

MR. LITTLE: Mr. Speaker, I would address my question to the hon. Minister of Transportation. Would the hon. minister advise the Legislature of the present status of negotiations between the province of Alberta and the city of Calgary, regarding the extension of the Deerfoot Trail in Calgary?

DR. HORNER: Mr. Speaker, meetings have been going on as recently as yesterday. I understand those meetings have been productive. It would be my intention to try to arrange an early meeting with the mayor and councillors.

Calgary Power Outage

MR. KUSHNER: Mr. Speaker, I wish to direct this question to the Minister of Utilities and Telephones. We have a serious problem again developing in the city of Calgary. The power has been cut off.

Is it because of inadequate equipment, or is it because we're still wrestling with the power rates? I wonder if the minister would advise what the problem is.

DR. WARRACK: Mr. Speaker, there was a serious power outage over lunch hour today in Calgary. It's the result of the storm south of Red Deer that is causing the 240 KV transmission line to circuit out through the towers.

The following actions are being taken: transmission lines are being repaired as rapidly as possible. In the meantime, the hydro facilities normally reserved for reserve capacity and peaking have been brought on to full capacity at the present time. In addition, the 30 megawatt unit at Lethbridge has been geared up. Some 80 megawatts are being brought in from B.C. Hydro. On that basis, my understanding was that just before 2 o'clock power had been restored, though not quite as reliably as normal. But by this time it probably has, Mr. Speaker.

MR. SPEAKER: The hon. Member for Calgary Glenmore, followed by the hon. Member for Calgary Bow.

MR. PLANCHE: Mr. Speaker, my question was just answered.

DR. WEBBER: Mr. Speaker, I don't have a question. I must have nodded my head the wrong way.

MR. SPEAKER: The hon. member had an inquiring look.

PetroCan Operations

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Energy and Natural Resources. It's with regard to PetroCan.

Has PetroCan had discussions with the provincial government, the minister, or the Alberta Energy Company with regard to the purchase of ARCAN?

MR. GETTY: Mr. Speaker, the president of PetroCan did come by to have a short meeting, first with the Premier and then with myself, to discuss the operations of PetroCan as it relates to the province of Alberta. At that time he mentioned that they might be following the procedure of an acquisition of a large oil company in the province. However, there were no specific discussions as to the purchase of ARCAN.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. During those negotiations, was the subject discussed of the oil sands leases that ARCAN holds?

MR. GETTY: As I said earlier, Mr. Speaker, these were discussions, not negotiations. There was no discussion of the ARCAN leases. As a matter of fact, there was no discussion of the ARCAN matter, as I pointed out.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister, since the information is public at this point. Does the province support in principle the takeover by PetroCan of a private oil company such as ARCAN?

MR. GETTY: Mr. Speaker, that's really a matter for the federal government. The Parliament of our country passed the act which created PetroCan. I may have a personal feeling about it, but none as a representative of the government.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In his review of regulations, legislation, and provincial responsibility, does a federally owned oil company create any problems for provincial legislation or provincial jurisdiction? Would there be a conflict in administration?

MR. GETTY: Mr. Speaker, I haven't had a full review finished on any particular problems that might be in legislation that I'm not aware of. If PetroCan operated within the province in the same manner as any other commercial operation, I would expect there would be no problems.

Fort Saskatchewan Correctional Institute
(continued)

MR. SHABEN: My question, Mr. Speaker, arises out of the considerable number of questions concerning the institution at Fort Saskatchewan. I'd like to direct a question to the Solicitor General. Could the minister provide the House with the number of people who have escaped from that institution over the past two years? There seems to be some confusion.

MR. FARRAN: Mr. Speaker, the figures I have are that in the five years since 1971 there have been some 83 total escapes. You compare that against a caseload of 226 prisoners on remand. In the five years prior to 1971, some 57 total escapes with only 40 prisoners on remand. I don't know where the often-quoted figure of 123 was derived.

Age of Maturity

MR. MUSGREAVE: Mr. Speaker, I would like to address my question to the Solicitor General. It is my understanding that approximately 80 per cent of all liquor consumed in Alberta is sold through Alberta liquor store retail outlets.

I would like to know if the Solicitor General is in favor of adopting the recommendation of the Attorney General of Ontario, in that the age at which liquor can be purchased by young adults should be raised so the liquor can, in effect, be removed from high schools and junior high schools.

MR. FARRAN: Mr. Speaker, I'm aware that this subject is under active debate in Ontario. There are two sides to the question. The age of 18 as the age of maturity is not based on physical features — or they're the age of majority. It's considered to be empirically the age for voting, serving in the armed forces, entering into a contract, marrying without parental consent, driving an automobile, many things. There has to come a time when youths stand up as adults on their own feet and become regarded as adults. Eighteen has been considered the age.

Under the age of 18, they're minors. There's been some concern about minors frequenting licensed premises. That's just a question of enforcement. I have to remember that when I was 18, I served

abroad in the armed forces. I thought I was mature, and I think I had a drink.

AN. HON. MEMBER: You're not sure?

DR. BUCK: Did you have quite a few, Roy?

MR. FARRAN: I think I mentioned in my reply to the Speech from the Throne, my particular contribution, that a government's decisions are guided by the majority opinion of the public. If that is clearly expressed in Ontario or anywhere else, then I suppose we'll look at it very closely.

As of now, I think it's a question merely of enforcement, keeping minors out of licensed premises and prohibiting the sale of liquor to them; and that 18 is a pretty fair division between a juvenile and an adult.

ORDERS OF THE DAY

DR. PAPROSKI: Mr. Speaker, may I have permission to revert to introduction of visitors?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF VISITORS**
(reversion)

DR. PAPROSKI: Mr. Speaker, I have the privilege of introducing to you, and through you to the members of the Assembly, two distinguished and prominent visitors in the public gallery. Mr. Speaker, these individuals were, without doubt, two of the three most prominent figures involved in the campaign to elect the honorable Joe Clark the present Leader of the Progressive Conservative Party of Canada.

Mr. Speaker, it's a special privilege for me, because I had the privilege, with other members of the House, of working very closely with them in that historical victory. Their names, Mr. Speaker, are Mr. Hal Veale, a prominent lawyer in Edmonton, Mr. Dave Jenkins, a prominent businessman in Edmonton. I would ask them to rise and be recognized by the House.

MR. CLARK: Mr. Speaker, I wonder if I might ask a question. We're moving on from the question period, I assume, because we're running out of time. Is that.

MR. SPEAKER: That's definitely so. We are, in fact, about two minutes overtime.

I think perhaps it will be necessary in future question periods, if we have the same number of members wishing to ask questions, to restrict the supplementaries a little bit further.

head: **WRITTEN QUESTIONS**

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

1. What has become of the bronze portrait bust of Premier Peter Lougheed commissioned by Hon. Horst A. Schmid's letter of April 17, 1975 to

Sculpturing Project, c/o Mr. Olle Holmsten, contained under Exhibit 9 of the Provincial Auditor's report on Grant Payments?

2. What is the policy of the government with respect to such likenesses of current members of Executive Council?

MR. SCHMID: Mr. Speaker, I accept the question, and would like to table the return to Question No. 105.

110. Mr. R. Speaker asked the government the following question:

- (1) How much money has been expended from April 1, 1974 to March 31, 1975 on the remodelling, renovating, and refurbishing of the Calgary Correctional Institution?
- (2) How much money is to be expended in the renovations that are now under way at the Calgary Correctional Institute?
- (3) What is the breakdown of the expenditures that are now under way at the Calgary Correctional Institute?
- (4) Which contractors submitted tenders to undertake the remodelling and renovations referred to in (1) and (2) and what were the amounts of the tenders?
- (5) What are the names of the contractors who performed the remodelling and renovations referred to in (1) and (2)?
- (6) How much money has been paid to each contractor referred to in (4) and for which specific services?

MR. YURKO: Mr. Speaker, this question might better be brought on the Order Paper as an order for a return. However, I would indicate that the work is still going on. It's rather difficult to extract moneys that have already been expended on ongoing contracts. So I would suggest that in relation to bringing it back on the Order Paper as an order for a return, the hon. member may give serious consideration to extending the March 31 date.

I would also indicate to the hon. member that the third part of the question is very ambiguous. I'm not at all certain that he doesn't wish to get the estimates of costs rather than expenditures. On this basis I would suggest, Mr. Speaker, that it either stand as a motion for a return with possible revisions or that the hon. member withdraw it and bring it in with several amendments.

MR. R. SPEAKER: Mr. Speaker I will withdraw the question at this time. I understand that in the mechanics some of those amendments were left off. I'm sorry I didn't notify the minister of that. But I withdraw the question and will resubmit it.

MR. SPEAKER: I take it then that the Assembly agrees the motion be withdrawn.

HON. MEMBERS: Agreed.

head: MOTIONS FOR RETURNS

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

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

Copies of all studies, documents and submissions prepared by, for or submitted to the Department of the Environment which deal with the Canadian Johns-Manville Company Ltd. plant to be located in the Innisfail area.

[Motion ordered to stand]

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

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

A copy of a study prepared by the Alberta Health Care Insurance Commission relating to extra billing by Alberta doctors between January 1, 1975 and June 30, 1975.

[Motion carried]

104. Mr. Mandeville proposed the following motion to the Assembly:

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

- (1) The total number of applications received under the family farm housing program to February 29, 1976.
- (2) The total number of applications mentioned in (1) which have been approved as of February 29, 1976.
- (3) The total number of applications mentioned in (1) which have been rejected as of February 29, 1976.
- (4) The total value in dollars of the applications mentioned in (2).

MR. MANDEVILLE: Mr. Speaker, I would like to make an amendment for clarification, and that would be under Section 1. After the word "the", delete "family farm housing" and insert "farm home lending". Section 1 would read. "The total number of applications received under the farm home lending program to February 29, 1976."

MR. SPEAKER: The amendment by the mover is debatable [not recorded] acceptable. If the Assembly agrees to the change and wishes the question put with the change made, I'll be glad to deal with it after we've heard from the minister.

MR. YURKO: Mr. Speaker, I wanted to suggest that on the basis of this proposed amendment we'd be prepared to accept the motion for a return.

[Motion carried]

106. Mr. Notley proposed the following motion to the Assembly:

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

A copy of all correspondence between the Minister of Social Services and Community Health and officials of the Department of Indian Affairs and Northern Development, concerning possible federal and/or provincial funding of the Calgary Urban Treaty Indian Alliance.

[Motion ordered to stand]

107. Mr. Taylor proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
With reference to hail and crop insurance, the number of adjusters employed in Alberta during (a) the crop year 1974, and (b) the crop year 1975.

[Motion carried]

108. Mr. Taylor proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
With reference to the Calgary Regional Planning Commission,
(a) the total amount of money provided by the Government of Alberta to this Commission in each of the years:
1965-66
1970-71
1973-74
1974-75;
(b) the number of persons employed by this Commission in:
1965-66
1970-71
1973-74
1974-75.

[Motion ordered to stand]

109. Mr. Taylor proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
(a) The number of clinical abortions in Alberta paid for by Alberta Health Care Insurance in 1975.
(b) The number of those patients who were:
under 16 years of age and (1) single (2) married;
over 16 and under 18 and (1) single (2) married;
over 18 and under 25 and (1) single (2) married;
over 25 and under 35 and (1) single (2) married;
over 35 years of age and (1) single (2) married.

[Motion carried]

111. Mr. Taylor proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
The number of accidents compensable under The Workers' Compensation Act which occurred in petroleum drilling in Alberta during the years 1971, 1972, 1973, 1974, and 1975, and the number of such accidents in each year which occurred in each of the months of December, January, February, and March.

[Motion ordered to stand]

112. Dr. Buck proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
A list of all direct loans to Alberta farmers or farm companies made by the Agricultural Development

Corporation during the period October 1, 1974 to December 31, 1975 showing as at January 1, 1976 in each case the name of the farmer or farm company, the total principal outstanding, the arrears of interest, and the arrears of principal.

[Motion ordered to stand]

113. Dr. Buck proposed the following motions to the Assembly:
That an order of the Assembly do issue for a return showing:
(1) Copies of all application forms, contracts, and correspondence now held by the Government of Alberta, which passed between the Department of Culture, Youth and Recreation and the Playwrights' Co-op of Toronto with respect to the grant given to that organization, as documented in Sessional Paper 112/75.
(2) The appropriation number from which the grant was paid.

[Motion ordered to stand]

114. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
(1) Copies of all application forms, contracts, and correspondence now held by the Government of Alberta, which passed between the Department of Culture, Youth and Recreation and the Sundre and District Golf Club of Sundre with respect to the grant given to that organization, as documented in Sessional Paper 112/75.
(2) The appropriation number from which the grant was paid.

MR. ADAIR: Mr. Speaker, we would accept Motion 114 with the following amendment: by adding to subsection (1) of the motion, after "Sessional Paper 112/75", the following: "subject to the concurrence of the said club".

[Motion carried]

115. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
An itemized statement of the cost of the remodelling, renovating, and refurbishing of Government House from September 1, 1971 to July 30, 1976.

[Motion carried]

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

1. Mr. Kidd proposed the following motion to the Assembly:
Be it resolved that the report of the Alberta Land Use Forum be received.

MR. KIDD: Mr. Speaker, concerning the motion standing on the Order Paper in my name, namely that the report of the Alberta Land Use Forum be received,

I'm sure that most in this Assembly, if not everyone, has read this report with extreme interest. Having done so, they could not fail to be impressed with the vast amount of work that has been accomplished by the Forum members, the Forum staff, and those who assisted the Forum.

Established in October 1973 by this government, the members of the Forum have, since its inception, held over 80 public meetings in 80 centres across the province. They have received some 500 submissions from interested citizens of Alberta, who represented a very good cross section of this province. They also visited other provinces and six European countries to get background information. I know that many members of this Assembly have heard favorable comments on the manner in which the Forum members conducted public hearings. Throughout the entire long procedure, they provided a most receptive and courteous audience to all the participants.

Following the hearings, the Forum members then faced the job — and it was a monumental task — of assimilating all the material accumulated. They have produced, in my view, a well-written and thoughtful report representing days and weeks of research, in-depth discussion between themselves and many others, and just sheer hard work. I therefore believe that the members of the Forum, and all who so ably assisted them, justly deserve the thanks of every member in this Assembly.

Mr. Speaker, I look forward to the comments of the other members of the Assembly on the very important subject matter of the report and the recommendations contained therein. There are no simple off-the-cuff answers, and it will test the mettle of us all to consider fairly and carefully the recommendations brought forth. I urge you to do it within the total context of the report, and urge that partisan politics be avoided.

In order to set the proper stage for the debate, let me say that overall Alberta has an excellent record of land use. As stated in the report:

In Alberta, control by the government over what land could be used for came earlier than in many other provinces. Thus many of the problems of land use experienced in some provinces were avoided in Alberta. Three major areas have received the attention of government. These were the zoning of Crown land, authorization of urban expansion, and subdivision of agricultural land.

Perhaps one of the most important actions taken in the past was the establishment of Crown land zones in 1948 — a real tribute to the Social Credit government of that time. Look what happened in British Columbia. What a vast area we have reserved for our citizens.

Therefore, Mr. Speaker, at the risk of repetition, the conclusions of this report are that in total concept we do not have major critical land-use problems in Alberta, and that there are many acts and regulations in force to control land use. However, Mr. Speaker, as to specifics, we each, including me, have our particular hobbyhorse, and it would be astounding to me if anyone here agreed with every recommendation in the report.

Mr. Speaker, everyone here is aware that I am the chairman of the caucus committee of this government on land use. However, let me make it

clear that the views I will give you today do not represent any consensus of opinion of that committee. They are my own and they will be subject to revision, based on the logical arguments of all the members of this Assembly and the other members of the committee.

Mr. Speaker, I agree in general with the Forum's conclusions regarding land use, that:

the complexity of existing law and the responsibility that government has assumed, has resulted in:

- (1) A degree of confusion as to who is responsible for what, between provincial and municipal jurisdictions.
- (2) Some lack of co-ordination within the departments of the provincial government.
- (3) A slowing down of decision making.

Many of the Forum's recommendations regarding organizational reforms stem from these conclusions. The principle which they state, that policy-making to provide a broad working hypothesis framework for land use is the prerogative of elected officials, is certainly correct. It is the belief of the members of the Forum that some lack of definition in the policy framework has, in certain instances, led to some confusion and in some instances to planning commissions, boards, and civil servants taking such policy-making unto themselves. Mr. Speaker, in my view this conclusion has a certain degree of validity.

In order to assure that the policy-making role of the government is better accomplished, the Forum suggests that a three-person land-use secretariat be appointed, reporting directly to the Executive Council. They say that this secretariat is to be provided with the technical assistance necessary so as to provide to the Executive Council the information required for decision-making. In addition, the secretariat would have a co-ordinating role between government departments and a liaison role between the Executive Council and municipal governments, planning commissions, private organizations, and individuals.

Mr. Speaker, it is apparent that the Forum members have given a great deal of thought to their proposed organizational changes, and their recommendations, in my view, have considerable merit. However, Mr. Speaker, a word of advice, based on my experience, to the dear Forum members: there is no area in which objective people lose their objectivity quicker than when someone says he wants to change their organization. However, in their recommendation I wonder whether the Executive Council should be further burdened.

Mr. Speaker, it does seem to me that whatever organizational structure is deemed desirable, the various laws, procedures, and regulations regarding land use should be consolidated, contradictions resolved, and a program initiated of elucidation to the public and, if I may say so, to the elected officials.

