

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Monday, March 22, 1976 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

**Bill 25**  
**The Energy Resources**  
**Conservation Amendment Act, 1976**

MR. GETTY: Mr. Speaker, I beg leave to introduce Bill No. 25, The Energy Resources Conservation Amendment Act, 1976. This bill has minor definition changes in it, Mr. Speaker. It also deals with times of meetings of the Energy Committee mentioned in The Energy Resources Conservation Act, and provides additional flexibility for the board in the matter of keeping records.

[Leave granted; Bill 25 introduced and read a first time]

head: **INTRODUCTION OF VISITORS**

MR. STROMBERG: Mr. Speaker, may I take this opportunity to introduce to you, and to the members of this Assembly, 32 students who have come from a great school, the Daysland High School in my constituency. They have with them today their principal, Mr. Lloyd Gillespie, and their bus driver, Mr. Kent. They are seated, sir, in the members gallery and I will ask them to rise and be welcomed by this Assembly.

head: **TABLING RETURNS AND REPORTS**

MR. LEITCH: Mr. Speaker, I wish to file the Provincial Auditor's statement of remissions, as required by Section 28 of The Financial Administration Act, also a statement with respect to loans made under the provisions of The Municipal Capital Expenditure Loans Act, and a report of the loans made under the provisions of The Self-liquidating Projects Act.

MR. SCHMID: Mr. Speaker, I'd like to table the annual report of the Alberta Art Foundation and the annual report of the Alberta Historical Resources Foundation, as required by statute.

MR. FARRAN: Mr. Speaker, I'd like to table a reply to our telegram of last week on the subject of bail practices to the Hon. Ron Basford, the federal Minister of Justice, and our acknowledgement thereto.

MR. FOSTER: Mr. Speaker, I'd like to file the report of the Department of the Attorney General for the year ended March 31, 1975.

MR. GETTY: Mr. Speaker, I'd like to file two copies of a Canadian self-sufficiency price document that was tabled at the federal-provincial energy ministers' meeting.

head: **ORAL QUESTION PERIOD**

**Wardair Discussions**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Premier. Have there been discussions between the Alberta government and Wardair about the possibility of the Alberta government purchasing or acquiring a controlling interest in Wardair?

MR. LOUGHEED: Mr. Speaker, I refer that question to the Minister of Transportation.

DR. HORNER: No, Mr. Speaker, there have been no discussions with regard to the possibility the hon. Leader of the Opposition brings forward, rather discussions on how we can co-operate to have a general improvement in the aircraft industry in Alberta.

MR. CLARK: Mr. Speaker, a supplementary . . .

MR. NOTLEY: Time first.

MR. CLARK: Time is on the way.

A supplementary question, Mr. Speaker, to the Premier. Would the Premier be in a position to give a commitment to the Assembly at this time that it is not in the short-term or the long-term plans of the Government of Alberta, and that they will not be acquiring either a partial or a controlling interest in Wardair?

MR. LOUGHEED: Mr. Speaker, there is no present intention on the part of the government to make a move of the nature suggested by the hon. leader, and the Minister of Transportation has so responded. I think it's clear that this government believes that it should take the pragmatic point of view that in terms of a province developing as we are, transportation is the key. From a policy point of view, as conditions develop we will respond in the best interests of Albertans on every occasion that will strengthen transportation in this province.

**Petrochemical Development**

MR. CLARK: Mr. Speaker, I'd like to direct the second question to the minister responsible for business development. Is the minister in a position to indicate to the Assembly the reasons Du Pont have withdrawn their option on the petrochemical plant in the Blackfalds area?

MR. DOWLING: Mr. Speaker, we have had conversations with a number of companies which were proponents of involvement in petrochemical project A, as we refer to it. Some time ago, August 1975, Du

Pont indicated that they would, not be prepared to move ahead with their proposal for involvement at this time. Their primary reason was a downturn of market availability.

MR. CLARK: A supplementary question to the minister. In the course of the minister's discussions with Du Pont, did the minister discuss the problem of petrochemicals from Alberta competing on a world market and the availability of that market at this time?

MR. DOWLING: Mr. Speaker, what the people of Du Pont did say was that the economics of becoming involved now, at this very time, would be very difficult for them; but they are still very much in favor of involvement further down the road. They use the figure 1980.

MR. CLARK: A supplementary question to the minister. Is the minister in a position to indicate to the Assembly if, as a result of his discussions, Du Pont have in fact given up their options on land in the Blackfalds region?

MR. DOWLING: Mr. Speaker, as I understand it, Du Pont's statement of August 1975 implicitly meant they would be giving up their option on land for the time being.

#### **Treaty No. 6 Celebrations**

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister Without Portfolio in charge of native affairs. With reference to the signing of Treaty No. 6 and the celebrations of the 100th anniversary of that signing, has Her Majesty the Queen been invited to attend any of these celebrations?

MR. BOGLE: Mr. Speaker, in response to the hon. Member for Drumheller, as I indicated during my remarks last week on the important events taking place this year and next, a visit is planned, headed by His Honour the Lieutenant-Governor, and including three chiefs from the Treaty No. 6 area and three chiefs from the Treaty No. 7 area. They are scheduled to visit London, England, this year to pay homage to the Queen.