[Dr. McCrimmon in the Chair]

The Forum devotes considerable attention to the planning process. The theme apparent on this subject and throughout the report is that general policy planning is the prerogative of the provincial government. Among other things, they specifically state that the metropolitan areas of Calgary and Edmonton are the legitimate concerns of the

province. They also state that all Crown lands are the responsibility of the provincial government.

The Forum makes many pertinent comments regarding the appropriate role of the regional planning commissions. One of their comments with which I agree is that some of the regional planning commissions lack geographical integrity. I agree with that with regard to the Calgary Regional Planning Commission. I believe there are too many diverse elements within that planning commission and that it may be much too large. I agree that the planning process now takes far too long.

I'm sure the Forum's comments concerning The Planning Act will be taken into full consideration by adjourning the revision of The Planning Act that's now in progress and will be presented to this Assembly. The suggestion that Edmonton city be amalgamated with some rural and urban areas and have a unitary system of government seems to me a reasoned recommendation, but I'm sure it will lead to spirited debate in this House.

The Forum recommends that the authority to approve subdivision applications be given to local governments of all rural and urban municipalities, and I agree with that one too. Such approval now resides with the regional planning commissions, the municipal planning commissions of Edmonton and Calgary, and the provincial planning director for areas outside regional planning commissions. In other words, the Forum recommends that the authority be put in the hands of elected officials.

Mr. Speaker, this recommendation concerning the very controversial subject of land subdivision, particularly rural, is of considerable importance in my view. Although the guidelines and regulations for subdivision are, and must be, clearly outlined prior to their application, it is my view that wherever possible elected officials who are responsible to the people at large should have the final authority.

Further concerning the subdivision of rural land, I fully agree with the Forum's recommendations that those of our citizens who wish to reside in the country must be given the ability to do so. However, in our society the rights, the responsibilities, and the good of all people must be considered. Therefore, I agree in general with the conditions which the Forum imposes on those who wish to reside in small holdings in the country. I would, however, rewrite these conditions as follows: One, only poor-quality agricultural land be used for residential developments, with due considerations as to whether the removal of such poor-quality land from agricultural use does not destroy or disrupt an economically viable agricultural unit. Two, the location of dwellings in clusters, where practical, should be given priority. Three, the 10 per cent reserve dedication should be based on demonstrated need. Four, taxation of all rural residences plus the land on which they are situated, with the remainder of the land at a modest, uniform rate, seems a sensible recommendation. This in itself would provide equity, uniformity, and simplicity in taxation. And five, the most important one: the allocation of land for country residential purposes be done in accordance with an accepted and carefully considered long-term development scheme.

Mr. Speaker, in agriculture, I am pleased to report that the family farm is alive and well. Family farms

comprise 99.3 per cent of all farms, farm 93 per cent of the total acreage, and produce 95 per cent of the agricultural products sold. Net farm income from 1961 to 1974 has increased from \$2,756 to \$11,890. Non-family corporate farms are concluded to be of no significance in Alberta. Communal farms are concluded to be of no threat to family farms insofar as land purchases are concerned. Mr. Speaker, based on the evidence provided, I concur these conclusions.

Regarding the preservation of soil, the Forum recommends that Nos. 1, 2, and 3 agricultural land should be retained in agricultural use as a general rule, and that any use of such land for other purposes be subject to stringent controls and analysis prior to change. Mr. Speaker, I believe this to be an excellent recommendation.

However, getting on one of my hobbyhorses, it seems to me there is a heavy emphasis on wheatland in the Forum's recommendations. It is my thought that the preservation of our livestock farms which, after all, contribute about 50 per cent of the total cash income in Alberta, should also be considered. I believe that we must be a little more sophisticated in our approach to preservation. We must look at a total economic unit. In livestock farms that often includes good farmland plus poorer quality agricultural land. I think that needs careful consideration.

Mr. Speaker, the Forum recognizes the high cost for young farmers entering farming. Their major recommendation is that the provincial government, through the Agricultural Development Corporation, assist such young farmers through the first critical years by refinancing where their capital position is in peril. Presumably this is an extension of the present important role of the Agricultural Development Corporation in this regard, and as such seems sensible.

The Forum rejects the concept of government control of land prices, and prefers to let the laws of supply and demand and economics control prices. I concur these conclusions.

Mr. Speaker, the Forum expresses confidence that our land base for food production for the balance of the century is adequate, and that we could increase our food production by perhaps increased cultivation and irrigation. It sees no reason for increasing the land base at the present time.

I am impressed with the Forum's comments concerning agricultural land transfer in Europe. In Europe they don't have the problem of land going out of agricultural use that we do, simply because the tradition is to pass land from father to son. In Switzerland, for instance, it's passed not to the eldest son, but to the son who's the best farmer.

I believe that here in Alberta there's a big change. Farm boys no longer are waiting until they get to the city. I think the European tradition, through time and perhaps sooner than we think, will occur here in Alberta. I see it happening now.

Mr. Speaker, I believe that Chapter 7 of the report, entitled Ownership of Land, is a very meaty portion, in that a number of prime concerns of Alberta citizens are discussed. These include comments on access to private land, suggested means by which windfall profits may be taxed and the principles upon such taxation is justified, development control by the Department of the Environment, and foreign ownership of land.

Concerning the matter of access to private lands,

we have heard a number of comments by others here, and that one has stirred up more ire than any other. But you know, again reading the recommendation of the Forum in total context, they say: toughen up the people who trespass. The Trespass Act, as I read it now, says that no matter what you do, it's only going to cost you \$100. That's the way I read it. I may be incorrect. They're saying, let's toughen that up. If somebody trespasses, let's increase the penalty. They're also saying that people should be free to walk across private land if they carry binoculars, and so on and so forth. They were impressed by every man's right in Sweden. I can see some dangers in this, and they've been expressed by others. I don't think Albertans are quite ready for that one yet.

The Forum states an important principle: no landowner in Alberta has the right to change the use of his land from what it is now to another use, a higher value. Based on this principle, they conclude that any change to higher value use is a privilege conferred on the individual by the government. Therefore, the profits so derived should not perforce accrue to the individual owners. They therefore propose that the federal government relinquish to the province the right to levy and collect the capital gains tax on land alone. They suggest a formula whereby an unearned increment tax would be levied and collected by the province and rebated to the municipalities that created the added value. This tax would be in addition to the present capital gains tax which they propose, and the details are fully outlined in the report — I won't repeat them here.

Mr. Speaker, it's my view that negotiations required to obtain the federal government's agreement to relinquish its right to levy a capital gains tax would be — well, what's a good word. Horrendous, mind-boggling — let's just say, time-consuming and very difficult. I believe that for practical purposes, what we're talking about here would be the province levying a tax of its own, and the Forum suggests that. Mr. Speaker, I believe that the levying of taxes which are designed to accomplish a specific purpose, other than that of raising funds to run the government, should be considered in the same manner that porcupines make love: that is, very carefully.

The application of such a tax to land speculation — and we've seen it in some instances increase to unrealistic heights and cause the cost of housing to be prohibitive — certainly has an appeal. But the effect of the immediate tax on those who now hold land for speculative purposes would be to increase land costs in the short term. In the long term, of course, it will remove the incentive for people to get into the land speculation business. However, in the application of any such tax, I believe that practicality and fairness must be the keynotes. We certainly can't afford to stall productive investment.

Some other things you might consider, and these bother me. Consider the long-term farmer who has made a pretty modest living through his life. He's always got that land to fall back on. That's his retirement policy. Are we going to tax him the same as we're taxing the speculator? I think not.

Of course, one of the problems the Forum is attacking its so-called windfall tax is where, if you say we're not going to subdivide No. 1, 2, and 3 agricultural land, then here I am sitting with good 1, 2, and 3 agricultural land. I can't subdivide it, so it has

agricultural value. That fellow who hasn't made a very good living is going to be fortunate now. He's sitting around me on that rocky soil. He can subdivide. He's going to make a big profit. What the Forum is trying to do here is spread that money back to the municipality. In their approach, I'm not quite clear yet how the fellow with the 1, 2, and 3 agricultural land — he gets the benefit from the municipality for it all right. Maybe that's enough.

They do talk about development rights. That one had a certain appeal for me. That's where everyone owns development rights. Everyone who owns land has a certain amount of development rights. Anybody who wants to develop land has to have a number of rights in order to develop, so they buy them. The Forum, I think quite rightly, says that can't be logical, based on their principle that change in land use is a prerogative of the government. Therefore, following their logic, development rights would not be practical. I agree with that.

The Forum is concerned about the use of restricted development areas. The power now reposes with the Department of the Environment. I don't share their worries. However, Mr. Speaker, their comment that the reasons for creating such areas should be more clearly elucidated and better publicized has considerable merit.

Concerning the foreign ownership of land — that's a good one. I refer to ownership by non-resident non-Canadians. Everyone in this Assembly has listened to or has access to the hon. Premier's comments presented to this Assembly on Thursday, December 11, 1975. In these comments, I believe the hon. Premier recognizes the problem as it actually exists; namely, that the sale of land to foreign absentee owners, while not yet a serious problem, could become one. The legislation now in effect in other provinces, such as Prince Edward Island and Saskatchewan, which prevents other Canadians from owning the land was considered to impose an undesirable limitation on other Canadian citizens. I certainly agree with that. Therefore, the action suggested by the Premier, and being taken, is to amend the Canadian Citizenship Act so that the capacity conferred upon aliens to own land in Canada would be made subject to such terms and conditions, including complete prohibition, as might be imposed by the Lieutenant Governor in Council of the province where the land is situated. Through consultation with the Prime Minister, and vigorous representation, such a change in the Canadian Citizenship Act is now being introduced into the House of Commons. This involves amending Bill C-20 as to subclause 33.(1).

Mr. Speaker, the hon. Premier indicated in his comments that the part the province will play, relative to consultation procedures with the federal government covering the operations of the Foreign Investment Review Act, was not yet completely settled. I understand this matter is being pursued by the hon. Premier with his usual vigor, and I leave it to him to report when he sees fit.

While the Premier considered prime agricultural land, recreation space, and multipurpose undeveloped land in his deliberations, the Forum more specifically refers to farmlands, primarily because that was the major concern of those making representations in the hearings. The Forum rejects the prohibition of foreign buying of farmland, based

on some pretty logical reasons. They suggest a review procedure through the mechanism of the Foreign Investment Review Agency. They recommend that the administration of the Foreign Investment Review Agency be given to the province by the feds. Mr. Speaker, similar to the matter of the feds giving us the right to levy capital gains tax, I see great difficulties in delays in the scheme the Forum proposes in this regard. I believe the method adopted now by the hon. Premier, and the demonstrated rapid progress being made towards a sensible solution, places the matter of controlling foreign land purchases in an excellent state at present. I think the last thing we want to do is have hurried legislation of any kind that leaves so many loopholes that it really isn't legislation at all.

Again on a personal hobbyhorse, I really don't care whether much land has been bought by foreigners in Alberta. On a personal, nationalistic, perhaps emotional basis, I simply don't want agricultural land owned in this province by non-resident non-Canadians. However, if people want to come here and live and be citizens, God bless 'em.

On urban land use, the Forum suggests that the concern for metropolitan growth in Alberta is excessive. Eighty per cent of the province's population resides in these areas and occupies only .22 per cent of Alberta's land. It is the Forum's view that the overall management of growth is a provincial matter. This management includes making decisions about the future expansion of Edmonton and Calgary, about development in the Edmonton-Calgary corridor, and about the promotion of industrial development in the province's smaller centres. The actions of the government clearly indicate that they are in accord with these recommendations.

Mr. Speaker, I believe the Forum's discussions and recommendations on urban land use constitute a most carefully considered and thoughtful portion of a very thoughtful report. Let's face the reality. The population of Alberta will continue to grow rapidly for some time. Many of these people will be attracted to the major cities. In my view, while this province's policy of making residences in smaller centres more attractive and viable will have an increasing influence, the growth of cities will continue for some time.

The Forum's overall recommendation on housing is that in recognizing the public's need for shelter, priority be given to higher density, multifamily dwellings, and that public funds be so channelled. I believe this makes a great deal of sense. However, the thrust should be to make multi-use family dwellings sufficiently attractive that our citizens wish to live in them. Presently, most people in Alberta prefer single-family dwellings. It's certainly not the desire of this democratic government to restrict their free choice. The excellent record of housing starts stimulated by this government in Alberta in 1975 supports this statement. Mr. Speaker, the Forum was impressed with the multifamily dwelling units in the Netherlands. Having lived there myself, I believe we can learn much from them.

I'm just about finished, Mr. Speaker. Concerning recreational land use, the recommendations of the Forum generally parallel the actions and activities this government now has in place. The encouragement of private landowners to be aware of opportuni-

ties to use their land for recreational purposes is noteworthy.

Mr. Speaker, thank you for your indulgence. I realize that I've covered only a few aspects of this important report. I leave it to others to fill this gap. Thank you.

MR. MANDEVILLE: Mr. Speaker, we all realize that land use plays a vital part in our economy. I would have liked to have seen more of the front bench here on this discussion, which I think is very important. However, I'm pleased to see we've got our lady representatives on both sides. We've got 100 per cent representation on both sides as far as our ladies are concerned. I have to commend them in this area.

Mr. Speaker, I was surprised that the Forum did not put forward more definite proposals in the report. It's not the comprehensive land-use study that I was expecting. I certainly think we had better prevent urban sprawl from taking over in Alberta as is happening in other parts of the world, for example in California, where urban sprawl and road-building and so on are gobbling up the agricultural land. It's also starting to happen in southern Ontario and in B.C. I certainly hope we don't have to revert to the tactics that they did there, putting the land freeze on. I certainly don't think it solved any of the problems. If we catch this in the bud, we won't have to go this far. Canada has already lost 20 per cent of its good 1, 2, and 3 farmland to the urban sprawl and road-building, and there's a possibility of losing another 30 per cent by the year 2000. Now is the time to act and to prevent this type of situation from carrying on.

I realize it is a problem to come up with good recommendations and good policy as far as land use is concerned. It takes a lot of serious thought to come up with good recommendations in this particular area.

I agree with some of the areas in the report, and I disagree with others. There is a lack of recommendations, I feel, in the report. One of the areas I could just mention is the Suffield Block in the Medicine Hat area, which is one of the largest areas of mixed-grass prairie left in one block on the North American continent. There are 1,000 square miles of potential multi-use land down there, but it's not being utilized to its potential. I would have liked to have seen the Forum make a report on this area. As I say, it could be multi-use. We could use it for farming. We could irrigate and grow much more food to supply to the hungry people in the world.

I've certainly got to disagree with one comment in the report, where they disagreed that we shouldn't expand as far as agricultural land is concerned. I think it's not a problem of overproduction, it's a problem of distribution. I think we've got to develop more of our land, put more of our land into agriculture and keep more of our agricultural land from underneath the urban sprawl.

Another part of the Suffield Block — we could go into ranching. I was very amused with the confidential report from the Suffield Block by a biologist, author of this report. He indicated that the cause of the erosion in the Suffield Block was the grazing of livestock. Well, I think this is very erroneous, Mr. Speaker. I don't think it was livestock causing the erosion in that area. I would agree that in some cases around the water holes, or where the cattle are

moving along fences, they could be causing some erosion. But I certainly don't think they're causing the erosion this particular biologist indicated was happening in the Suffield Block.

If you've ever been down in the Suffield Block and seen the number of acres they burn there — that's what's causing the erosion, the burning of the grass. As far as the livestock is concerned, I realize that sheep and horses do kill the crowns of grass. However, cattle don't, with good range management, and I think they've had good range management in the Suffield Block. However, with the fires burning down there, with the heavy growth of grass that they've got, it's definitely killing the crowns of the grass, the good specimens of grass available for our livestock. Specimens of grass are coming back that are not productive and are not able to feed our livestock. So I would just like to put [forward] my disappointment in the report from the biologist that said livestock grazing was causing the erosion in the Suffield Block.

I think that we could also go into recreation in the Suffield Block. I think it would be an ideal place to put either a federal or a provincial park. We've got the river that runs right through or right along the block, where there could be fishing and boating. We've also discovered a lot of old artifacts down there. I've been to see it, and it's certainly worth seeing. They have a buffalo jump out there. I know many of you people, members of the Legislature, haven't seen buffalo jumps, or I would think that you haven't, because we don't have many in this province. They do have a buffalo jump down in the Suffield Block.

I was pleased to hear that our Minister of Federal and Intergovernmental Affairs is concerned with the research centre in the Suffield Block, which we all are. I think we should have some expansion on this instead of taking it out of the Suffield Block, because I think this is an area they could expand on. We've also got the Alberta Energy Company developing our oil and gas resources down there. So, as I say, this is an area of large potential, and I would have liked to have seen something in the Land Use Forum to this effect.

As far as foreign ownership is concerned, I also felt they weren't definite enough, and they didn't realize it was a problem. I realize it's really not a problem to this date, but it certainly could be a problem. They went over to Europe, and they admitted that in Europe it wasn't a problem. They also said that the people from Europe couldn't obtain land because land wasn't obtainable, and they were coming to Canada where the land was cheaper. I agree with this. I know of people from Switzerland who came over here and bought land. They tell us that agricultural land over there is worth from \$15,000 to \$20,000 an acre. That makes it impossible for them to purchase land in Switzerland, and it's the same in other European countries. The cheap land in Canada is inviting foreign investors to come to Canada.