An invitation has been extended to the Queen or a member of the royal family to make a return trip next year for the Treaty No. 7 commemorations.

MR. TAYLOR: A supplementary to the hon. minister. Have the dates and the place of the celebrations been decided?

MR. BOGLE: Mr. Speaker, I assume the hon. member is referring to the visits rather than the commemorations in total. No, Mr. Speaker, the timing of the visit to England was left open so it would accommodate Her Majesty the Queen. The timing of a return visit the following year would again be left open for that purpose.

MR. TAYLOR: One further supplementary, Mr. Speaker. Will the Government of Alberta be making a contribution towards the celebrations of the 100th anniversary?

MR. BOGLE: Mr. Speaker, the contributions made by the province of Alberta for these most important commemorations total \$5 million to be spread over the two treaty areas. The cost of the royal visit along with the visits by the chiefs and the Lieutenant-Governor of this province are covered by that total contribution by Alberta.

#### **Accident Prevention Branch**

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Labour. It concerns the statement in the budget concerning the occupational health and safety division of the Department of Labour.

My question to the minister, Mr. Speaker, is: can he advise the Assembly whether any of the cost of the move of the accident prevention branch from the Workers' Compensation Board to the Department of Labour will, in fact, be borne by employers, as was the case with the Workers' Compensation Board?

MR. SPEAKER: There's some doubt whether we should be going into the particulars of the budget at this particular time. If the minister wishes to provide a brief answer, perhaps he could. But I think we should try to refrain from any detailed examination of the budget in the question period at this particular time.

MR. NOTLEY: Mr. Speaker, if I can rephrase that. The budget debate is coming up. I'm asking a matter really of public policy. The public policy is simply this: is it going to be the practice of the government to pick up the costs of industrial health and safety from general revenues, or will it be, as was formerly the case when it was under the Workers' Compensation Board, part of the levy against companies and employers?

MR. CRAWFORD: Mr. Speaker, there will be new legislation that will establish the government's occupational health and safety programs. When that is brought before the House, it will resolve the matter the hon. member is asking about.

I could say at this time that the arrangements would be that the prime cost of programs which had previously been borne by industry, would continue to be borne by industry.

MR. NOTLEY: Mr. Speaker, a supplementary question. Can the minister advise, when he uses the term "prime cost", if there will be, in fact, any reduction in the levies against industry for the Workers' Compensation Board as a result of this transfer?

MR. CRAWFORD: Mr. Speaker, I referred to the bulk of the cost because over a period of years it will be difficult to ascertain exactly the mix of costs which used to be borne by government and industry in the sense that the Department of Health and Social Development, as it then was, operated on moneys appropriated by the budget. Now these are all being brought together into a single, consolidated program.

The answer would be that in the foreseeable future industry wouldn't pay anything less either in amount or proportion. But as the years go by and the programs change, it would be impossible to say that

the portion wouldn't either increase, remain the same, or potentially decrease, although I wouldn't foresee that.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. In view of the statement in the budget, has the government arrived at a mix as to who shares what portion of industrial health and safety? If the government has arrived at that kind of mix, is the minister in a position to advise the Assembly today what it is?

MR. SPEAKER: I think we're specifically getting down to this year's budget now. Perhaps the hon. member might wish to advert to the topic in a future question period, in the event the budget debate and examination in committee don't give him the information he wishes.

MR. NOTLEY: Mr. Speaker, a final question. Can the minister advise the Assembly whether the department has compiled any statistics at this stage on the breakdown of employer contributions to industrial health and safety?

MR. CRAWFORD: Mr. Speaker, we have precise figures right up to the present time for both the program that was previously operated directly from the general revenue fund and the program previously operated directly from the Workers' Compensation Board's funds. I don't have in mind what those figures are, any more than to say that each year the government's portion is being disclosed in the estimates and in public accounts, the Workers' Compensation in their annual report.

With the necessary increase there's going to be in commitment in this field as one of the government's priorities — and there's definitely an increase in overall commitment disclosed by the budget — to be more specific than that as to the breakdown at the present time, I think I'd be running the risk of not being accurate and would much rather be able to do it at the time of estimates.

#### **Wage and Price Controls**

MR. R. SPEAKER: Mr. Speaker, my question is to the Premier. It is with regard to the wage and price control program.

Could the Premier indicate if an official provincial liaison body has been established for liaison with the federal government at the present time, or is there no such body? Do we work directly through the federal group?

MR. LOUGHEED: Mr. Speaker, I would refer that question to the Minister of Federal and Intergovernmental Affairs.

MR. HYNDMAN: Mr. Speaker, a small office of co-ordination relates to various questions and sub-missions, which may be received from the departments and agencies of the provincial public sector of Alberta, as it liaises with the federal Anti-Inflation Board.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Could the minister indicate how many

people are involved in that organization? Is it the intent of the minister to expand it as need may arise?

MR. HYNDMAN: Mr. Speaker, I'd say about 1.9 to 2.8 people are involved on a full-time basis at the moment. It is not our intention to expand it more than a fraction.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Premier. During the next period of time, which is less than 18 months at present, has the Premier a group of personnel or someone monitoring the progress of the wage and price control program? Under what conditions would the Premier decide to extend that 18-month period? What type of indicator is the Premier looking for?

MR. LOUGHEED: Mr. Speaker, perhaps we were not clear. We have determined that the ministerial responsibility for the agreement with the federal government in this area would be handled by the Minister of Federal and Intergovernmental Affairs. Perhaps he may wish to respond.

MR. HYNDMAN: Mr. Speaker, on the subject of monitoring, there is constant, ongoing monitoring of Alberta's involvement in the program.

With regard to the second question posed by the honorable gentleman, I think at the moment I'd refer him to the act, which says that on March 31, 1977, provincial involvement ceases unless otherwise extended by the Assembly prior to that date.

MR. NOTLEY: A supplementary question to the hon. minister. Is the government satisfied with the price control features of the federal program to this date? Has specific monitoring been done? Are you satisfied with the program?

MR. SPEAKER: The hon. member is clearly asking for an expression of opinion. No doubt he has his own opinion on that point.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Would the minister be prepared to file with the Legislature any type of material or format which he is using to monitor the wage and price control program at the present time? Could he answer that first of all?

MR. HYNDMAN: Mr. Speaker, the monitoring takes the form of a continuous review of many decisions, statements, documents, and regulations. I'd be prepared to report on that in verbal form probably during consideration of my department's estimates, or to answer questions. I think that would be the most appropriate way to give a full and complete explanation of what the monitoring involves.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister. In other words, the minister is really saying that nothing formal has been established.

The question is: will the minister's judgment be basically just a political judgment whether wage and price controls have really worked?

MR. HYNDMAN: Mr. Speaker, the decision will be taken in regard to what are the best short-, medium-, and long-term interests of the citizens of Alberta with regard to containing inflation. That's the main basis on which we'll make a further decision.

MR. NOTLEY: A supplementary question to the hon. minister. Subsequent to the debate in this House last fall, has any representation been made by the Government of Alberta to the federal government concerning the price control features of the federal plan?

MR. HYNDMAN: Mr. Speaker, the agreement does not relate to the control of prices. It relates to compensation in the public sector. So it would be inappropriate, indeed almost bizarre, for the Government of Alberta to have made those presentations.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Has the Government of Alberta made any representation to the federal government with respect to their price control features?

We are Canadians. We have a right to make representation. Has the government made any representation to Ottawa on that matter?

MR. HYNDMAN: Mr. Speaker, I'm not sure whether the honorable gentleman is talking about controls of fees and charges of the provincial sector, or whether he's talking about federal controls under the federal act with regard to prices in the private sector, which is a completely different matter.

With regard to the latter, we have not done so. With regard to the former, there have been continuous discussions, although we made it clear at the very outset that in our view the federal government should not have any direct or indirect control over the provincial budget and the powers of the province of Alberta to decide its priorities and the expenditure of its moneys.

#### **Beekeepers' Commission**

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. It's on a little sweeter topic.

Are there any plans for a formal vote by the beekeepers re their recently established commission?

MR. MOORE: Mr. Speaker, as I think I indicated last week in the House, the beekeepers' plan was amended to provide that the election of officers for the Alberta Beekeepers Commission does not need to be held prior to November 30, 1976. It's the intention of the Beekeepers' Commission to have meetings throughout the province during that intervening period, explaining the intent, purposes, and objectives of the commission to beekeepers. If the Agriculture Products Marketing Council receives an indication between now and November 1976 that there is not full support for the commission's activities from beekeepers across the province, it would be likely a vote would be held at the annual meeting of the commission sometime in late fall of this year.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. At this point, has the commission any intention of getting involved in marketing the product?

MR. MOORE: Mr. Speaker, none whatsoever. As a matter of fact, some of the reaction in my mail against the development of the commission indicates that a good number of the beekeepers throughout the province don't understand the idea on which the commission is based.

In fact, it does not have any ability or intention to take possession of the product, to enter into the market place in terms of the quota structure, or anything of that nature. The objectives of the commission are, in short, to collect the checkoff and further the industry by way of research and development, which is very badly needed in the beekeeping industry today.

MR. MANDEVILLE: Another supplementary question, Mr. Speaker. Will beekeepers with less than 150 hives be required to register with the commission?

MR. MOORE: Mr. Speaker, without further discussions with the Beekeeper's Commission, I'm not sure. The original intention was that individuals who had less than 150 hives would not be required to pay the checkoff. However, they would be required to register with the commission and provide a statement that they did have less than 150 hives. Mr. Speaker, the reason is that it was felt by the commission that those who stood to gain the most from the checkoff and the research and development that might occur would generally be those commercial beekeepers who have in excess of 150 hives.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Has the minister met with the beekeepers of justice committee?

MR. MOORE: No, Mr. Speaker.