Our caucus took a survey on foreign ownership throughout the province, and the opinion poll indicated that 93 per cent of those who answered the survey were in favor of some type of control as far as foreign ownership is concerned. I realize there is some confusion, as the mover has moved on this, as far as foreign ownership is concerned. I don't think

we're concerned with landed immigrants or people who want to come from foreign countries and be part of the community. I certainly don't think we should disagree in this area. However, we should be more concerned with foreign absentee ownership. I think this is what's causing the problem. As for the Foreign Investment Review Agency the federal government has set up, as is indicated in the report they have only investigated, or anticipated investigating, one purchase as far as agricultural land is concerned, and they're only involved in anything over \$250,000. When they were going to investigate it, the vendor and the purchaser agreed not to go ahead with the deal.

There's one area I agree with, and that's in planning — not wholly in the suggestions as far as planning is concerned, but I certainly agree with the concept of decentralizing our planning. At present we have local planning commissions, municipal councils, regional planning commissions, provincial planning boards. It's got to go through the survey branch. So it's a very cumbersome method of planning. I agree with the suggestion that they would like to educate more of our people, and have it in our schools, so more people understand our planning situations in this province.

Mr. Speaker, just briefly I'm going to give you a couple of examples I have run into myself. I had a gentleman who decided that he wanted to build on an acreage close to the highway, but it was over 1,000 feet. So he went up to the municipal district, and he asked them what he had to do. They said, well, it's not in our jurisdiction, you don't have to do anything. He went to the district engineer of the Department of Highways. They told him the same thing. He started construction. When he got construction started it was noticed, and they tried to stop him. But he had the building up, and he'd gone this far. So when they got to checking it out, and they brought it to my attention, he was within half a mile of an intersection. That's where they had the control. Here the gentleman had gone ahead and it was just a misunderstanding. He went ahead with his project, did the construction, and certainly ran into problems. However, he did get them solved in the end.

I had another example with the regional planning commission. They wanted a market analysis on a subdivision. I really don't think they should be involved in market analysis. I think they should be involved in the planning and the zoning, not in market analysis.

I think this area is covered fairly well in the report. I've got to agree with it. I agree with local government approving the subdivisions within their jurisdiction. They're aware of the problems they're facing as far as rural areas are concerned. I think the regional planning commissions certainly do have a role to play. I think they should be involved only in regional planning, where you've got two or three municipalities coming together. Then they can come up with an overall plan in this area. I still think a plan for a municipal district should be left in the hands of the municipal governments themselves. I agree that we should have one planning authority making the decisions.

I agree with the recommendation that we cluster rural dwellings as well. At the present time, you can put four housing units in an acreage. What happens

in this case — there's four there, they've got to put in the water, power, and electricity. They install this, and can only put in four housing units. I think if we were to cluster the housing units in rural areas, it would be a step in the right direction. At this point, there are a lot of people who want to move out of metropolitan and into rural areas.

Also, when they subdivide the rural areas, the municipalities are taking 10 per cent of the proceeds for recreational purposes. The report recommends that this shouldn't be so. I certainly agree with this. They don't provide recreation in some of these areas.

The mover mentioned one recommendation, letting Edmonton and Calgary have some voice in the surrounding areas. I think they should have some jurisdiction within a certain area or be involved in it. However, as we move farther out into the rural areas around Edmonton and Calgary, I don't think that city councils should be involved or should have jurisdiction over subdivision and planning in those areas.

In housing, they indicated we should go into more multiple housing units. I support the single-family dwellings myself. I think it is something we should be setting our goals at, trying to overcome the high cost of land for housing. As far as I read the report, I think this unearned increment tax would be a burden as far as housing or buying land for housing is concerned. Number one, I don't think the formula they have for coming up with this unearned increment tax would work. It's the difference [between] productivity value of the land and the assessed value. We all know it's hard to put a productivity value on land that's going to be equitable, that will be equitable across the province, and will last for a period of years.

As far as assessment on our land — as you realize, everyone doesn't have equal assessments. We're updating our assessments from time to time in the province, and wouldn't have equal assessments. I think it would be impossible to have this unearned increment tax on this particular formula. What it would be doing — if the developers or real estate people were paying this, it could put the price of land higher.

I think it is a good move in the right direction for our municipalities to have land banks, as far as housing is concerned. In this way, we can put competition in the hands of our private developers. If they've got control of the land, they can set the prices of the lots. But if the towns and cities — Brooks and Edmonton have done this. They keep the private industry in a competitive area. I think this is a step in the right direction.

In conclusion, Mr. Speaker, as I said before, there are some parts of the report that I approve of and some parts that I don't. Number one, I thought there should have been more on foreign ownership, more definitive on foreign ownership, on how to handle this situation. I would like to have seen some input into that large tract of land in Suffield.

As far as the secretariat is concerned, I'm not going to have too much comment in this area. However, I do think it would be a board that would be powerful. I'm not so sure they would be serving a purpose if they did abandon the Provincial Planning Board, any differently than the Provincial Planning Board is doing at the present time.

There's one area, trespassers on private land. I couldn't really see this being in the report, somebody coming with their cameras and beer bottles and binoculars and driving over private land. I think this would create real problems.

Also, I disagreed with discouraging the opening of new farmlands in the province. I think this is an area we should have more emphasis on, opening up more farmland in the province of Alberta.

As far as taxing rural residents is concerned, I think this too is an area where we've got to be a bit careful. I would like to have seen a formula on taxing rural residents in the report. If they'd had some type of formula on who they were going to tax as far as rural residents are concerned, I might have been able to accept this.

Like I said, some of the areas I do agree with are in the planning. I think if we use some of their recommendations as far as planning is concerned, we'll be able to solve problems we have in this area.

Another recommendation is the users' fees for provincial parks. I think this is a good recommendation, providing we use the money we get from users' fees to develop the parks we have in this province.

Clustering of rural dwellings — I think this was a good recommendation, also, taking off the 10 per cent recreation reserve in rural areas.

Finally, Mr. Speaker, I have to commend the government for bringing this report on a very important issue before the House and discussing it instead of shelving it and not getting any benefits from the report.

MR. DOAN: Mr. Speaker, I'd like to say a few words on this motion this afternoon, although my colleague from Banff covered the subject so well, there isn't too much left to be said. Our Member for Bow Valley brought many of the problems in southeastern Alberta to our attention.

Mr. Speaker, the report of the Land Use Forum covers many problems related to land use. I would like to bring attention to their findings as they relate to family farms. One of the first recommendations they made in their opening remarks was that nothing was to be gained by governments entering farm management. Farms are better managed by farmers themselves, or by a group of farmers working together. There's an old saying, that people should be free to succeed or fail according to their ability and resources.

The Forum recommends that the government role today is to provide information, technical assistance, and incentives to conserve the productivity and stability of our farms in Alberta. Family farms play an important part in our food production. Ninety-nine per cent of all farms in Alberta are classified as family farms. They take up about 93 per cent of the total acres of farm. They also contribute 96 per cent of the total farm produce sold. Also they found that the average size of family farms is about 700 acres.

Mr. Speaker, the Forum says that this type of farming provides a greater flexibility and staying power in times of economic distress and provides strong motivations, resourcefulness and ingenuity in farmers. There is much concern, if family farms should be absorbed into large holdings or corporations, that much of our social life in the communities would disappear. Mr. Speaker, the report says that

for those engaged in farming today, the return on capital investment is generally lower than with most other industries, that fringe benefits known to industrial labor do not exist on family farm operations. But there is one sure thing: there's never any fear of unemployment.

Mr. Speaker, the Forum reports a decrease in the farms from 73,000 to 60,000 in the period under review. Cash incomes, however, have increased from an average of \$7,300 per farm to \$26,700 during the same period. But expenses also have increased on an average of \$4,600 per farm to \$16,800 per farm per year. Most encouraging, farm values have also increased from an average of \$37,000 to well over \$100,000 per farm. However, one thing is evident: the high price of land being purchased, and the size and cost of machinery. There is evidence of very much confidence in the future.

The Forum report says the problem today is the amount of capital required to start farming. The best way is to inherit the farm from the family or to marry the only daughter of a rich farmer. The report says our Agricultural Development Corporation and the Farm Credit Corporation are doing a good job in financing many farm purchases. But, Mr. Speaker, the Forum feels that easy credit has been a big factor in increasing the price of land. Leasing or renting agricultural land is an easier way of starting or extending a farm operation. Leased farmland represents 36 per cent of the farmland under agreement. Seventeen million acres of this is Crown land which is mostly leased for grazing.

Mr. Speaker, many of us in this Assembly would not agree with the statement of the Forum report that there is no concern that foreign buyers or communal farms threaten our family farms in Alberta today. Foreign buyers in my constituency have set the highest price on our good farmlands that are being sold. The Forum's reference to communal property says that only 1.5 per cent of farmland in Alberta is owned by Hutterian Brethren, that the special advisory committee on communal property is no longer needed, but that a commission of elders monitoring land purchases in co-operation with our government is sufficient.

[Mr. Speaker in the Chair]

Now, Mr. Speaker, [with] this background the report speculates that the future for most of the world, as to food outlook, is reasonably bright. But in those countries which refuse to or which are incapable of developing their agriculture or controlling their overpopulation, there is a danger of malnutrition and mass starvation. The amount of food grains that we have sold to or given to poverty-stricken, overpopulated areas of the world is relatively small, simply because they lack the money to purchase our goods. Now, Mr. Speaker, the report on land use finishes, as it relates to the family farm, with this advice:

Our major role as Canadians is not to try to grow food for the world's hungry people, but rather to assist, in every way we can, their efforts to grow their own food.

MR. NOTLEY: Mr. Speaker, in rising to take part in this important debate, I want, in a quite unusual

departure, to congratulate the hon. Member for Banff for what I thought was a very excellent introductory speech outlining the recommendations of the Land Use Forum. While I have some differences with certain aspects of the Forum — and I'll come to those in a moment — I thought his introductory remarks set the tone for what will probably be one of the better debates of the spring session.

The concern I would express — and I'm glad the hon. Premier is in his place — is that, in view of the fact that the Land Use Forum, Mr. Speaker, was established by a government motion proposed in the Legislature in 1973, it probably would have been better had it also been received as a government motion. I realize the government obviously did not want to take a stand on all the recommendations of the Forum but, by simply having the receipt of the Forum, we could have had more time for debate. As I look at the Order Paper, Mr. Speaker, I see that already we have a large number of private members' resolutions. I think it's regrettable that other members of the Legislature will not have an opportunity or may not have an opportunity to debate this issue. I would ask the Premier and the Government House Leader to give some consideration to providing formal time, during the course of the Legislature, for continued debate on this vital matter.

Mr. Speaker, as I review the Land Use Forum recommendations, I'm going to outline not only some of my own personal views, but some of the representation which has been brought to me as I discussed this with other people, both within my constituency at pre-session meetings, and throughout the province. I'd have to say I agree with a number of the proposals. I look on page 50, for example, where the point is made that municipalities need legal authority and sufficient fiscal authority to meet their needs. Now, Mr. Speaker, I don't think any of us can argue with that point. As a matter of fact, I believe the hon. Member for Clover Bar introduced a resolution during the first session of this Legislature which would, in fact, have provided some percentage points of the income tax to local government in the province of Alberta.

MR. SPEAKER: I apologize for interrupting the hon. member. I take it there may be a consensus in the House with regard to the order of business at 4:30 today. Standing Orders require that we go to private members' public bills, but as the Assembly may be aware, there haven't been any of those available for distribution as yet. What is the wish of the Assembly with regard to the present business before the House?

MR. HYNDMAN: Mr. Speaker, I would ask for unanimous leave of the Assembly to proceed with the motion which is now under debate, insofar as Bill No. 200, presented by the hon. Member for Drumheller, isn't yet printed. I discussed this with him yesterday, and he has kindly agreed to proceed in that fashion. So I suggest that we continue with this motion until 5:30, and would ask unanimous leave of the Assembly to do so.

MR. SPEAKER: Agreed?

HON. MEMBERS: Agreed.

MR. NOTLEY. Mr. Speaker, the second recommendation I want to make reference to is contained on page 74 of the report, where it suggests that the province has an obligation to set out guidelines for long-term development in Alberta. I don't think any of us can really disagree with that.

Page 86, the suggestion with respect to country residents is that poorer land be used, where possible, and that these residents should be taxed at the full level. I think that on page 41 is one of the most important recommendations, in my judgment, and this was also referred to by the hon. member who introduced the resolution, that No. 1, 2, and 3 soil zones should not be used for other than agricultural purposes, unless there are simply no alternatives, unless all the factors are carefully evaluated. In other words, the emphasis would really be on preserving these soils for agricultural purposes.

Mr. Speaker, one of the more controversial proposals in this report — and one which the hon. member who introduced the resolution quarreled with to a certain extent, as did the Member for Bow Valley — was the suggestion that we go ahead with some form of unearned increment tax. Mr. Speaker, I personally favor the introduction of an unearned increment tax. I believe that the principle the Land Use [Forum] is basing this recommendation on is sound.

If land changes its use and as a consequence of that changed use there is a windfall profit, it seems to me that windfall has come not as a result of what the individual has done but rather as a result of a public decision. It seems to me that under those circumstances, Mr. Speaker, there is a very reasonable and logical argument to say that at least a portion of that windfall should go to the body which in fact increased the value of the land.

Mr. Speaker, this is not really going to affect the vast majority of the farmers in this province. There may be a few farmers around the urban areas, but if we follow the basic recommendation on page 41 — that we not use No. 1, 2, and 3 soil zones unless we absolutely have to — the number of people who will be adversely affected would be minimal, as the hon. Member for Banff suggested. But in my view, Mr. Speaker, we have to look at the larger question of how can we possibly do something about speculation in land, how can we bring down the cost of housing over the long run?

I would say, Mr. Speaker, that where I don't agree with the Land Use Forum recommendation is in its reluctance to proceed with land banks. It seems to me that the two really go hand in hand. I have some doubts about land banks where the municipality has to pay the speculator's price. On the other hand, over the long run, one of the values of an unearned increment tax is that it would shift investment out of land speculation.

I'm willing to accept that in the short run there may in fact be an increase in land prices. But over the long run, when you have a substantial unearned increment tax on that difference in land value, you're going to shift investment elsewhere. It just simply won't be a good investment for the individual speculator.

So I would say that, if you're going to proceed with land banking for urban areas — and we've seen

several examples, both in Medicine Hat and in the city of Red Deer, where they have highly developed land banking schemes — there's a good deal of logic in connecting that sort of approach with the unearned increment recommendation contained in the Land Use Forum.

Mr. Speaker, those are some of the positive features I find in the report. Let me, however, take just a moment to look at four separate questions. First of all, is there a threat of foreign ownership of agricultural land in Alberta? Secondly, I want to talk a little bit more about urban land use and its implications; thirdly, to deal with changes in the planning process; and finally, to make some observations on the recreational land use — which I'm sure most members, if they've talked to their constituents, would agree is already by far the most controversial section of the Land Use Forum report.

In any event, turning first of all to the question of foreign ownership. The Land Use Forum report, in effect, says that we don't have a problem. It uses statistics, and suggests that a minimal amount of the land in this province is in fact owned outside Alberta. Mr. Speaker, as one reads the technical report into ownership of rural land, which the Land Use Forum used as a basis for making their judgment, I have some very real concerns about the accuracy of the statement contained in the Forum [report] itself.

First of all, we have to look at the technical report, and we find that their figures are based on a survey of a little less than 8 per cent of the agricultural land in the province. Secondly, the method of determining whether a parcel of land was foreign-owned was on the basis of finding out where the tax notices were sent by the municipalities in question. Well, as hon. members will know, and as those of us who sat on the foreign investment committee know from our work on this subject three and four years ago, just the address where tax notices are sent doesn't mean anything. It can mean a property management firm, a domestic law firm, or for that matter a Canadian subsidiary of a company that may be controlled outside the country. So the figures the Land Use Forum has cited to suggest to us there is no problem with foreign ownership, in my view, are subject themselves to challenge and to debate.

I read this technical report very carefully, and I would not want to crawl out on a limb and say, as categorically as the Land Use Forum says, that we don't have a problem with foreign ownership of land, because there are so many ways in which that information could be disguised.

The Land Use Forum, however, and I give them credit for saying this, did point out that the amendment we made in the fall of 1974 to The Land Titles Act, which set up the so-called monitoring procedure, was not in place soon enough to provide any sort of accurate information at all. So the monitoring, which presumably is taking place at the present time, was not of much use to the Land Use Forum in reaching its findings.

I suggest to you that, whether foreign ownership represents 1 per cent or 2 per cent or 5 per cent or 10 per cent, there is really no doubt that it is a problem with, in my judgment anyway, a serious potential for growth. There's little doubt, when one looks at the various proposals around the country — of foreign syndicates, usually based in Switzerland or West

Germany, coming in and buying up land — that at least some of this money is a method by which some of the surplus Arab oil money can be invested in North American land.

I simply suggest that it is, in my view anyway, a potentially serious problem, and we would be well advised to move quickly on dealing with this question. We are going to be debating this, no doubt, somewhat later in the session. I have a private member's bill, if no other occasion, so hon. members will have an opportunity to debate foreign ownership itself.

I want to suggest that we have an obligation to move quickly, despite the negotiations that are taking place on the Canadian Citizenship Act. I'm sure most of us would agree it would be preferable if we could pass legislation which would restrict ownership of land in Alberta to Canadian citizens or landed immigrants. But I suggest that if this is going to take two or three or four years to conclude, we need some kind of interim measure, in the short run.