MR. PURDY: Supplementary, Mr. Speaker, to the minister. Is the checkoff that the commission pays also matched by the Department of Agriculture?

MR. MOORE: Mr. Speaker, in the current fiscal year the Beekeepers' Commission was not able to implement a checkoff. They did, however, receive considerable funds — if my memory serves me correctly, about \$20,000 — from the Department of Agriculture in order to get their operations under way. I'm not yet able to say whether the commission will have a checkoff in 1976 or what amount might be matched by the department.

MR. APPLEBY: Mr. Speaker, another supplementary to the minister. Is the present commission board appointed on a permanent basis, or is it an interim capacity?

MR. MOORE: Mr. Speaker, the existing Beekeepers' Commission was appointed by myself, as Minister of Agriculture, on April 17, 1975 for an interim period, which has now been extended to November 30, 1976. It is our intention that at or before that time, producer meetings and elections will be held

throughout the province and the Beekeepers' Commission would be elected by the producers who pay the checkoff.

#### **Wellhead Fire — Whitecourt Area**

MR. TRYNCHY: Mr. Speaker, my question today is to the Deputy Premier and minister responsible for EMO. I wonder if he could give us a report as to the circumstances arising from a gas well that has blown wild in the Windfall gas area near Whitecourt.

DR. HORNER: Mr. Speaker, my information is that the wellhead blew on a well about 16 miles west of Whitecourt in the sour gas field. It was burning and the people responsible have now brought in an international oil-fire-fighting group. They're on the scene. The Department of the Environment, the Energy Resources Conservation Board, as well as the RCMP, and the Disaster Services people are aware and have taken the necessary steps to prevent any danger to humans in the area. We're confident that the well will be under control in the near future.

MR. TRYNCHY: Supplementary, Mr. Speaker. Have the people of Whitecourt town been made aware of the circumstances as they relate to personal dangers?

DR. HORNER: Yes, Mr. Speaker. The mayor, the town council, and the local Disaster Services organization are all involved in the ongoing monitoring, which is being done primarily by the Department of the Environment and the Energy Resources Conservation Board.

#### **Industrial Rezoning**

DR. BUCK: Mr. Speaker, I'd like to address my question to the hon. Minister of the Environment. Mr. Speaker, last June the minister or the department gave permission to Turbo Resources Ltd. to apply for rezoning of land to put a refinery east of the industrial area north of Highway 16.

Can the hon. minister indicate if this is a change in philosophy as far as taking prime agricultural land out of production and putting it into industrial?

MR. RUSSELL: Mr. Speaker, I think the hon. member is confused as to where the responsibility lies for rezoning this site. The Department of the Environment was asked by the applicants to review their application insofar as environmental concerns in the Edmonton region were involved. Upon receiving the answer, they then made application to the Edmonton Regional Planning Commission, which is an autonomous body made up of locally elected municipal members. They were the ones who held the public hearing and ruled on rezoning, just as they do throughout the province.

DR. BUCK: Supplementary to the hon. minister. With the change of ministers, has there been a change in philosophy as far as environmental criteria are involved, in that we're moving this into a prime agricultural and near-residential area? Has there been a change in philosophy in that aspect?

MR. RUSSELL: I don't think there's been a change in philosophy, Mr. Speaker, because the criteria that were applied are administered by the same employees in the department who were there before, following the last provincial election. I believe what the hon. member is alluding to is the number of these kinds of things that would be included in the Edmonton airshed region. The assessment of the department was that by eliminating their present unsatisfactory installation and building a new one, the net situation was one of benefit. It was on those broad principles that the advice was given to Turbo Resources.

DR. BUCK: Final supplementary, Mr. Speaker. Can the minister indicate to us why the proposed refinery was not placed on industrial land where we have a plant such as this already in existence?

MR. RUSSELL: Mr. Speaker, the point I was trying to make in response to the hon. member's first question is that under existing law in Alberta, anyone is free, under planning legislation, to apply to the proper planning authority to have land rezoned. This is what Turbo Resources did. My understanding is that it was after a public hearing was held that the elected members of that authority ruled on the rezoning matter.

DR. BUCK: Final supplementary, Mr. Speaker, at least I hope it's the final one. This is a point just for clarification, Mr. Speaker. If the permit was not given by the minister or his department, could the refinery proceed to ask for rezoning? Or did it depend on the Department of the Environment first, and then the rezoning, or vice versa?

MR. SPEAKER: The hon. member is really asking for a legal opinion as to the rules with regard to planning. On that particular topic, perhaps he could phrase the question another way.

DR. BUCK: Mr. Speaker, I just want to know: do you make the application to the Department of the Environment first, or do you make the application to have the land rezoned? I just want to know which comes first, Mr. Speaker.

MR. SPEAKER: The point that I think should be made is that the question period may not be a suitable time or instrument for making inquiries as to procedure in government departments when we get into this kind of detail. The information is no doubt available directly from the department.