Mr. Speaker, one of the other areas of the Land Use Forum that disappointed me somewhat was the land transfer section. On page 129, and I noticed the hon. Member for Innisfail raised this, they talk about land transfer. The very first point is inheritance, then they make the suggestion that the best way for a young man to get into farming is to marry the daughter of a rich farmer. Well, with great respect, Mr. Speaker, I don't think we really need to spend \$600,000 on a Land Use Forum to find out that one way to transfer land is for a young man to marry the daughter of a rich farmer. You could see the potential for this. At our agricultural colleges we could do away with plant science and what have you, and we could have an inventory of every wealthy farmer's daughter — size, shape, the amount of money the old man has in the bank — and perhaps the young men could study how to inherit the old man's money without being gauche or something like this. Mr. Speaker, with great respect again to the people who conducted this Forum, I suggest to you that the problem of land transfer is a little more difficult than that.

One of the reasons we have a number of people moving to northern Alberta and buying land in the Peace River block, at this stage of the game, is that land values in central Alberta have reached such horrendously high figures that it just isn't possible, notwithstanding the Agricultural Development Corporation, the Farm Credit Corporation, or what have you, for young people to get together enough capital to get into farming. I would hate to see agriculture in this province, Mr. Speaker, being the preserve of only those who inherit a farm. It seems to me that that would be a sad day for this province.

Also, in reading the report, I note on page 135 — and I see this again throughout the report — a downgrading of any of the fears of bigness. The suggestion is, really, that we're moving toward bigger farms, we're going to lose population in the rural areas, and that's almost inevitable. As I read this report, Mr. Speaker, I see shades of the federal task force report which was tabled, I believe, in 1969 or 1970. Hon. members will recall that that report suggested two out of three farmers must go. Or the report which was tabled in this Legislature in 1970, the T and T Report as it's called, which again suggested that many, if not most, of the farm families

in this province had to go. Again I think that is wrong, Mr. Speaker, when you look at the major question facing the world today of how we are going to grow enough food.

There's really no doubt that our objective in agriculture must not be the efficient utilization of capital so much as the efficient utilization of the land. The efficient utilization of the land, very clearly, Mr. Speaker, is better done with smaller family farms than any other mode. So, Mr. Speaker, I feel that this question of the whole approach to agriculture and the business of farming is pretty crucial, because I'm one of those people who are convinced that in the 1980s we'll not be talking about the power of petrol but we'll be talking about "agripower". Agripower will be by far the most important power in the world. Those countries that have a strong, vibrant agricultural base, and those provinces which encourage it, will be the provinces with a future.

Mr. Speaker, I want to talk for a few minutes about urban land use. The report rejects the concept of large-scale land banking, and suggests that land banking should only be done where you have a monopoly situation. In other words, land banking should be a mechanism used by the provincial government or the local city governments to break up a monopoly land ownership situation.

Mr. Speaker, several weeks ago I had an opportunity to chat with the mayor of Medicine Hat, where they have had a system of land banking for many, many years. I was really quite amazed to learn that lots in Medicine Hat are now selling for \$6,000. This is in a city that members will know has grown very rapidly in the last several years. Medicine Hat is now a boom city, and lots are selling for \$6,000. On the other hand, Mr. Speaker, in Nampa, a little community of 200 people 20 miles south of Peace River, lots are selling for \$6,000 too.

I just rode over to the Legislature Building with a representative of Carma Developers, who tells me that lots in this city range from \$18,000 to \$60,000. Mr. Speaker, when one sees what is happening in Medicine Hat, where by urban land banking they have been able to keep the cost of land down at that level, it seems to me that a pretty strong case can be made for land banking. I'm not suggesting that it's going to solve all problems, but I am suggesting that it is worth more attention and a substantially larger commitment by the provincial government than has been recommended in the Land Use Forum itself.

I was also a little concerned, in reading on page 216 the general view in the Forum report that we've really gone beyond the stage where we can have single detached homes, and that we have to move toward multiple dwellings of one kind or another. I suggest, Mr. Speaker, that's going to be a pretty difficult concept to sell to the people of Alberta or, indeed, to the people of Canada who have always looked upon the right to own their own home someday as something they can expect.

I would suggest, as I did yesterday in the Speech from the Throne, that through a combination of land policy, through some of the initiatives that can be taken in building, and what have you, and through a substantially increased budgetary commitment to housing, we should still make it possible for the person of average means to own that single detached dwelling. There are going to be a large number of

people, as the styles of life change, who prefer to live in apartments — so be it. But I don't believe, Mr. Speaker, that the goal of a single detached dwelling should only be available to those who can afford it. I think it should really be a matter of choice, and our housing policy must be tailored to that objective.

I want to deal briefly, Mr. Speaker, with the various changes that were recommended in the planning process. I understand we are going to be dealing with amendments to the provincial Planning Act or to possibly a whole new planning act at this session of the Legislature, so we'll have an opportunity to take another whack at this particular issue. When I am talking about planning, one type of planning I would highly recommend we stay away from is the kind of planning that is often done by the Land Use Assignment Committee. Now this is an interdepartmental committee set up to decide what land should be in the green zone and what land should be in the yellow zone. In terms of closed-door planning, I've never seen a committee which is so difficult to get any information from.

I just had an example in my own constituency, where people who have lived in an area for 20 years finally got hold of a map and found that their privately owned land according to this map, had been revested in the green zone. You can imagine they were a little more than slightly unhappy with this situation. In an effort to obtain information they found they were stonewalled by one public servant after another on the committee. Even the regional planning commission — sometimes we've had some critical things said in this House about regional planning commissions — but even the regional planning commission found it virtually impossible to get the information. After a terrific uproar, and after an awful lot of misunderstanding had been created, we did finally extract from the officials some idea of what was going on.

But in terms of the planning process, nothing can be worse than committees which make changes in peoples' land-use rights, if you like, behind closed doors: don't notify any of the local people. None of the local officials on the ADC knew what was going on, or the regional planning commission, or any of the local authorities at all. To me that's just a horrendous example of what shouldn't happen in planning. On the other hand, I would have to say, and probably find some disagreement here with the hon. Member for Drumheller, but the regional planning commission in the Peace River country has done a first-rate job in terms of planning.

One of the concerns that I would express about this report, however, is the suggestion that we should narrow down the representation on regional planning commissions. I think we'd better take a very close look at that recommendation before we follow it; because right now, if you don't have direct representation by towns, or villages, or improvement districts, or what have you, on the regional planning commission there isn't that feedback from the municipality, or report back to the municipality. It seems to me that if a regional planning commission is to do its job of regional planning effectively, there must be representation.

I think one of the problems in the recommendation here is that reducing the number of representatives, and having towns maybe represented every third,

fourth, or fifth year, would so remove from the town council any kind of effective input to the regional planning commission that it would just be another layer of the planning process that would be beyond them, that would be so isolated from their day to day interests that it just wouldn't be effective. It would create further alienation between local government and regional planning commissions. I think part of the problem with regional planning commissions is where there hasn't been that direct relationship between the member of a municipality and the board of the commission itself. But I would have to state publicly that in the Peace River Planning Commission we've had, in my judgment anyway, a very excellent example of how a planning commission should be run.

Mr. Speaker, in the five minutes that are left to me, I want to take a few seconds to comment on the recreational land use section of this report. I listened with interest to the hon. member when he talked about the private land entrance concept, where people armed with binoculars or cameras are going to be tramping over private land. Now, I suppose if we lived in a perfect society, where everybody recognized a keen sense of responsibility, this sort of thing might be all right. But, Mr. Speaker, as things exist today, to allow people to go on private land and then expect the landowner to become a sort of sheriff on the side, to supervise what's going on — yes, perhaps you could say to that individual, we'll increase the penalties under the Trespass Act. Well, so be it. But what good is that going to do to the individual if he finds the morning after that there are beer bottles littered all over his field, or that somebody let the cows out, or what have you? These are the kinds of real problems that ranchers and farmers are going to face. That's one of the reasons why, when I discussed this matter at pre-session meetings in my constituency, there was unanimous feeling by all people at these meetings that this sort of proposal was not a good one, and that at this point in time, anyway, it is, to say the least, premature.

I noticed that the Western Stock Growers' Association has already sent a rather firmly worded letter to both the Premier and the Minister of Agriculture making it clear that if the government proceeds on this one, they'll probably have more than a tent out in front of the Legislature come this spring.

However, there are several aspects of the recreational land use proposal that, in my judgment, are just unacceptable. The proposal is made on page 227, that while highway campsites are okay, really they're a little expensive to maintain, and that we should either phase them out, or not build any new ones, or leave this up to private enterprise.

Mr. Speaker, again with respect to the Land Use Forum, that kind of recommendation, if it was followed by the government, would be a very foolish one indeed, because our highway campsite program — and here I do pay tribute to the former Minister of Highways — has won the respect and support of Canadians all over this country. You know, you can't talk to Canadians, wherever they live, whether it's Ontario, Saskatchewan, B.C., Newfoundland, or what have you, who've motored through our province and not been tremendously impressed with those highway campsites. They can stop in, they can have a picnic, there are no signs saying "Honest Al's

Campsite — \$5 Please". You know, we want to encourage our tourist industry. I believe you can encourage them not just with the maintenance of the present campsite program, but indeed there are many, many beautiful water resource areas in this province where we should expand them. I don't want to outline some of them in my own constituency, but I could. Nevertheless the principle, I think, is sound. Let's not move backwards on this program, because this is one area where Alberta is clearly a leader in Canada, and I would hate to see us either modify this, turn this over to private enterprise, or stall expansion of the program.

The other area that concerns me is the whole business of user fees in provincial parks, and here I disagree with the hon. Member for Bow Valley. I believe that our provincial parks, because the basic costs have been paid for by the taxpayer, should be open to everyone. I really feel that one of the problems of having user fees is that it will make it difficult for lower income people to fully utilize our provincial parks. One of the arguments for both the Edmonton and Calgary provincial parks was that there were large numbers of people in the inner city who didn't get an opportunity to motor around the province and enjoy our provincial parks outside Edmonton and Calgary. It seems to me, Mr. Speaker, that if we can justify the rather substantial expenditure of money for the park here in Edmonton as well as the Fish Creek park in Calgary, it is wrong for us to start charging user fees.

In general, Mr. Speaker, I believe that the Land Use Forum has seriously underestimated the problem of foreign ownership of land. It hasn't dealt with the question of transferring land from one generation to another. I believe that in terms of urban land use it has downplayed the importance of urban land banking. Some of the recreational land use proposals, in my view, are simply not acceptable at this time. As with any report that costs \$600,000, there are a number of useful reports, especially with respect to the unearned increment tax which, while representing some problem in setting up would, over the long haul, be a useful move for the province to take, especially if it were coupled with urban land banks.

Let me just say, in final comment, that while I am critical of many of the findings of the report, nevertheless I believe that the exercise was worth while, because the Land Use Forum did hold hearings. A large number of Albertans participated in those hearings, and as a consequence we at least have some recommendations which we can battle out. We've heard from the people of Alberta. I suppose the next step is up to us in this Legislature.

MR. ASHTON: Mr. Speaker, I believe it was Bobbie Burns who said, "Ye have to see it to believe it". I'm not sure if it was Bobbie Burns, it may have been Johnnie Walker, but somebody said it. To use that expression, and to paraphrase it, applying it to the report, I think some of the members have pointed out that you have to read it to appreciate it.

In a general sense, I echo some of the previous comments that an outstanding job was done by the Land Use Forum, and that throughout the report there's a thread of common sense which lends a high degree of credibility to the report itself, in spite of the

fact that we may disagree with some specific recommendations. Of course, the problem is that there will be a tendency for many of the members, the public, and the media to focus on those recommendations and comments they disagree with. It is necessary to read the whole report to appreciate fully the work that was done.

In saying that, probably in the comments I make today I will tend to zero in on the things that I disagree with. I do not intend to be too extensive. I will deal primarily with Chapters 5 and 6. I am aware that the hon. Member for Lacombe and others wish to make some comments today.

At the outset I should suggest that I disagree with the hon. Member for Banff when he recommends that we take a non-partisan approach to this report. It's my opinion that the government members should take a very partisan approach. They should accept all of the good recommendations and implement them. We'll leave it up to the New Democratic Party, as they did in British Columbia and Saskatchewan, to pick out all the poor recommendations and implement them.

MR. NOTLEY: Three years from now, fine.

MR. ASHTON: The Forum does take a very strong advocate's position with respect to the role of free enterprise in our province. I have to use some of their words because they express it in a manner which is more articulate than I am capable of. They indicate that:

... the government's role is to provide policies and programs which will enable the people to realize their objectives for land use. This will require all levels of government to provide a framework of regulations, not in a multiplicity of details but in broad outlines, which will enable private enterprise to operate effectively and with minimum interference in the rights of others. If the government fails in meeting this role or imposes excessive and detailed regulations and details which make private enterprise ineffective, then the government may ultimately be forced to take over functions that could have been handled better on a private basis. Public ownership is often evidence of failure of government to properly meet its role.

As I say, I would use those words of the Forum as my own because they express it so articulately.

One problem, of course, when we're dealing with land-use issues, and one thing the Forum mentioned in the report that they noticed during their public hearings, was that there were all kinds of suggestions from people as to the problems. But because the problems were so complicated and of technical nature, often they did not have the solutions. So they bounced the ball back to our court, and frequently suggest that it's up to the government to find the solution. That's our responsibility.

I saw an interesting comment on page 37 of the report, something I didn't know before. Perhaps some of the older members were there at the time, but I wasn't. In 1903, Sir Clifford Sifton, who was then the federal Minister of the Interior, stated that the land-use policy of the federal government at that time was to build up a consuming and producing population in western Canada to supply a market for the products of eastern manufacturers. I've heard

that said many times. I didn't realize it was official government policy, although we've suspected from time to time that that has been the case. Of course, they've added to that policy — at least if some of the comments of the hon. members are accurate — to say that the second reason for developing western Canada is for a source of cheap natural resources to be sent down there at less than market value. However, we have seen that this government has taken steps to influence changes in that federal government policy.

The Forum report indicates that many responsibilities and duties have been taken away from municipal governments which should not have been taken away. They were taken away on the grounds that the municipal governments did not have the financial resources to solve the problem. This may have been one of our reasons — and we can pick many examples — why we took over 100 per cent of the cost of the health services, including the hospitals. Now that may have been a mistake. It may be that we should be making a return to some more local responsibility for some of these programs.

The report also indicates that we should be preparing land-use inventories. I'd have to say I was kind of amazed that we do not already have this in Alberta. If we don't, I suggest that the hon. minister develop something in that regard very quickly.

On the topic of some of the rural problems, I was very impressed reading the annual submission of Unifarm to the provincial cabinet, which was submitted earlier this year. I know some of the rural members may express a little surprise that I have read some of the Unifarm submissions. But it is very well done, and I certainly recommend it for reading and helping us to reach some of the decisions we need to reach with respect to the land-use problems.

One thing which has been very controversial in my area and which the Land Use Forum report has some comments about is the matter of utility corridors, pipelines, and, of course, our approach with the restricted development area. I would like to congratulate the former Minister of the Environment, now the Minister of Housing and Public Works, for his foresight in initiating, with the cabinet, the restricted development area surrounding most of Edmonton. It has been very controversial. There have been many objections to this. But there's no question that it was a bold decision, and it may be 20 to 30 years before the public truly appreciates how much foresight went into that.

I look at the area between Sherwood Park and Edmonton. We find the area is just a mass of pipelines, utilities, and so on. There's no question at all that if more foresight had been used, we would have been able to maximize our land use in that very expensive area between Sherwood Park and Edmonton. In fact, the ministry of highways, I understand, in its development of Highway 16A through refinery row — massive pipelines, utilities, and of course three railway lines cutting a few hundred years apart are really causing problems — is even considering an elevated highway to avoid these problems.

With regard to rural land banking, I as an urban member probably don't fully appreciate the significance of some of these things that the rural members do. I'll ask the rural members to comment what I have to say. I have never fully appreciated why we

have Crown leases. In other words, I could not and still cannot understand why the government owns agricultural land for leasing. Why isn't this sold to the farmers? To reverse what I consider to be an unfortunate situation and have more extensive rural land banking, I think, would be a tremendous mistake. There are some instances where we might have multi-use potential, such as, for example, in the eastern slopes area. I understand there may be some that is useful for agricultural purposes, for grazing and so on, which may have some secondary use for conservation of wildlife, the caribou and so on. Not the caribou there, but the elk. Generally speaking, I would think it should be government policy to dispose of that land which they own in Alberta which has agricultural potential.

The report recommends that property should only bear the cost of those services which are related to property. Now this is probably a good policy. It has been accepted by this government. I believe it was part of our 1971 platform. It was generally well accepted by the public. But, personally, I am having some second thoughts when we're faced with the fact that we no longer have the local influence on health costs, as one example. And I believe it was so successful in the area of education costs to have local influence, which really has a stake in what is happening at the local level. It may be that it's time to reassess our decision to remove all health costs from property.

With respect to the recommendations on the land-use secretariat, I will not make any comments on that. I will leave that up to the Premier to make his decisions on that. Those are administrative matters which, as an outsider, I don't feel I am qualified even to offer an opinion on.

Going into the comments in the report on The Planning Act, the report indicated — they develop this very thoroughly, and it's very impressive to read their explanation of the history of planning in this province. Their explanation and their confirmation [is] that generally speaking, the planning process in this province has worked quite well. I hope that when the new minister introduces the new planning act he will not make too many radical changes from the existing system, that in fact he will do things like streamlining the present system, making it more effective, speedier, and less costly. I hope I will have a chance, like the hon. Member for Spirit River-Fairview, to say more about that when the planning act is introduced.

Speaking of the Member for Spirit River-Fairview, it reminds me that he commented that sometime during the session we should attempt to make sure this motion is spoken to many more times. I think that's a valid point, and I would suggest that, as it was a government member who introduced the motion, perhaps some of the hon. members of the opposition would use this as a designated motion on at least a couple of Thursdays.

Coming to the part of the report that deals with planning in the metropolitan areas, I find one particular item I disagree with. I suppose I'm going against the editorial policy of the *Edmonton Journal* on this point, but the editorials come thick and fast, and have for the last many years. They've almost become paranoid on the topic. They've obviously influenced some of the Edmonton City Council aldermen to accept that position. They've talked about the prob-

lems of metropolitan growth, and then the report suggests that they accept the concept of unitary government.

Now, in arriving at this conclusion, they indicate, they attempt to allude to, the problems the communities around Edmonton create. They say other centres somewhat more distant from Edmonton are growing rapidly as dormitory suburbs. These include Spruce Grove, Stony Plain to the west, Morinville to the north, Leduc to the south, Fort Saskatchewan to the northeast, and so on. Then they go on to indicate that in their opinion the problems created by these communities are, in their words, immense.

Now I suggest to you, Mr. Speaker, that the problems are not immense. The problems exist only in the minds of people. In fact, they're not problems at all. One of the arguments used — it's not expressed in the report but we hear it from the advocates of unitary government — is that there's a tremendous cost to the Edmonton taxpayer because, for example, they are paving their streets, yet there are residents from the surrounding communities using their streets. Well, to me, this has to be the wisest investment Edmonton can make, to provide streets for the people from the surrounding communities to come into Edmonton.

There are basically three reasons [why] these people from the surrounding communities use Edmonton streets. One is to work in the city. The second is to spend their money here on shopping, and major shopping is done in the city from the outlying communities. Finally, of course, they come for entertainment. Now, those who are coming to work, come to work in businesses, they're paying business taxes to the city. Those who come to shop are supporting businesses that are paying business taxes to the city. Those who come for entertainment are being entertained in establishments that are paying business taxes to the city.

In fact, this is the whole thrust. This is why it's so important to Edmonton that they expand this market area even further. In fact, this government is attempting to expand that market area to the north pole. Certainly, this is a wise business investment for the city, and it's a profit-making approach. Yet the surrounding urban communities, what some call bedroom communities, have to provide all the residential services to those people who are promoting the businesses in the city.

Another item is the matter they explain of the problems of co-operation in a large metropolitan scene such as Edmonton. One is the matter of policing. I've discussed this, certainly, with members of the Royal Canadian Mounted Police in Sherwood Park, and there are no problems. There's extensive co-operation and the problems do not exist. There are no confrontations except at the council level.

With regard to the utilities, again it is another wise investment for the citizens of Edmonton, because in fact there is a substantial surcharge for those services they provide to the surrounding communities, for example on the water. Of course, a surcharge can only be so high or, I suppose, the surrounding communities would eventually form their own water board. But there are no reasons at all — rather than being a financial drain as is sometimes suggested, the fact is it's a financial benefit to the Edmonton core not to have the responsibilities of

these bedroom communities. Of course, when you live in one of those communities, there are emotional reasons why you would not accept unitary government. There certainly would be a loss of autonomy. There are discussions in Sherwood Park from time to time that they don't have enough say on the county council, but they have a tremendous amount more influence on their decision-making at the local level in that community than they would have as part of the city.

Many things are more efficient in running smaller communities. A classic example is the fire department. Basically, the fire department in Sherwood Park serves, populationwise, an area a little bit bigger than the average city fire department. It serves a very large rural area, and yet they have two firemen on constant standby. I understand in the city, six to eight is the average in each fire hall. So, there's no question. Of course, how can it operate that way? All the firemen live within a matter of one, two, three, or four blocks from the fire hall. If there is a fire, they can man those machines within literally a couple of minutes, so they tell me.

With regard to ambulance service, it's provided by the local fire department. It's unquestionably one of the finest ambulance services in Alberta. The people in that community would very much regret losing that high-quality service. Yet I understand it's no more expensive than the system which is contracted out by the city.

One thing I didn't mention on the highways is the fact our government pays for the entire cost of the major connecting highway works between Sherwood Park and the city of Edmonton. I believe they do with regard to the other municipalities around too. Now, if those were city streets, that would be an extra financial burden on the city.

With respect to hospitals, of course, as we know, they are paid for 100 per cent by the provincial government. There's no question that, under the leadership of the Minister of Hospitals and Medical Care in establishing the new county of Strathcona-Edmonton hospitals board, there's already a tremendous amount of co-operation developing on that topic if ever and when another hospital goes ahead.

With regard to planning, there are very few planning problems. I've talked to one of the Edmonton aldermen on this on many occasions who was, I don't think still is, chairman of the Edmonton Regional Planning Commission. But, in fact, there is excellent co-operation. It may be that that planning commission needs to be strengthened. But still, it works. The system is working now, and there is no need to change it unless we have better arguments than we've heard to date.

Going further on in the Land Use Forum report, I had some meetings in my constituency on the topic, as I believe other members did. They certainly influenced my assumptions as to what the public was thinking. For example, the Land Use Forum report says that The Planning Act treats subdivision as a privilege rather than as a right of ownership. It is this sort of concept that exists in our planning today, that everything is a privilege and not a right, to which I found a very strong adverse reaction from my constituency. For example, further on they indicate that it is the Forum's view that since the subdivision privilege arises from a public decision, the change in land

value above its value in its present use should revert to the public that granted the privilege. All I can say is that if that is going to be the approach of the government, they have a great amount of education and convincing to do to the general public, because I found in my constituency that they do not accept that approach.

With regard to acreage subdivision, the report deals extensively with the problems and has several recommendations. They use an expression in the report: "the country residential dweller should be expected to pay his fair share of costs incurred to the municipality." Now the suggestion appears to be that, in fact, the acreage dweller is not paying his fair share of taxation. The time that I spent looking at this, I would have to disagree with that conclusion, if that is a conclusion. There's no question that it may have been so in the past, but with reassessment in the areas surrounding the city, in fact, many of these acreage owners are going to be paying exorbitant taxes which you cannot justify by any rule in determining how much they should be paying with regard to the amount of service they receive.

I can think of an example just outside my constituency, a 20-acre parcel with a 1,100-square-foot house. He hasn't yet figured out his taxes exactly, because his notices haven't come out, but they are going to be somewhere between \$1,500 and \$2,000 a year. Now you can say that this is fine: he's got this 20-acre parcel which in the long run he can retire on because it will be worth a lot of money. It is already worth a fair amount of money. But, in fact, as a residential unit and the amount of service that is provided to that, there is no way you can justify that type of tax levy. He's locked in, because as soon as that becomes known, of course it will have a tremendous influence on the marketability of that property. In fact, he'll find it very difficult to sell to anybody aware of how much taxes he has to pay. He can't get out of it. He can't subdivide further into small lots because there is no way you're going to get further approval to resubdivide that 20-acre parcel.

Answers are being looked at by the Provincial-Municipal Finance Council, and I'm very pleased that they're apparently giving priority in this area to coming up with some answers. The best answer that I've heard yet, and I submit it to the Assembly on that basis, is that all residential property, including farms, houses on acreages, and so on, the buildings and the approximately one-acre parcel around the buildings, be assessed relative to market value the same way we are in the city, and that the rest of the land, whether it be a farm or an acreage, be set at the minimal level. I believe \$40 an acre is the maximum now. It certainly seems to solve all the problems of the acreage dweller. They would be paying their fair share of municipal taxes on that basis. I hope that some of the rural members will comment on that point.

I won't talk further about the clustering of acreages, because it has been expressed by almost every other speaker.

With respect to the 10 per cent park reserve in country acreages, it has long concerned me that whenever you subdivide a quarter section, at least 16 acres of that goes for park reserve. In every quarter section you find this 16-acre or higher parcel set aside for parks, and it's relatively unused. It's just

been a tremendous waste of land. You find these dotted all over the countryside. They're of no benefit to anybody. How much better it would have been had they taken some of these quarter sections, subdivided them completely, collected all these park reserves, and established a substantial park which could be used by the general community at large.

I realize The Planning Act now gives some options to the municipalities, and to the planning people, in this regard, but I believe the provincial government should show more leadership in directing this concept of collecting the small parks and putting them together.

One suggestion the report makes, which I think is a good one and which I believe we've already implemented, is with respect to the problems created by small acreage subdivision right up to the boundaries of cities. As I recall, the subdivision and transfer regulations were amended last fall to move this out farther away from the cities, so you can no longer subdivide, I believe it's something like, 5 miles within a major city. That is a positive move forward.

With those comments, Mr. Speaker, I see the time has come, so to speak. I'll leave it to someone else to adjourn debate.

MR. BUTLER: Due to the lateness of the hour, and the subject is very close to me and to my constituents, I beg leave to adjourn debate.

MR. SPEAKER: May the hon. member adjourn the debate?

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until 8 o'clock this evening.

[The House adjourned at 5:30 p.m.]

[The House met at 8 p.m.]

head: **CONSIDERATION OF HIS HONOUR THE LIEUTENANT-GOVERNOR'S SPEECH**

Mr. Shaben proposed the following motion to the Assembly: That an humble address be presented to His Honour the Honourable the Lieutenant-Governor of Alberta as follows:

To His Honour the Honourable Ralph G. Steinhauer, Lieutenant-Governor of the Province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Adjourned debate: Mr. Moore]

MR. MOORE: Mr. Speaker, I want to begin this evening by congratulating His Honour the Lieutenant-Governor for the delivery of the Speech from the Throne, as well as the mover and the seconder and all those who have so ably participated during the course of the last few days. In my view, the comments they have made contribute greatly to the

thoughts of those in government and all of us in the Legislature.

Tonight I want to talk specifically about agriculture, as I think I should: to begin with a short overview of 1975, to talk about what we think the outlook is for the greatest industry in our province for 1976, and to talk about the objectives of the Alberta Department of Agriculture and this government for the forthcoming year and beyond.

All the members of the Assembly, Mr. Speaker, know that the beef cattle industry was one which saw the most difficulty in 1975, a year I think we have determined in March '76 was a year of adjustment. The cattle and calf slaughter in Canada in the last calendar year was up some 20 per cent over the previous year, which means that in the last quarter of 1975 the breeding cow herd in Canada as well as the United States stopped growing. It is expected that the figures for the first quarter of 1976 will even see some slight reduction in that cow herd.

This means, Mr. Speaker, that the supply of cattle in North America, primarily in the United States and Canada, in our expectation will reach a level that's equal to demand within the very near future. It doesn't need to be said, I suppose, Mr. Speaker, but generally speaking, all other sectors of the agricultural industry were in a position of relative strength, with production shortfalls being relatively few, if any, in 1975.

I want to review the total farm cash receipts in Alberta in 1975, as well as the net farm income. Total 1975 farm cash receipts are estimated to be up some 10.5 per cent over 1974 for a record total for Alberta of some \$1.9 billion. That figure, Mr. Speaker, while not so striking over 1974, is some 58 per cent above the total farm cash receipts for 1973. As a matter of interest, that figure is more than twice the average farm cash receipts for 1968-72. More important yet to farmers in this province is not the total cash receipts, but the net income. In 1975 we saw an estimated net income of some \$846 million for Alberta farmers, the highest by far ever recorded in this province.

To go from there, Mr. Speaker, to a brief outlook for 1976. We would expect that in 1976 total production in dollar volume would be equal to 1975. There may, in fact, be some slight increase, but considering weather factors and other areas of agriculture that are yet unpredictable, a conservative estimate is that this year we will produce somewhat the same as the dollar volume produced in 1976.

Farm net income in 1976, however, without question will be down somewhat from the levels of 1975. Those reasons, Mr. Speaker, are simply that we expect farm input costs during the course of this calendar year over and above 1975 will rise some 8 to 10 per cent. That's compared to an expectation on the national level of farm input costs rising some 15 per cent. We're rather fortunate in this province that a number of government programs such as the Alberta property tax reduction plan, the fuel transportation allowance program — wherein 8 cents per gallon is rebated to Alberta farmers — the extensive credit programs of the Agricultural Development Corporation and Farm Credit Corporation, not to mention the extensive fertilizer manufacturing capabilities that give us the lowest cost fertilizer in Canada, will leave us in a position where the farm

input costs in Alberta will be smaller in increase than they are in any other province during this calendar year.

Having made those few remarks about the predictions for 1976, I want to talk specifically about the beef cattle industry, one of the major concerns of myself as Minister of Agriculture and all members of the Legislative Assembly during the last two years. I want to relate specifically to our suggestions to the Government of Canada and other provinces with regard to a beef cow-calf stabilization program. In his remarks on Monday, Mr. Speaker, the Leader of the Opposition mentioned what we've been doing in that regard. I want to say that our suggestions to the Government of Canada and other provincial governments in early December of last year were taken very seriously by all concerned. We're disappointed that we've not reached a position yet where an announcement can be made by the federal Minister of Agriculture of a stabilization program that has in it, in some way or another, some form of assistance to cow-calf producers in this province. We hope that kind of announcement will be forthcoming before too long. However, we're doing some other things in the interim that I want to talk about a little later on, that are perhaps more important than the subsidy program.

I did, however, want to correct some obvious misinformation contained in the speech by the Leader of the Opposition. It has to do with the statement that Alberta is the only province west of Quebec that doesn't have a cow-calf stabilization program. Hon. members should know that this province, together with Saskatchewan, has embarked upon a number of areas of assistance to the cow-calf producer in terms of loans and that kind of thing. In Alberta or Saskatchewan we don't have the kind of income assurance programs that have been developed in Ontario, Quebec, British Columbia, and Manitoba.

It is interesting to note as well, Mr. Speaker, the provinces of Alberta and Saskatchewan together account for 67 per cent of the total cow herd in this country, and for 67 per cent of the beef production. It's not easy to understand why we, in this government, have insisted we should not be implementing programs of stabilization which are really consumer price support programs for people in other parts of Canada. It's easy to understand, I think, why we should be asking for a stabilization program on a national level instead of nine or 10 stabilization programs across the country. We'll continue to do that, Mr. Speaker. We will continue to resist those who say the taxpayers and the treasury of the Government of Alberta should be paying for a cheap food policy for all of Canada.

While I'm on that subject, I want to talk a little bit about marketing boards and supply management. We've heard from some quarters in Canada and Alberta that what we should be doing with beef cattle is bringing in marketing boards and establishing quotas, and getting ourselves into a situation where the only thing we do is produce meat for the 1.5 or 2 million people who might live in this province. I want to say very strongly, Mr. Speaker, that I don't want to be the Minister of Agriculture who tells three out of four people involved in the beef cattle industry in Alberta that you can't farm any more, you've got to go to the city and find yourself a job, because this

government has decided in its wisdom that all we need to do is produce beef for the 8 per cent of Canada's population that lives in Alberta.

There are other methods we can use to ensure that the beef producers of this province have an opportunity to market across Canada and throughout the world. I want to talk about some of those. We've been involved during the last several months, and before that, in trying to develop export markets in Japan, the United States, and the European Economic Community. In that regard, I want to touch on statements in *Hansard* of March 8 with regard to calf exports out of Alberta, when the hon. Leader of the Opposition said he heard we sent telexes to the European Economic Community saying we don't have any calves. Well, we did, Mr. Speaker, but there are reasons why that happened.

First of all, I want to say to hon. members: does anyone know how many live calves went out of Canada into Europe during the last two years, and where they came from? Mr. Speaker, perhaps it's my fault they don't know. But in the second week of January, on the coldest day of this year, 294 calves left the Edmonton International Airport designed for a market in Germany that nobody in this country had been able to penetrate before. That wasn't done, Mr. Speaker, totally by government. As a matter of fact, it was done by a private individual who lives in Alberta, who is involved in agriculture, who wanted to develop a new market and had some particular knowledge of the European market and the workings of the European Economic Community. Sure, we assisted.

That's the kind of market you can develop if you take some time. You can't develop by sending telexes to the Canadian embassy in Germany, or wherever, saying yes, we've got 10,000 calves, come and get them. It's a little more difficult than that. Those who have been involved in international marketing — and it's too bad the Leader of the Opposition, when he was a member of the government side of the House, wasn't involved in international marketing. Because in those days we didn't have a marketing division in the Department of Agriculture. We didn't have an export agency. Nobody could say they weren't getting along, because we didn't have them.

I want to say as well, Mr. Speaker, that we intend to develop that market. But we want to develop it slowly. I'm not convinced we want to sell 300-pound calves to Europe, but we want to get our foot in the door and make our presence known there. The ultimate objective, Mr. Speaker, won't be to sell beef calves out of Alberta at 300 pounds, to have them grown out, fed, slaughtered, and cooked in Europe — not at all. The ultimate objective will be to grow those cattle out to 1,200 pounds to fat cattle, to slaughter them, to package them, and to ship them that way. We may even get involved in cooking, if they so desire.

At any rate, Mr. Speaker, I'm confident that those enterprising individuals in this province who have developed this market will continue to make it expand. To the Montreal meat broker who wants to get in on the action for a piece of the pie, our answer will be the same six months from now as it was two weeks ago: very simply, Mr. Speaker, that we think our people in this province with initiative, who know about markets overseas, whom we can assist, can do the job just as well as someone from eastern Canada.