#### **SCHIP Grants**

MR. BATIUK: Mr. Speaker, I'd like to direct my question to the hon. Minister of Housing and Public Works. It is very obvious that many persons, particularly men, are recipients of the Alberta assured income, but the title of the home may be in the name of the spouse who is not a recipient. To avoid the inconvenience of legally transferring the property to the other or to joint ownership, would the minister consider that as long as one of the spouses is the recipient of the Alberta assured income, that would

make them eligible for the senior citizens' home improvement program grant?

MR. YURKO: Mr. Speaker, I wish to advise the hon. member that the government will certainly consider that point.

#### **Highway No. 16**

MR. NOTLEY: Mr. Speaker, I'd like to direct a question to the hon. Minister of Transportation and ask whether the Government of Alberta has any plans at the present time to widen Highway 16 to four lanes west as far as Niton Junction. If so, when will those plans be announced?

DR. HORNER: As I understand the question, Mr. Speaker, the hon. member wants to know how fast we're going to continue the four-laning. Might I say, Mr. Speaker, in a time of budgetary restraint we're more particularly concerned with completing the very difficult area between Carrot Creek and Edson, which we think will substantially relieve the bottleneck on Highway 16 for the time being. At the same time, on a more modest basis, we'll be continuing the four-laning, hopefully reaching Jasper some time in the future.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Has the government already purchased or made arrangements to purchase the businesses along the highway at Niton Junction?

DR. HORNER: Well, that wouldn't be something I'd have at my fingertips, Mr. Speaker. We are, however, using the practice of trying to protect highway right of way that we might require in the future' as economically as possible by doing it well ahead of time. We would hope to use the new provincial land purchase fund to provide land that we might not need in the immediate future.

#### **Age of Majority**

MR. FOSTER: Mr. Speaker, a short while ago the hon. Member for Drumheller asked me a question concerning the age of juveniles in the province. I think my reply was that there were a couple of cases before the courts that I wanted a chance to review before responding. I've now had a chance to look at them.

Perhaps I could take a minute and say that before these recent cases came out, in the province of Alberta at least, boys 16 years of age and over and girls 18 years of age and over were dealt with as adults in adult court.

A couple of cases came down in December of last year by His Honour Judge Stevenson, which seemed to suggest that that law may be invalid. Therefore, the procedure was changed to treat both males and females 16 years of age and over in adult court.

Since that time, there has been a decision by Mr. Justice Shannon. All I have is the order. I don't have the reasons for the judgment. On the face of it, Mr. Speaker, it would appear that the Shannon decision is in fact a reversal of the Stevenson judgment. Accordingly instructions have gone out today to the

police and to my agents to the effect that males 16 years of age and over and females 18 years of age and over will be dealt with as adults in criminal proceedings.

I should point out, however, that the appeal launched with respect to the earlier decisions of Mackay and Willington will be proceeding before the courts. I expect they will be heard sometime in May of this year by the appellate division. So the instructions that have gone out today to the police and my agents are instructions for the purposes of procedure. There will continue to be, perhaps, some ambiguity. We're awaiting the appeal of this case later this spring.

MR. TAYLOR: A supplementary to the hon. minister. Why should not the age of majority be the criteria?

MR. FOSTER: Mr. Speaker, as I understand it, under the Juvenile Delinquents Act, the province is granted the capacity to determine the age at which male and female young persons will be dealt with as adults before the court. About 1952, the government of the day in Alberta settled upon the 16 and 18 year distinction, and that distinction has remained in the law of Alberta until the present time.

If the hon. member is asking for my opinion whether that is a reasonable distinction and whether that distinction should be maintained, my only response is that I have a personal opinion on the matter, which probably I should not share with the members of the House. I will be satisfied to see the law clarified. If it's appropriate that the government address itself to a possible change in the law following the hearing of that appeal, I am sure that my colleagues, the Solicitor General, the Minister of Social Services and Community Health, and I will be happy to discuss the matter and bring it forward to cabinet.

MR. TAYLOR: One further supplementary. I understand from your remarks that boys 16 and over and girls 18 and over will now be dealt with in adult court. Does that mean that boys mature two years earlier than girls?

#### **Surface Rights Leases**

MR. PLANCHE: Mr. Speaker, my question is for the Minister of Agriculture. Has the minister received representations from surface rights owners in the Redwater area indicating Imperial Oil's position in upgrading surface lease agreements?

MR. MOORE: Mr. Speaker, I should explain first of all that the letter referred to by some hon. members in the question period last week was not directed to me, although at that time I did have a copy of it. I've had an opportunity since to look at the material submitted and to gain from the company some insight as to what progress they've made with respect to some 28 landowners who submitted that particular letter.

Of the 28, eight involve a change of ownership in land where there's a disagreement between the landowner today and the previous landowner as to who should claim the surface lease. Seven others who signed the letter have accepted a new and

higher surface payment from the company. Four have been made offers and have not yet replied to the company whether they accept the offers. Only three of the 28 are in a position of not being able to reach agreement with the company, and only one of the 28 leases in question has not yet had a review by Imperial Oil. In conclusion, Mr. Speaker, I might add that of the 28 persons signing that particular letter, it appears that, at least insofar as Imperial Oil is concerned, five of them do not have any wells on their property.