I want to go from there to speak very briefly about a couple of other matters. We have a number of plans in our 1976 objectives. Perhaps the first and most important thing to Alberta agriculture is not to retract into the marketing board a supply management "produce only for us" concept, but rather to do our homework to find out why the products our farmers in this province produce can't enter markets in Japan, Europe, and the United States. To study very deeply the trade barriers that exist in all those countries, the hon. Minister of Business Development and Tourism, myself, and the Minister of Federal and Intergovernmental Affairs put together a team of people within this government who developed an expertise second to none in western Canada with respect to tariffs, tariff negotiations, GATT negotiations, and that kind of thing. Those people, Mr. Speaker, have been actively involved with our direction in convincing the Government of Canada and other provinces that the agriculture industry of Canada should no longer be traded off against industrial job opportunities in eastern Canada during tariff negotiations.

We're convinced, Mr. Speaker, that it wasn't good enough to say, as was done years ago, we want you to give us a good deal. That's not good enough. You have to sit down and study each individual tariff structure, each individual country; you have to negotiate with those involved and you have to show the Government of Canada the direction we need to go. And I'm confident that having done that, we will get the kind of agreement we want from other countries. We will get the kind of assistance from the Government of Canada to ensure that our agriculture industry is not traded off once again.

I want to say as well that for the future of this country we need to clear out of our way some of the unfair tariff barriers that exist in our efforts to export to other countries. Having done that, it still isn't good enough, because if you don't go to countries like Japan, if you don't have good relationships with countries like the United States who are able to take a good deal of our agriculture products, not to mention the European Common Market — if you don't do that, they don't come running to your door to buy. Maybe they do in years when wheat and feed grains are scarce, but that's what we call spot sales. It's easy to sell when you're in short supply, but it's a little tougher when other people are producing the same kinds of commodities and you want to move them into a market at a fair price.

So we've been involved. All hon. members know, Mr. Speaker, the kind of thing we were able to do over the course of three years in developing hog markets in Japan. We've been involved since last November in a specific project with regard to the export of beef to Japan. We were involved before that in a variety of ways. We tried three years ago, I think it was, Mr. Speaker, to develop an export market for Kobe beef in Japan. The Alberta Cattle Commission, with the assistance of government, had an experimental feeding of beef in Alberta — feeding the Kobe way — so that we could move into their market with a product they were accustomed to. That didn't work. We then began trying to see if we could sell our normal beef product in a normal way to Japan. Over the course of a year or two, we found we were competing with Australian beef that was coming into that nation at a much reduced price. And

our beef was not being identified as Canadian beef. It was not being handled properly, and we couldn't move it in there in competition with Australian beef.

Recently we took another approach. We formed a four-man team between the Export Agency and the Department of Agriculture. We put some 15 steers for an experimental shipment on feed to a heavier weight than normal. The concept of our idea now is not to try to compete with cheap meat from other countries that is poorly handled, but rather to deal with one particular Japanese trading firm which has some expertise and some long-standing good will among the Japanese supermarkets and the hotel and restaurant trade; to put onto that market a superior quality of beef, handled and processed in a superior way, at a premium price.

Mr. Speaker, we're now involved in those kinds of things in a trial way. I am hopeful that in due course, and it may be two or three years down the road, the kind of market we're working on will develop into something that will be of long-term benefit to cattle producers and feeders in Alberta, and will not leave us so heavily dependent upon the pricing system in the Montreal market.

I want to go from there, Mr. Speaker, and talk briefly, if I could, about the Agricultural Development Corporation. Direct farm loans of the Ag. Development Corporation during the first nine months of the fiscal year we're now in have dropped somewhat, Mr. Speaker, from the previous year. There are reasons for that, and one of them pleases me greatly.

In establishing the Agricultural Development Corporation in 1971, we said we did not want that corporation to take the place of the Farm Credit Corporation. We did not want to try to provide the sums that FCC had been providing in past years. We were concerned, as I know the previous government was concerned, that a provincial lending program might do nothing more than reduce the amount of FCC lending. In fact, Mr. Speaker, we're happy to say that in 1975 the results of the kind of program we ran under the Ag. Development Corporation were instrumental in changing the programs of the Farm Credit Corporation nationally. For the first time in their history they went into a beginner farmer's program, and took a greater number of risks than they might otherwise have taken in previous years.

In addition to that, Mr. Speaker, we have had the field staff of the Agricultural Development Corporation actively assisting people in developing loan applications not only to the Agricultural Development Corporation, but also to the Farm Credit Corporation. Because of that, because of the more liberal lending policies the FCC adopted in 1975, that corporation, in terms of actual loans and commitments made during the course of this fiscal year, will have loaned or committed close to \$120 million in Alberta, which per capita far exceeds any other province in Canada. So much, Mr. Speaker, for the theory that you can't have a provincial lending program and a federal lending program. We've made them work side by side, and I'd like to go on record as saying that we appreciate tremendously the kind of co-operation we have received from all the staff of the Farm Credit Corporation here in Alberta and elsewhere in Canada during the last couple of years.

I want to talk briefly, Mr. Speaker, about the lending of the Ag. Development Corporation in terms

of agribusiness loans. Over the last three years, we have helped develop or have assisted 70 plants in this province to improve their operations or build new operations in a variety of things, and I know I talked about them during the last session. In every case, Mr. Speaker, we must remember that those processing plants came to the Agricultural Development Corporation because they couldn't get reasonable loans at any other place. They had to have refusals from the chartered bank, the Industrial Development Bank, and from elsewhere. So we are virtually a lending institution of last resort in some pretty high finance areas. We've had some failures. We've had some difficulties. I don't apologize for them at all. I think that our loss ratio in agribusiness loans under the Ag. Development Corporation is, if anything, less than it should be.

I want to refer to a couple of loans, three loans in fact, we've made over the last two or three years that we've had some difficulty with and that are not totally related to the Ag. Development Corporation. The first one, which members are aware of, is Alberta Livestock Co-op; namely Agrimart in Calgary, although they have other assets across the province. You know that four weeks ago Alberta Livestock Co-op was put into trusteeship. Alberta Livestock Co-op has, guaranteed by the Ag. Development Corporation, almost \$1.7 million in bonds. In the course of the next few weeks we will be required to pay those bond holders because of that trusteeship. I should say in addition that the assets, in our view, are there, and our loan is pretty well secure. In other words, in due course we expect to recover the total amount of our guarantee.

More important than that, it would have been easy for us as one of the largest guarantors of the ALC loans to have said to the trustee, close it out, sell the assets, we'll take our loss, and let the lumps fall where they may. But we didn't say that. We said to the trustee, Touche Ross & Company, and the receiver Mr. Jim Fowler, if you could we'd like you to continue the operation of Alberta Livestock Co-op, an important part of the structure of livestock marketing in this province, and he agreed without any hesitation. Continue it, and we'll find a way to re-structure that co-op over the course of the next few months and sell shares so they can, in fact, get out of their current difficulties.

I'd like to say tonight that cattlemen in this province, hog producers, or whatever, should not in any way be worried about shipping to Alberta Livestock Co-op, because the trust account is in the hands of the receiver. I'm advised by the receiver and the general manager there's simply no way anyone is going to ship cattle there and not get paid. Their financial difficulties do not relate to the trust account that pays for cattle. Indeed, we would encourage cattlemen from all over the province, if anything, to increase their shipments there so they would have a better opportunity to get out of their current difficulties.

In addition to that, Mr. Speaker, I'd like to talk about the Wetaskiwin cheese plant. They developed that plant some years ago with loans to individuals who, as it happened, did not have the management capabilities to carry it on. So a year and a half ago we were faced with a decision. Do we shut down the Wetaskiwin cheese plant, put 65 farm families who

are milking cows out of business and some 20 people who are working in the plant? Do we do that or appoint a receiver-manager and say to him, you operate the plant until we can find somebody with some expertise, and take a chance that we might lose even more that way than if we'd have shut it down and sold it for a storage plant or whatever. We chose the latter, and I suppose this is one of the good stories out of ADC on a difficult loan.

We were able to find an individual from Saskatchewan who had some expertise in the business of making and marketing cheese. That individual, Mr. Speaker, hiring one of the best cheese makers in Canada and some other help, was able to bring that plant from one of 65 producers shipping to almost 90 today, one producing one kind of cheese to today producing 11 different kinds of cheese and having a market that he can't even keep up to. So we made a new loan to this individual a few weeks back. There was some \$3 million that consisted of a \$2 million direct loan and a guarantee of a bank loan of \$1 million. In our view that is an appropriate approach that will leave the Ag. Development Corporation not losing anything at all on that entire operation, and eventually will provide an income for 100 farm families milking cows in the Wetaskiwin area, not to mention 30-odd people employed in that plant.

I wanted to mention that one specifically, Mr. Speaker, because it's easy when you're in the lending business — and some chartered banks do it, some don't — to take the easy way out when you have a failure! shut the thing down, sell the assets, lose your money, and forget all about those who are vitally dependent upon that plant, including the people who work there. We didn't do that, and to me it's very good news that we were able to bring that one out as well as we did.

I want to go from there to talk about Vauxhall Foods Ltd. in Vauxhall, Alberta. Some hon. members would know that that plant was developed in about 1969 or '70 by loans from the old Alberta Commercial Corporation. It's had a history of some problems, because the potato industry in this country is up and down. The most recent problem, Mr. Speaker, is that the company, which is a processor of dehydrated potato granules, was assured by the Alberta Export Agency of appreciable sales to Japan in 1974-75. Those sales did not materialize, largely because of a downfall in the Japanese economy, and a change of mind by those who were involved in purchasing the potato granules from Vauxhall. The result was that a commitment, in the view of government, had been made by the Export Agency to sell potato granules which in fact were not sold. Vauxhall Foods had manufactured more than 1.7 million pounds of specification product which was on hand.

In view of all those circumstances, after some long negotiations a financial assistance program was developed, and has now been accepted by Vauxhall shareholders and the Government of Alberta, which involves a payment to Vauxhall of some \$850,000 for 1.7 million pounds of Japanese specification potato granules. In addition, it involves the conversion to preferred shares of \$500,000 of existing Alberta Opportunity Company debt. As well, it involves the conversion to preferred shares of some \$650,000 of loan guaranteed by the Ag. Development Corporation. In return for this, certain management

commitments have been agreed to by Vauxhall Foods that we think will leave the company in a much stronger financial position than it was in before. In addition, Mr. Speaker, the potato market in 1976 is certainly better than it's been for a number of years. We would expect their operation down the road a year or two to be on a very solid financial base, as a result of both the improved potato market and this new additional assistance provided by the Government of Alberta.

Mr. Speaker, I want to conclude on just a couple of items. I stated earlier what some of our goals would be for 1976. I want to restate them, and I want to give an example. We don't think it's good enough in Alberta or Canada to market agriculture products on a spot basis, when and if you can. For example, in years of great demand for wheat and feed grains, we think the Canadian Wheat Board should tie together their marketing with some of our other agriculture products. Indeed, Mr. Speaker, it wouldn't hurt if we said to countries like Japan that want our coal and some of our minerals as badly as they do: the decision to sell those products to you has to be coupled with some commitment on your behalf to take the agriculture products we produce so abundantly in Alberta.

In addition to that, Mr. Speaker, I want to emphasize again that in spite of the difficulties in the beef cattle industry and our failure thus far to get a national stabilization program on the road, that doesn't need to mean we sit still. There are two specific things we can do and are doing: to ensure by hard work, and by showing the Government of Canada the direction, that we're not barred from exporting to other countries because of artificial and unfair trade barriers. In addition to that, get the marketing division of the Department of Agriculture and the Export Agency moving around the world in a constructive way, as they have been in the past, to ensure that the agriculture products produced by farmers of this province have access to markets around the world.

Thank you, Mr. Speaker.

MR. JAMISON: Mr. Speaker, I welcome the opportunity to contribute to the debate in this Assembly on the Speech from the Throne. Unlike those of my colleagues who represent a city constituency or, for that matter, a rural constituency, as a representative from St. Albert I must wear a rather large number of hats: one for the town of St. Albert, whose population of near 23,000 makes it larger than a number of Alberta cities. In fact, as our aggressive and vocal mayor is fond of pointing out, St. Albert is the sixth largest urban centre in the province of Alberta.

One hat is needed to represent the farmers in the St. Albert constituency, roughly bounded by the M.D. of Sturgeon which is 40 miles by 40 miles to the north of the city of Edmonton. Mr. Speaker, St. Albert constituency is a solid rural one. I represent more farmers, for example, than the hon. member from the constituency of Athabasca, or the hon. minister from Smoky River. I represent more farmers in my constituency, as I said, than the Minister of Agriculture.

I need another hat when I represent a large concentration of acreage owners, for these people,

Mr. Speaker, have sharply different concerns than my farmer friends. I must put on two other hats to represent the Alexander Indian Reserve and the mental hospital in the St. Albert constituency.

Finally, there is Castle Downs and the Canadian Forces Base, Griesbach, Mr. Speaker. Now I need another hat for another 7,000 constituents who are in the city of Edmonton. Perhaps a bowler like the one worn by the hon. Member for Edmonton Beverly would be appropriate.

It is rather too well known, Mr. Speaker, that the Member for St. Albert wears size fifteen and a half shoes. What he could really use — never mind all those hats — is four of those big feet.

There are, however, some areas of interest which are common to all the people in the St. Albert constituency, and it is these areas I wish to comment on tonight in relation to the Speech from the Throne.

The stimulation of housing construction will be a welcome policy throughout the greater Edmonton area, together with establishment of the Alberta Home Mortgage Corporation. There is no doubt that the towns and villages throughout the St. Albert constituency will continue to grow substantially under the measures set out by the Minister of Housing and Public Works. But the effects of our housing policy will spill over into a number of other departments, Mr. Speaker, and the first one I would like to talk about is the Department of Transportation.

We heard in the Speech from the Throne that highway safety is to be emphasized. I say, tremendous. But in that same speech only the current programs for improving and upgrading our primary and secondary highways are provided for. In some areas, Mr. Speaker, I don't think this is going to be good enough. When we get all these people settled in their new homes, we will have to get large numbers of them transported to their city jobs. Anyone in the St. Albert constituency can describe the continual day-by-day frustration of the situation as it is now and has been over a number of years. I don't believe a worsening of the situation can be tolerated much longer, Mr. Minister of Transportation.

The hon. Minister of Transportation does, of course, face very high construction costs, but I would hope that financial arrangements can be made with the city of Edmonton for work to get under way this year on 125 Avenue, to make it into a by-pass, arterial road linking the east side of Edmonton to the west side. This would, in my opinion, go a long, long way to relieve the congestion and tie-up of traffic that comes from St. Albert into the city.

Included in this project, Mr. Speaker, should be an improvement in the now obsolete traffic circle at 125 Avenue and St. Albert Trail. I'm sure my friends from Calgary and the rural areas have lots of fun when they get into these traffic circles.

In addition, it is extremely urgent that work must also get under way — and I underline this, Mr. Minister of Transportation — this year on a by-pass west of the town of St. Albert. Such a by-pass would take a large amount of traffic off Highway 2 through St. Albert, travelling both north from Edmonton and south into the city.

The housing policy will also have impact, Mr. Speaker, on the departments of the Environment and Municipal Affairs. We cannot, of course, put people

into homes which do not have adequate safe water and sewage facilities. Our government's policy of decentralization is one of the most imaginative and forward looking, and one of the policies most closely in tune with the desires of the people all over this continent. Of any policy originated by a provincial government anywhere, this policy of decentralization must go hand in hand with a practical solution to the dilemma of municipalities trying to upgrade water supplies and sewage treatment facilities. The dilemma many municipalities face is this: the need is to provide facilities capable of handling certain growth before the growth and population occur which will assist in paying for those facilities.

When such municipalities, Mr. Speaker, go through the provincial channels to raise the money to put in these water plants, water treatment plants and water lines, they are told they can only borrow so much per capita on their existing population. Now this has been a tremendous frustration in my job as MLA in an area which is growing and in the small towns with populations of 700 to 1,000 that will have populations near 5,000, possibly in five years. To try to borrow money on existing populations just doesn't work out, and I would suggest very strongly, Mr. Speaker, that the Minister of Municipal Affairs and the Minister of the Environment get their heads together and straighten out this urgent matter.

More housing for present Albertans, and for those this great province will continue to attract, is vital. But again I must stress, Mr. Speaker — and I can't emphasize it too much — that centres, which by the nature of their location must take much of the population generated by our housing policy, will simply have to have extra municipal assistance over and above the present formula which does not recognize sufficiently the growth factor.

Some years ago, Mr. Speaker, a municipal finance council was established in Alberta. I'm extremely interested in this, and I'd like to know what progress this council has made in working out an equitable formula to assist those municipalities which have up to 95 per cent of their tax base in residential property. May I suggest, Mr. Speaker, that this municipal finance council, together with the Department of Municipal Affairs and its minister, should shortly come up with a formula for fair sharing by all municipalities in the province of Alberta of the tax from industrial revenue.

It is just not right or fair, in my opinion, and I have given it considerable thought over the past 20 years, long before I was in government, that some municipalities — and I hate to pick on the municipality of Strathcona, but it's a good example — receive the bulk of their revenue through taxes on industry, while other municipalities such as the M.D. of Sturgeon and the town of St. Albert must generate 80 of the 95 per cent of their taxes from farmland, acreages, and residential.