#### Language Courses

DR. PAPROSKI: Mr. Speaker, my question is to the Minister of Education. Would the minister report very briefly on the progress of the experimental program regarding teaching of the third language, namely Ukrainian, to early elementary students in Edmonton?

MR. KOZIAK: Mr. Speaker, I believe the hon. member is referring to the experimental Ukrainian-English bilingual program presently being offered in its second year in the Edmonton public and separate systems. From reports that have come to me, my understanding is that the progress of the children, who number approximately 400 at the moment, is very, very excellent. The progress they are making in regard to the studying of English is as good as the progress being made by students in a unilingual program.

In addition to the normal subjects, the students also have the benefit of acquiring a degree of bilingualism. Further to that, Mr. Speaker, the program will be going into Grade 3 this coming fall, so this fall will be the commencement of the third year of the experimental program.

DR. PAPROSKI: A supplementary, Mr. Speaker. Would the minister indicate what the main problem has been to date? Mr. Speaker, is the minister considering expanding this program in that language and other languages to other parts of the province?

MR. KOZIAK: Mr. Speaker, I would imagine that part of the problem experienced by the program is in the area of transportation, because the programs aren't necessarily operated in schools where the children are located. So there's a transportation problem, but I think that is being overcome by the community.

I would be very interested in looking at the possibilities of expansion of this program to other languages.

DR. PAPROSKI: A final supplementary, Mr. Speaker. Has the minister considered forming language centres in various parts of the province for teaching all languages in various school systems, rather than having this spread throughout the province in various areas?

MR. KOZIAK: Mr. Speaker, I'm not quite sure of the true import of the hon. member's question. I would bring to the hon. member's attention, however, that many languages are offered as part of the approved curriculum of the Department of Education in the province of Alberta. Many school boards take advantage of teaching these languages in many grades: junior high school, high school, and in some cases in

the elementary. These advantages are available to children throughout the province.

#### ECA Hearings

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of the Environment. It's a follow-up for clarification of a question put to the hon. minister on Thursday by the hon. Member for Clover Bar. It concerns complaints in the Hinton area about North Western Pulp and Power.

Mr. Speaker, has the minister asked the Environment Conservation Authority to hold public hearings on this matter, as requested by the complainants?

MR. RUSSELL: Not at this time, Mr. Speaker, although from discussions with the chairman of the Authority I understand that he has received a letter and petition from some residents of Hinton. They have met with the officials of the department on at least one occasion and that's where the matter stands at the moment.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. At the moment then, does this matter remain at the discretion of the Environment Conservation Authority, or will it require a ministerial decision before hearings are held?

MR. RUSSELL: Mr. Speaker, the way the act reads at the moment is that public hearings are held by the Authority after consultation with the Minister of the Environment. At the present time we're trying to work out with the Authority the most logical schedule of hearings that should be held in the best interests of Albertans, recognizing the lengthening list we are receiving for public hearings by the ECA.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to advise the House when the complainants from Hinton may have some idea whether the ECA will be able to hold public hearings?

MR. RUSSELL: Mr. Speaker, I think I indicated earlier that we have the matter of public hearings under pretty active consideration at the present time. We are pretty anxious to get a definite answer to that group and others which are requesting public hearings on their specific matters of interest. It would be our intention to give the decisions to the interested citizens just as soon as we have made our decision.

MR. NOTLEY: Mr. Speaker, a supplementary question.

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

MR. NOTLEY: The minister skates around nicely. But does the minister have any time frame at all? Can he advise the Assembly whether some decision will be made?

MR. RUSSELL: Well, Mr. Speaker, it's a current problem. I would expect that a decision on all of these hearings would be made in the next few weeks.

### Wardair Discussions (continued)

DR. BUCK: Mr. Speaker, I'd like to address my question to the hon. Deputy Premier. I just ask this question on a point of clarification because I wouldn't want the minister to emerge as the Alberta equivalent of the Canadian Transport Commission, or its head, as the Hon. Jack Pickersgill did.

My question, Mr. Speaker, is: have there been any discussions with PWA as far as purchasing Wardair?

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

### Highway No. 16 (continued)

MR. TRYNCHY: Mr. Speaker, my question is to the Minister of Transportation and relates to road construction in the Niton area. I wonder if the minister can advise the House if we have any plans to build a service road in the Niton area so the businesses that were bought out by government can relocate.

DR. HORNER: Mr. Speaker, we'll be dealing with that matter as we do other areas in which necessary acquisition of land means a dislocation of business, and treating them as fairly as we possibly can. I'm very knowledgeable in that particular area and most of the people in the hamlet are old friends of mine. I'm sure we can come to a satisfactory solution.

MR. TRYNCHY: Mr. Speaker, by that satisfactory conclusion, can I gather that we will build this road in 1976?

DR. HORNER: Well, Mr. Speaker, having regard to budgetary matters, I wouldn't like to make that firm commitment, but we'll certainly have a look at it.

AN HON. MEMBER: He's got a lot of friends at Rochfort Bridge too.

## ORDERS OF THE DAY

### head: GOVERNMENT MOTIONS

1. Moved by Mr. Leitch:

That this Assembly approve in general the fiscal policies of the government.