Mr. Speaker, I'd like to take a few minutes and take a good look at the policy and where we're going on land use. We had a debate this afternoon, and unfortunately I was out of the House when the hon. Member for Edmonton Ottewell — I don't want to repeat a number of things he said, but I'd like to inform the members of this Assembly that the land that lies immediately north of Edmonton, in the municipal district of Sturgeon, is some of the finest

agricultural land in the province of Alberta. I can vouch for this personally, eyeball to eyeball, looking at it. I've seen number one black loam 30 to 50 inches deep.

My concern is this, Mr. Speaker: I'm a great believer, and have been, in the policy of this government, and have tried to fulfil it to the best of my ability. I believe in decentralization and diversification. I believe that industry should locate on non-arable land. Now if we locate industry on non-arable land, we're going to locate it in some very sparsely populated areas. If they're sparsely populated, the taxation generated by major industries in those areas could look like a heyday or a haven. Those municipalities could end up as tax-free areas.

I would strongly urge, before the province of Alberta becomes industrialized — as I say, diversification — that right away in 1976 we seriously consider, through the municipal finance council, looking at the possibility of a formula for working out the sharing of industrial tax for all the people of Alberta before it gets to a stage where we're being peppered. And it's hard to do because of pressure from municipalities that have industry and hate to give up any of that taxation.

Mr. Speaker, one of my dreams when I was elected in 1971 was to maintain the identity of the town of St. Albert. Back in 1974, I was extremely pleased to announce, in conjunction with the Minister of the Environment of that day, the Hon. Bill Yurko, the setting up of the restricted development area around the north part of the city of Edmonton, which separated with an open area the city of Edmonton and the historical town of St. Albert, the oldest town in the province of Alberta — 117 years old.

I'm mighty concerned today, Mr. Speaker, but I am looking forward to the policies that are going to be put forth by this government on decentralization of industry. The pressures are on, and there's no doubt about it. I have problems with not always agreeing with the councils of the M.D. of Sturgeon, or the town of St. Albert. But those problems are brought about for this very reason: they need a tax base. When I say the people of the town of St. Albert, the council collects 95 per cent of their money for municipal purposes from residential property, leaving just 5 per cent from industry.

They have an application in at the present time to the Local Authorities Board to annex 10 sections of good farmland between St. Albert and Edmonton. On the other hand, Edmonton keeps thinking they should expand from roughly 134 square miles to 300 square miles. Now this can happen, but if we do it, I think it's going to be a sorry day. As I mentioned earlier, some of the best agricultural land in the province of Alberta is located north of the present boundaries of the city of Edmonton. In fact, Edmonton itself was at one time sitting on good agricultural land.

Now I've talked to many people from the province of Ontario, and made trips down there like a number of you members have done. I remember the tremendous agricultural land, the fruit trees, the gardens, and so forth that were located between Niagara Falls and the city of Toronto. They've lost all that, Mr. Speaker. It's all under concrete. I'd like to say that I'm sure the Minister of Municipal Affairs, the man who likes to make decisions, good decisions,

and the leadership of our party and this government — and I have lots of confidence in every one of the ministers who are in this government, as well as the 69 members of our complete caucus — are not going to see this happen in the province of Alberta, covering up good agricultural land for the sake of getting some assessment to lower the taxes in places like the town of St. Albert and the M.D. of Sturgeon. I think by laying this policy out right now we will be a province to be envied all over Canada.

Now, Mr. Speaker, I would like to say a few words on the heritage trust fund. It is indeed unique, as the Speech from the Throne stated. And it reflects wise financial management which people have the right to expect from their provincial government. I believe also that this fund squarely faces a problem that all Albertans face today. The problem is one of attitude, an attitude that has crept quietly into our society and, I'm afraid to say, is corrupting it. The attitude I refer to, Mr. Speaker, is greed. The more we have in this great country, it seems the more we want for nothing. The heritage fund will stop the greedy from gobbling up the revenues from our depleting resources that sound management has provided. And gobble it up they would. One only needs to look at what happened in British Columbia under the NDP government in a short three and a half years. Mr. Speaker, it is my understanding, and I think it's correct, that they started off with a surplus of \$500 million and ended up with a deficit in three short years.

In this fantastic country anyone who wants to work and is willing to go without some extras until he or she is established can build a good life. This situation is not true of the Third World countries, Mr. Speaker, and the time has come when all of us in leadership roles in the western world must take responsibility for promoting more global-scale thinking among the people. We simply can no longer afford to be greedy, to expect more, to expect more wages for less hours, to expect to pay less than cost for such absolutely essential needs as pure water, safe sewage disposal, dependable power and telephones, garbage disposal, and other utilities. We can no longer expect to come out of university and work from the top up, to ask farmers to supply cheap food while their costs of production mushroom. We cannot continue to go into debt to supply every whim.

The heritage fund will assure future Albertans, our children and our grandchildren, that our greed and folly will not undermine the future of the province of Alberta. So, Mr. Speaker, for the life of me I cannot understand why members of the opposition fail to grasp the essence of the most important piece of legislation ever put before this Assembly. The Member for Spirit River-Fairview surely must have assessed what NDP policies did to B. C. and what labour policies have done to Great Britain. Bearing in mind the background of the honorable Social Credit members who oppose the heritage trust fund, remembering the famous radio program, I cannot help but wonder if my Social Credit colleagues in this Assembly could have forgotten the story of Joseph. That story would help them grasp the wisdom of the heritage fund. Joseph's dream in that *Bible* story showed seven lean cows gobbling up seven fat cows. The resulting policy he gave to Egypt was that of saving and storing in good times to protect against

bad times. The heritage trust fund gives that protection to future Albertans.

Perhaps the hon. members of the opposition see in the heritage trust fund only an opportunity to play politics, to say to the voters, we would use the money in the fund to give you anything your little hearts desire. Any government will be better for good opposition, Mr. Speaker, but surely no thinking person can justify criticism of the wisest move ever made by this Assembly, the establishment of the heritage trust fund.

Mr. Speaker, one week from tomorrow the budget will be coming down in this Assembly. As I pointed out briefly, there are lots of problems and there are going to be solutions, and I look forward to rising again in this House to speak on the budget debate.

Thank you, Mr. Speaker.

MR. DIACHUK: Mr. Speaker, I want to join my colleagues in complimenting the hon. members for Lesser Slave Lake and Calgary Bow when earlier in this session they moved and seconded the Speech from the Throne. They represent their constituents well, they represent the Legislature well, and they did well [in replying] to the speech by His Honour the Lieutenant-Governor.

It is easy to criticize, and critical news does travel faster than good news. But I'm confident that the good words delivered by these two honorable gentlemen, our colleagues, have travelled to the rest of Alberta and will support the speech delivered on March 4, 1976.

In the major part of the speech with reference to the Alberta economy, one only has to read our newspapers or magazines, or to travel, and one will appreciate that we in Alberta have an economy we are very proud of. It is difficult sometimes to say no, just as a head of a family may have to say to his son or daughter: no, you may not have \$20 to go out tonight. Five dollars is all you need, and that's what you will have to live by even though you have \$20 in your pocket.

This is the difficult part: to govern when we have money in our coffers. It is so easy to attack practically any program and say, ah, but you have more money, and we need more. It is easier to say no when you have nothing in your pocket, in your bank account, or in your treasury. But it takes some good governing, good planning, good leadership to say no, when you need it for a later date.

I am pleased to follow my honorable colleague from St. Albert, and want to assure him that I'm pleased to hear he wants to retain the name of St. Albert. I'm glad to hear that the town council of St. Albert has settled down, because the way the things are going in my city council we might have to have St. Albert annex Edmonton very soon.

I'd like to touch on several areas of the Speech from the Throne. In the area of housing, under the leadership of our minister and the dynamic stature that he gives to his portfolio, I don't think we must apologize or even attempt to apologize, because we have a lot to brag about. But I do hope that wherever possible we encourage people to do things for themselves.

Just recently I had a young mother from my constituency phone me, very unhappy because in the area where she lives in a subsidized rental housing

subdivision, they do not have a day care centre. She is a single parent supporting her child. I encouraged her to check around with some other existing facilities and homes in the city. Just yesterday I gave her another call — I'd promised her I'd call her back to see if she located anything. She said, I was very distressed on the day I called you, Mr. Diachuk, but I want to tell you there are people in this city who are concerned about people like myself, and I didn't have to go to a subsidized day care centre. I managed to arrange through an agency to have my child looked after in a private home where there are two or three other children, and my child and I are very happy.

I really hope we encourage people to do some of these things for themselves instead of always saying well yes, the government has the money, we should do it. In my experience, as a social worker for some 11 years with the former government prior to the '60s, that was my biggest unhappiness. It was so easy for somebody in the civil service to say yes, we'll take over this agency; yes, we will build these homes; yes, we will take up this project. As they were taking the incentive away from the people, they were building up a bureaucracy of civil service that eventually has to be paid by your and my tax dollars. So wherever possible, I always encourage my constituents and people who call me to do something for themselves, and then get back to me if it doesn't work, and we'll see if we can do it together.

In the area of law enforcement and justice, I do hope somehow we get serious, enforcing the laws we have before we start creating more problems for ourselves. The alarm raised to me is: what is happening with the punishment supposed to be handed out to the person sentenced to jail? You know, it's got to the point that the tail is wagging the dog instead of the dog wagging the tail.

As a former social worker, I can appreciate rehabilitation. At the same time, unless we go into a system where the courts force or compel a person found guilty to compensate society, or whoever that person has caused some financial loss to, by continuing to work and pay it back . . . if the alternative is to serve time, then let us make that person serve time without saying well, we'll give him another chance, and we'll give him another chance, and we'll give him another chance.

It seems these problems are mushrooming. We all hear what is happening in the town of Fort Saskatchewan. They would like the Solicitor General to enforce better security there, yet they want the place to look like a park. I can't help but feel those two are not compatible: you can't have a park in a jail. That is my concern, and the constituents who raise this concern to me constantly say, what is happening.

In my constituency I have a lot of employees from Fort Saskatchewan jail, and they are not pleased with the trend across this nation. I hope we in Alberta realize that when our jail is overcrowded there is something wrong; either we have too many repeaters or our punishments are so easy that it's a good place to go back to. I don't want to refer to it as my honorable colleague for Edmonton Kingsway [did]. I believe he called it the Hilton, but it is not intended to be that way.

In the area of agriculture — and I always like to touch on it, because I am still a farm boy at heart. I love to go farming on weekends. I own some land

[where] I go out weekend farming; I have my brother-in-law farm at night. I was pleased to hear the Minister of Agriculture specifically emphasize today that he does not favor quotas, and I myself can't. I don't know what is wrong in this nation that we must have quotas when in other parts of the world people are hungry. What has happened to the saying "I am my brother's keeper"?

I therefore can't buy it when the Minister of Agriculture from Ottawa keeps referring to quotas, and we have land that can produce. All we need are incentives to sell our products. I was pleased to hear the hon. minister emphasize the fact that marketing still has a long way to go, and we're doing something more from Alberta than possibly is done in the whole nation. I encourage the minister to continue to market our products that are needed in the world, in hungry Africa, in Asia, in Guatemala, and many other places.

In the area of land use and planning, I often wonder if possibly — and as a member of the provincial-municipal finance council I have thought about it — we have to do something in the nature of looking at our taxation, that the hon. Member for St. Albert referred to. I'm wondering if maybe we shouldn't tax some of this land under speculation on the basis that it is up for sale, instead of on an assessed value that is used across the nation. Maybe some of that land wouldn't be harbored as long, and speculators wouldn't hold onto it. If they're trying to sell it at \$15,000 an acre, maybe that's what we should tax them. It would be an interesting development, because possibly they wouldn't tie up some valuable land even within the city boundaries, even within the limits of some of our towns, and hold onto it for a greater reap of the profit. At the same time, we would gain some revenue for the municipal government, if we would look at it on that basis. It's an interesting thought. Possibly some other members could give me their reaction, what would be the negative part of taxing some of this land under speculation on the basis that it is up for market price.

The area of social services is something we must come to grips with. If the hon. Minister of Social Services and Community Health has a moment sometime, maybe we could take a look at what is happening with our appeal committees. Is the public reacting to these appeal committees? Because my understanding of these committees when they were set up by the former government — and if I am correct, many of the appointments were made by some of our people when we were in office — was that the appeal committee was to hear when a person wasn't receiving sufficient social assistance or social allowance. At the same time, if he was receiving too much, the public could take this up with the appeal committee.

But it's awfully difficult. Sometimes, in education, we speak about some means test for paying a teacher. Maybe this is what we should do to social workers and say, how many people could you get back to work, and [give] some incentive program to the social worker. Because I'm starting to fear that social workers are just doling out the money. It's a lot easier than to say no. But then, if they say no, they have to put up with their supervisor. They have to be accountable to the deputy minister and sometimes even to the minister.

I would hope we could look at that, because we've gone a long way in our programs. We have a social allowance program in this nation, in this province, that has no strings attached. It's no longer a stigma to receive social allowance. Maybe we could have some incentive built in so the social workers in the Department of Social Services and Community Health could have merit pay. How many people they get back to work would give them some sort of bonus. It's troubling. I don't know what the answer is, but I do know I have constituents who are concerned [about] their neighborhood and their next-door neighbor. They complain about the behavior. They complain about the fact that they know the family is receiving social allowance, yet there's no incentive to go back to work, and even an abuse of the funds they're getting by drinking and misuse of the public funds.

In the area of the Attorney General's Department, I have a bit of a hang-up on some of the directions we seem to be taking in our bigger cities, particularly Edmonton. I am given to understand that the Attorney General's Department is going to have on staff, or already has, a very qualified person who can handle some of these lotteries and gambling being promoted in this city. I would really hope we cut back on that. I can't really agree with the large casinos that are advertised in the paper. I even worry about the numerous large bingos. I am one who thinks that bingo is a good place for elderly people, for people who don't want to watch TV and be cooped up in one room. But I am troubled about the large establishments that are being set up. I

I would hope, with some of the staff the Attorney General is going to have, that we reduce the number of these casinos, because when you have that taking place, you have the undesirable element moving into the city. You have trouble on your hands. And really, if that's the way we must raise money for some of our needy, charitable purposes, I would like to re-examine the real purpose of casinos. During Klondike Days, during the Stampede, the different events, the fairs in the rural part of the province, once a year for the two or three days or a week, I can accept it as part of the festival. But I would hope we can move on what I think are really undesirable fund-raising programs. I've been to Las Vegas, and I think that's where the gambling should stay: in Las Vegas, not in Edmonton.

I would like to make a few comments to the Minister of Culture, because never has as much been done in any part of this country as has been done in the last five years in our cultural programs, in our preservation of heritage. It's sometimes very easy to criticize, but you know, when you do things, you're bound to make a few mistakes. You're bound to have a few things go bad. It's like the Minister of Agriculture indicated, some of the loaning that was done was in the high risk area, and there's no doubt in my mind that some of the cultural and ethnic programs — the multicultural programs we have in this province — may fall in a little undesirable area.

But the majority, I would say 95 per cent of the programs have really given the people of this province and this nation something to think about when we can talk together and joke about each other — the ethnic backgrounds. Even the Ukrainian jokes are getting better. Nothing is better than laughing at

yourself. I know that Pat and Mike, the Irishmen, feel a little left out that they're not joking about them any more. And Abe the Jew, you know, nobody's joking about him anymore. He's got his hands full with the Arabs. But the Ukrainian jokes are a lot of fun, and so are many of the others. In eastern Canada it's the Polish jokes. In Montreal it's the Newfie jokes. But we can laugh at each other and really appreciate this. Part of it is the maturity and the appreciation of the different backgrounds.

Since I've become an MLA, I've had the privilege to be at other ethnic functions. I recall just recently being at the Canadian-Arab friendship banquet at the Edmonton Plaza Hotel. I found their food had so much in common with the food I grew up with. A lot of it was really products of the land. Sure, they didn't use cabbage in their cabbage rolls; they used grape leaves, but they were just as tasty. I said to the gracious wife of the hon. Member for Lesser Slave Lake the other day, I didn't realize your people knew how to make cabbage rolls, they just use grape leaves instead. Also, their dancing, their music.

I think we must compliment the Hon. Horst Schmid for his endeavors. Some people look at him and think he's gaining weight. I think it's just the pressure of the work. He's just sort of settling down — that's all. A lot on his shoulders, but we all appreciate that.

I won't [say] too much on education, because Tuesday I spoke on our educational roles. But I do have one or two comments I'd like to make. I received a letter on Monday from the Edmonton Christian schools. If I may be permitted, Mr. Speaker, I'd like to read it. It's from the secretary of the Edmonton Christian schools:

Dear Mr. Diachuk:

The board of the Edmonton Society for Christian Education hereby wishes to express its sincere appreciation for the very welcome increase in education grants for the private schools from 33 per cent to 40 per cent. Needless to say, with the ever-increasing costs of operating schools, this increase will somewhat alleviate the financial burden of our parents and supporters, and we are most thankful for your consideration of our position as private school supporters.

You know, they're pleased with the little things.

As I said on Tuesday and I'll repeat again today, I do hope we get a little more accountability for the dollars we are spending on education, because we've got a wonderful educational system in this province. I'm not about to apologize. I only want to say that with the 11 per cent more than last year, that is still a lot of money spent in this province towards education. I tip my hat to the two ministers, the Minister of Education and the Minister of Advanced Education and Manpower. It's easy to criticize them, that they haven't pushed their colleagues in the cabinet for more money when, as I said, we have so much in our coffers. But they are responsible ministers doing well in their departments, and my support is with them.