[Adjourned debate: Mr. Clark]

MR. CLARK: Mr. Speaker, it's my duty to lead off the discussion of the budget debate. I think, Mr. Speaker, that when one looks at the budget, in addition to saying it's confusing, I would suggest [it's] rather misleading in some areas. But I say initially to the Provincial Treasurer that I appreciated his presentation. When I looked at the budget and tried to get some sort of handle on it, my first reaction was something about the works of Mervin the Marvellous. When one looks at figures such as 7.17 per cent to discuss the government's increase in expenditures

for the year; when the government looks at 10.7 per cent, used someplace else in the budget, to talk in terms of its increased expenditures for the year; when the Treasurer talks in terms of a \$31 million deficit or need for additional cash requirements, I think it's fairly easy to see why one can come to the conclusion that if no other comment can be made as far as the budget is concerned, certainly in many regards it's the works of Mervin the Marvellous.

Mr. Speaker, at the outset I would like to make a very brief comment with regard to program budgeting. I think it's fair to say that, had I spoken Thursday or Friday of last week, before the budget came down, I would have commended the government quite enthusiastically for the move toward program budgeting. My enthusiasm is somewhat tempered by the fact that no commitment at all is included in the budget speech as to when we can move from this modified program budgeting to a full program budgeting approach. Our assessment of the budget over the weekend clearly indicates that the move toward program budgeting may be positive in the long run. But right now we have a great deal less information to deal with than we had under the former format.

I would hope that after this debate moves along for some time, the Provincial Treasurer would either close the debate, or perhaps in the close of his estimates, spend some time letting us know the kind of steps that will be taken, and when we may expect the government to move from this process of modified program budgeting to fully integrated program budgeting which, according to the Provincial Treasurer in his comments in the House last fall, would give more information for the benefit of members of the Legislature, so that we can make better decisions here, rather than the kind of situation we have now. I think it's fair to say we have a great deal less information.

Mr. Speaker, in fairness to the Provincial Treasurer, I should say at the outset that we appreciated the opportunity that research staff from the opposition had to sit down with certain officials of the Treasury Department. We look forward with a great deal of enthusiasm to the making available to members of the Legislature, especially the opposition, of the — I think it's called the booklet of reconciliation, which will point out comparisons of last year to this year. I think I should say at the outset: it is virtually very, very difficult, and maybe impossible, to become involved in a detailed study of the estimates until that kind of information is available, especially when one recognizes that the government has been working on this program budgeting venture for some time.

I'd like to say also that we support the commitment to the Attorney General's Department. We're prepared to support the commitment as far as the Solicitor General's Department is concerned. But let me make the point, Mr. Speaker, that it simply isn't good enough to pour additional money into the areas of the Attorney General's Department and the Solicitor General's Department. With the kind of growth we're seeing in this province — not only in the provincial budget, but in several areas of activity in this province — one of the problems we face down the road before very long is increased difficulty within the area of law enforcement. I say "increased difficulty" because as the province prospers, as the province

moves ahead, as we have more industrial development, we are going to have to live with the problems of a small group — albeit a small group — of undesirables who will make their way into the province.

I say to the Solicitor General, and to the Attorney General if he were in his seat, don't rest on the additional money you have this year. Now is the time we should be laying the groundwork pretty firmly for the approaches we are going to use as a provincial government in the area of law enforcement for problems that will very obviously be here down the road. In the past, we've heard comments in this House with regard to organized crime and so on. I'm not flying that flag on this occasion. I'm simply saying, now is the time to put our two departments into gear, to become involved in the preventive type of work that needs to be done, and to arm ourselves — if that's what we have to do — so we can meet those kinds of situations head-on when they arrive. Unfortunately, I'm afraid that won't be too long down the road.

Mr. Speaker, in the course of my remarks this afternoon, what I'd like to do would be to talk in terms of where the economy in the province is today, from the standpoint of doing an assessment of the budget. Then I would like to direct some questions to the Provincial Treasurer with regard to specific things which are or are not in the budget. Thirdly, I'd like to have a look at the government's approach to some of the social problems we face today.

At the outset let me say, Mr. Speaker, I found it very surprising that there was no statement in the budget of the total amount of cash required by the province to meet the commitments this budget lays out for us. On page 15 of the budget, the budgetary deficit is set out as \$31 million. That's true from the standpoint of the budget. But, as MLAs, when we look at the amount of cash the province is going to need in addition to that \$31 million, we are going to need an additional \$157 million for net loans and advances that are included in this budget.

If the Provincial Treasurer is right in his spending and income estimates — I hope he's right in his spending estimates — rather than have a \$31 million deficit, a \$31 million need for cash to come forward to meet the commitments in this budget document, we're going to need \$188.5 million. This is one of the reasons I earlier referred to Mervin the Marvellous and the sleight-of-hand activities involved. This is the kind of situation that, very strangely, one doesn't find on page 15.

MR. R. SPEAKER: Captain Marvel.