I do want to touch on the constituency I represent, even though the hon. Member for Camrose is yawning — possibly I'll just say something that will interest him. However, I represent a constituency like these people from the Edmonton Christian schools. They don't complain. They appreciate the little things and the good things, and they want good homes for

their families. They are pleased with Capital Park now being developed. They are pleased with some of the roadway that is going to take the traffic off 118 Avenue. As the hon. Member for St. Albert indicated, when that 125 Avenue by-pass is finally completed, it will improve many, many problems in my constituency and possibly move them to my colleague from Edmonton Jasper Place. However, they'll go right through the city, then come back and end up in Edmonton Beverly instead of stopping in Edmonton Jasper Place, and we'll all be happier.

The citizens of Edmonton Beverly have a large area that is now being populated. If there is no redistribution, I should be representing about 40,000 people in about three years. But that is because that land stayed there for so long. It's been in the city limits for 20 years. Something was going wrong; they were just not developing that land. They weren't building homes.

I was pleased to receive a letter within the last two weeks from Alberta Housing, pointing out the area and the amount of low-rental housing being built in that new subdivision, an area the working people live in. We don't mind them, as long as they do one thing, Mr. Minister, and that is provide some of the amenities they need: parkland, day care centres, some of the medical facilities.

Possibly the developers who are doing it must be obligated. The only complaint of the little lady I spoke about earlier was that when she moved into this subdivision in Abbotsfield, many of the people were advised there would be a day care centre. But it seems that once a developer builds a housing unit and is not compelled to go [ahead] with some of the other necessities in these lower income housing areas, if they don't get those other amenities prepared they never get around to doing them later. I would only hope that some of these concerns needed by the people to make their lives a little more pleasant [will be] provided [for].

It seems an acceptable thing now to be able to raise a child with one parent. I guess my children are different; they need two parents, and that's a difficult thing. But when you have one parent who has to leave the child in a day care centre or supervised, I would hope, in areas where they're building this type of accommodation, that that is first. Then the accommodation for the people to move in would be built.

Mr. Speaker, again on behalf of the people of Edmonton Beverly whom I represent in this Assembly, my thanks for the good things we're receiving from the government. My commitment is to continue getting them more of these good little things, and we won't be asking for very much more than just 11 per cent in 1976.

Thank you, Mr. Speaker.

MR. TESOLIN: Mr. Speaker, in rising to speak on this motion, I should like to reflect for a moment on certain of His Honour the Lieutenant-Governor's opening remarks. Mr. Speaker, the Lieutenant-Governor noted that Alberta is becoming the most promising province in Canada. We have the lowest unemployment rate in Canada, and strong investor confidence in a most promising future as we progress and develop into a dynamic and diverse economy.

This new hope for Albertans is nowhere more

evident than in my constituency of Lac La Biche-McMurray. A great deal of our hopes as Albertans, and Canadians in general, are to be found in the great potential of our north, in the Athabasca tar sands, the heavy oils of the area, and indeed in the conventional deposits of oil and gas that lie in the north of this province, and in the Mackenzie Delta and the Arctic. The vast reserves locked within the tar sands by themselves contain a vast wealth of synthetic oil reserves that will gain increasingly in importance not only to Alberta, but to Canada as a whole, as our conventional reserves are depleted.

Yet the potential of our north lies not only in the petroleum resources, but in our lumber and other natural resources. Long ignored, long passed over, the north of Alberta is finally coming into its own, receiving attention long overdue. One cannot, for example, ignore the contribution made by northeastern Alberta to our economy today. The employment created by the development of the tar sands, the industry generated, the confidence provided cannot be ignored. Nor can the potential for future growth be denied.

Yes, Mr. Speaker, Alberta is the most promising province in Canada. I am proud to represent a constituency contributing so much to this picture. The constituency of Lac La Biche-McMurray not only has a significant place in Alberta today, but it also has a rich history. Names such as Peter Pond, Simon Fraser, et cetera are very closely associated with the region, and denote the importance played by the waterways to the early fur trade in the north.

Mr. Speaker, my constituency is rich, not only in resources but also in its heritage. Lac La Biche-McMurray is equally rich in its diversity, from the urban growth of Fort McMurray to the isolated communities of its far north, from its agriculture to its fisheries. There are the large centres of McMurray, Fort Chip, Lac La Biche, and the many smaller communities, some 38 in number. It is an area of sparse population and vast distances. It is a remarkable challenge.

So, too, is the challenge presented to us in the Speech from the Throne, the challenge to meet the necessity of economic restraint and yet continue our remarkable growth and vitality. It is a fine balance we are being asked to perform, a balance between growth and prosperity and restraint, a consolidation of existing programs, and the temptation to expand upon them, to reduce inflationary pressures, and not lose the momentum of economic diversification this government has brought about in the past few years.

This session will see the reintroduction of the Alberta Heritage Savings Trust Fund act, an act which re-emphasizes the unique position Alberta is in, our current prosperity. Its value will be unparalleled, ensuring as it will the benefit of future generations of Albertans. In a sense I feel very privileged to be a part of the government introducing this unique legislation, and at the same time to represent an area whose resources shall contribute to this fund. This fund shall ensure the continued prosperity of Albertans for years to come, years which in time will see the resources that provide our current prosperity greatly reduced. Truly we shall, through this fund, ensure future Albertans the greatest heritage we can possibly pass on, that of a strong and vibrant province.

As His Honour noted in his address to the Assembly, we have seen the largest increase in housing starts of any province in Canada in the past year. I congratulate the minister, Mr. Speaker. This point is of particular importance to me, given the great success the minister's department has had in Fort McMurray. This is no small task in a community growing with the unprecedented rapidity of McMurray, and my constituents hope that the hon. Mr. Yurko will continue his aggressive manner in solving the housing needs of the northeast. There is still much to be done, of course. No one would deny that.

There is a dire need for recreation facilities for the many families and individuals resident in the town of Fort McMurray. Acreages for those interested in that type of life style are realistic desires for citizens in this town. Also the need for lower cost industrial land is conspicuous. Yet the success in coping with this extreme situation has been truly remarkable. As noted in the throne speech, shelter construction will remain a high priority. The need is still strong in McMurray, in Lac La Biche, and in all the isolated areas of the north. Housing today is a major problem, one that will not be solved overnight. Though it is a challenge, our government is meeting it with greater success than any other province.

In regard to environment, I am enjoying, as I'm sure all members are, the debate on the report of the Land Use Forum. This government must also continue its close watch on the development of the tar sands and its possible effects on the environment, in particular on the Athabasca River basin so crucial to the northeast. I would also like to note the third year of the erosion control program on the banks of Lac La Biche, an accomplishment very important to this picturesque community.

One must acknowledge the recognition accorded the potential of northeastern Alberta by the Minister of Advanced Education and Manpower. Mr. Speaker, in northeastern Alberta we have Keyano College in Fort McMurray, and AVC in Lac La Biche. Both contribute to the potential of the northeast, providing opportunities for residents of the area in learning skilled trades, trades increasingly in demand in our time of growth and diversification.

New initiatives in the marketing of agricultural products will be welcomed by our agricultural community. And the minister certainly has my solid support in his continual efforts to have the federal government take appropriate national action to improve the lot of the beef industry, whereby our beef operators will receive just rewards for their labor and investment. Be reminded, however, that many beef farmers from my constituency believe that the natural cycle of supply and demand, far from posing a threat to the market system, provides the ideal parameters for governing productivity rates.

In regard to transportation, so crucial to my area of the province with its vast distances and isolated settlements, I would like to note the need for the paving of highway 36, paving necessary not only to enhance the great recreational potential of the Lac La Biche area and thereby create increased employment opportunities, but paving increasingly necessary to ease the flow of commodities from the east destined for the tar sands development. At the same time, the proposed expansion to the Fort Chipewyan airport is greatly appreciated by all concerned. However, I hope

the government will continue its thoughts in regards to an all-weather road up through Fort Chipewyan, all the way to Fort Smith. Improvements to the Lac La Biche airport, its paving and expansion, will be a definite boon to the area.

Above all, I would like to express my constituents' appreciation to the hon. Dr. Horner, Minister of Transportation, and his department for the great work they have done for transportation in Fort McMurray. Just as the Minister of Housing and Public Works has worked successfully in a difficult situation, so has the Minister of Transportation. Congratulations of this House are due to the entire department for remarkable service in what must at times appear an impossible situation.

In regard to energy, something I have already touched on, the Alberta Oil Sands Technology and Research Authority now in place should provide a crucial lever in the future development of the tar sands. As I have previously remarked, the future of the tar sands, as we all know, is crucial to our future, Canada's future. The proposed amendments to The Mines and Minerals Act, which hopefully will further stimulate the search for much-needed replacement reserves, will be as welcome.

I commend the Minister of Recreation, Parks and Wildlife for recognizing the great potential of the Lac La Biche region, and indeed the northeast as a whole, in locating a parks workshop and regional office in Lac La Biche. The expansion of the tourist industry in the area has been significant in recent years and, while more than welcome, has most often left certain facilities overtaxed. Hopefully, steps will be taken in the near future to expand upon these facilities so as not to restrict continued growth in this field.

In a perhaps similar vein, the citizens of Lac La Biche and district look forward to the restoration of McArthur Inn as one of Alberta's most beautiful heritage sites. This inn, comparable in beauty to the Chateau Lake Louise, was constructed in 1916 and still remains a proud landmark to be dedicated to our heritage.

I'd like to congratulate the Minister and Department of Consumer and Corporate Affairs for their foresight and initiative in establishing a regional office in Fort McMurray.

In summing up, Mr. Speaker, I would again like to note Alberta's uniquely strong economic position, and reiterate the need for care and caution in exercising restraint, something well noted by the government. My area, though experiencing an unprecedented boom in expansion, still has some areas requiring long-term employment stimuli from both the government and private sectors. I have already touched upon some of these in my remarks.

Steps have been taken with the introduction in the Lac La Biche area of a community employment strategy, a joint action of the province and the federal government. This program involves several departments at both levels, a pilot project that relies on the community itself to design with assistance a social and economic strategy to suit its needs and desires. The two levels of government attempt to meet this with the necessary programs. A unique concept, it has great potential in providing the stimuli the community needs and wants.

Finally, Mr. Speaker, I would like to thank the Minister of Social Services and Community Health for

the aid received in establishing full-time dental services in the Lac La Biche region to commence this summer. Probably more important to me personally as an MLA is the example this minister sets in sincerity, concern, and down to earth appreciation of the problems of the folk back home. This, complemented by a strong personality, makes for a very efficient and positive administrator.

Mr. Speaker, I would be remiss if I did not recant my suggestion of an earlier speech. Everyone here should visit the northeast, see the expanse, the excitement, and the future in store. We have come a long way from a ho-hum economy to a humming evasity.

Thank you.

MR. BUTLER: Mr. Speaker, it gives me great pleasure to rise and speak on behalf of the Hanna-Oyen constituency. At the outset, I would like to congratulate, as other people have, the Member for Lesser Slave Lake and the Member for Calgary Bow on the excellent manner in which they moved and opened the speech. They set a very high standard, and I feel humble in trying to follow and maintain it.

Hanna-Oyen is basically an agricultural constituency. But before I make some comments on agriculture, I would like to make a few comments on everyday living in the constituency. Among the things this government has done that have helped our constituency very much, Mr. Speaker, is the assistance in the water plan, and the assistance that the small towns, villages, and hamlets have received in getting water systems and sewers into their towns. This has been a big help. In the small towns a few years ago, there were empty houses and boarded windows; things were going backwards. We were told that the main population would be moved into the larger cities. Today this trend has reversed, and no serviced lot can be had in these small towns at the present time. In the town of Cereal or the town of Youngstown they are scrambling to enlarge their water and their sewer with government assistance because they haven't got a serviced lot for sale at the moment.

The same thing is happening even in the little town of Craigmyle that was dead a few years ago. Now they are working to get water in there. It looks like people are going to live there and they are going to make it another viable community. The same thing is happily happening in Delia. They are rebuilding their water system. They have assistance in locating water and are getting assistance to move it into the towns.

Even the town of Acadia Valley, that people thought was on its last legs, is now putting in water and sewer through the assistance programs of this government. This, ladies and gentlemen, is very much appreciated.

In agriculture, another field that has been appreciated in this government, is the Alberta Development Corporation and the AOC. There are a number of young farmers in the area in business today who probably would never have been in business without the AOC or the AOC. Some small businesses are thriving today that would not have been if it had not been for the AOC. We have heard some criticism of these two lending organizations. They are the lenders of last resort, and when you get a lender of last resort you're going to have some risks and some

losses. But I think they are more than outweighed by the successes accomplished through these two lending organizations.

Land use is a very important subject in the constituency I represent, because at one time the land was abused. People were settled and they had to move out, and the rest of the province was enriched by the hardy pioneers who had to leave that part of the country. I think one only needs to realize how many members who sit in this House have roots that go back into that part of the country. So the idea of land use is very near and dear to their hearts.

We have heard this government criticized for lack of a cow-calf program. As I travel around to my colleagues in the cattle business, the idea of the majority of the cattlemen in the province is that this government showed responsible leadership by not coming in with some program like other provinces have done. In speaking to the cattlemen in Manitoba, they're very unhappy with that program. There are not very many signing up. In speaking to my colleagues in B.C., they're not very happy with it either. I think our government is to be commended for the position it has taken.

I was very happy to see in the Speech from the Throne that they are recognizing the freight rate inequity in feed grains and in feeder cattle going from west to east. The feeder business in western Canada is the best market the growers of coarse grain have in western Canada — I don't have to go into the statistics, you've all heard them — and I hope we don't lose that market. I hope we can get some more equitable freight rate agreements. I am sure this government is working on them, but they can't do them all. They can only help.

We have been criticized by some for the rural gasification. I think this was a magnificent undertaking. It was the first time that anything of such magnitude had ever been undertaken — to take gas to rural people. It has run into problems. We've had all kinds of trouble, but that's to be expected. Any time that anybody started doing something really worth while, it never came easily. Some of the ethics of the professional men who were hired did not prove to be what people thought they were going to be. When the co-ops were formed and farmers put in, the farm leaders accepted the responsibility of being directors of the co-op. They had high respect for the ethics of the professional men. Some professional men lived up to their ethics and some did not. It was pretty frustrating to some of the directors when they found the professional men were not living up to the ethics they thought they would.

But these men have stayed with it. The concept of the co-op and this gasification is going to be successful. It's going to be successful because the men who are running it are the kinds of men they are. They have helped build the province, and they'll build these co-ops. And when they are built and completed, they will own a multi-million dollar gas distribution system. They'll be damned proud of what they did, and they know it, and that's why they're staying with it.

In passing I'd like to make a comment — although I realize that gun control is in the federal jurisdiction. I have been contacted by many of my colleagues, and I concur in their concerns. If someone can show me that gun control is going to cut down crime and

reduce murders, I may go along with them on their gun control. But up to now nobody has shown me that this is going to help reduce crimes in any way. Crime is not done by a gun. A gun is only a tool. It's passion and emotions that commit crimes. If there were no guns, crimes would still be committed. A gun is a very efficient tool in committing a crime, but if an efficient tool is not at hand, I'm sure an improvised tool will be found. A crime would be just the same if it were committed with a wrench, a tire iron, a crowbar, an axe, or anything else. You can't control frustrations. So I would like to go on record as being opposed to any further gun registration or gun control.

In [regard to] the heritage trust fund, I think this is many years overdue. You can only build what you can afford to maintain. If we were to spend our money on building or maintaining what we have, I'm sure we would overspend, so that down the road we wouldn't know what in the world to do with what we've built because we wouldn't be able to maintain it. There are going to be some risks. As I have said, anything that is worth while has problems. I think this heritage trust fund is very worth while. There are going to be some problems, but I think if we have the common sense to build this fund, we'll have the common sense to handle it. I have faith in our government, and I have faith in the men who will be handling it.

As far as our roads and highways are concerned, nobody ever gets quite all the roads and highways they want. But once again, you can only build what you can maintain. I think we have a pretty competent road program going, and I hope we can continue with it. I'd certainly like to see some pavement on highways 36 and 41.

AN HON. MEMBER: I think the whole province would.

MR. BUTLER: I'm not sure we'll get it, but we'll keep working at it. We'll get it if we possibly can.

Mr. Speaker, there's one more thing I'd like to touch on, and that's our Sheerness coal mine. There is an abundance of coal there. We need the tax base. It's mostly sub-marginal land. They have been shipping coal out of there for some time. About 125 cars a week have been going out of there to Saskatoon this year. And where they have reclaimed the ground they have mined, grass is growing as well or better than in areas they have not mined. So reclamation in that area is not a problem. If other areas don't want these power plants, we would certainly welcome them. In fact, our chamber of commerce has told me to do anything I can to get it, and I'm sure you've all received letters.

So in closing, Mr. Speaker, if we can get our highways paved and our power plant in, I'll probably have a chance to win in the next election. Thank you.

DR. HORNER: Mr. Speaker, I beg leave to adjourn the debate.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, I move the Assembly do now adjourn until tomorrow morning at 10 a.m.

HON. MEMBERS: Agreed.

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

MR. SPEAKER: The Assembly stands adjourned until tomorrow morning at 10 o'clock.

[The House rose at 9:53 p.m.]