MR. CLARK: Captain Marvel. I think, Mr. Speaker, members of the Assembly should recognize that by passing this particular budget, we're not looking at \$31 million of shortfall; we're looking at \$188.5 million. So when we look at the budget, I think we have to add that to the picture presented by the Provincial Treasurer the other night.

In looking at the budget, Mr. Speaker, it's very interesting to think in terms of what's happening to the support services. On several occasions, my colleagues and I have raised the problem of the growth of the bureaucracy — the growth of the governmental machinery, if we can use that term. It's interesting,

Mr. Speaker, to go through the estimates laid before the House on Friday evening and to look at the increased amount for support services in each of the departments.

Let me start off by saying our assessment of the budget points out that a 19 per cent increase in support services is included in this budget. That is a very conservative estimate. I'll get to that point later on. A 19 per cent increase in support services is a very conservative estimate. Let's look at some of the areas. The Department of Utilities and Telephones, a 25 per cent increase in support services; the Department of Transportation, 40.8 per cent. In fact, increases in those areas seem almost to follow from the Department of Agriculture to the Department of Transportation just as the minister follows. And we go to the Department of Recreation, Parks and Wildlife, a 21 per cent increase in support services. We go to the Department of Municipal Affairs, 16 per cent increase in support services.

DR. BUCK: And no legislation yet.

MR. CLARK: Labour, 18 per cent. The Department of Housing and Public Works, 169 per cent increase in support services. And that, Mr. Speaker, is giving this government the greatest benefit of the doubt. That does not include the \$827,000 in the estimates for that department, which can be construed as additional support services. We move on then to the Department of Government Services, 28.7 per cent increase in support services. Then we go up, Mr. Speaker, to the Department of Consumer and Corporate Affairs, 35.5 per cent. I'd have to say I can see some justification in that department, with the rent review program and so on. We go then to the Department of Agriculture, 22.4 per cent increase in support services.

Mr. Speaker, I indicated those were conservative estimates, and indeed they are. When we go through the additional information, all we have really included in this assessment of support services are the terms "departmental support services" and "inter-departmental support services". But when we get looking at the guts of the budget presented to us, we find such interesting terms as "program support", "program administration support", "sub-program support", "service element", "administration shown in sub-programs", "support elements", "program administration".

Now one could have included all those as support services. We chose not to, until we see the more detailed breakdown. But even giving this government the benefit of the doubt, assuming there's no administrative support in those seven areas I pointed out, we're still looking at a 19 per cent increase in the support services to the government, at a period when we've got a 16.8 per cent increase in the budget.

In terms most generous to this government, it really says there's going to be less money than last year getting into the hands of Albertans for the things this Legislature and government think are important, because we've had a 19 per cent increase in support services.

We go on a little further, Mr. Speaker, and look at the budget. If we look at the entire budget, it's interesting to see who won and who lost not from the standpoint of departments, but from the standpoint of

local governments, hospitals, school boards, universities, the Departments of the Attorney General and the Solicitor General, and then other government departments.

Let's see what happened. If you look at the total budget, and you look at the percentage of the budget which goes to colleges, universities, schools, hospitals, nursing homes, and municipalities, you'll find that about 42 per cent of the provincial budget goes there, as opposed to 43 per cent last year. You'll find, if you look at the area of colleges, universities, schools; hospitals, nursing homes, and municipalities, that there's a 12.5 per cent increase.

Then, Mr. Speaker, if you look at the Attorney General's Department and the Solicitor General's Department, there's a 30.6 per cent increase. If you follow along a bit further and take out the capital requirements, Mr. Speaker, you find that the net operating budgets after the deductions for capital, after the deductions for the Attorney General and Solicitor General, after the deductions for local governments, colleges, universities, and so on — when colleges and universities are getting a 12.5 per cent increase in the total budget, all the other government departments on the average are getting a 23 per cent increase in this budget.

So when the government talks about all this high percentage of money going to people services programs, let's remember very clearly that government departments increased in this budget. Moneywise, they're receiving 23 per cent increases. Local governments, colleges, universities, and municipalities are receiving 12.5 per cent.

That sets out pretty clearly where the real priorities are. I don't think you can make it much clearer to those people in the area who felt the 11 per cent on September 17. You can't make it much clearer to those people than: look at these figures. It points out once again where we're really fighting the battle of restraint, where we're really fighting the battle of inflation. It's being fought in our municipalities; it's being fought on our school boards; it's being fought in the hospital wards; it's being fought in nursing homes and the universities and colleges.

This is the government that says to municipalities, hospital boards, and school boards: do as we say, not as we do. You people live with 11 per cent; we'll live with 22 per cent when it comes to increases in our own departments.

Mr. Speaker, one other bit of information I think we should lay on the table at this time when we look at the whole budget — and this you won't find in the budget either — is that the total direct and indirect debt of the province has now reached the sum of \$4,121 million. Another first for Alberta: we have the highest per capita direct and indirect debt of any province in Canada. This has been arrived at during a period when our resource revenues, if they're not at their peak, are near their peak.

It is pointed out in the budget that there will be an increase in the per barrel amount of oil. Perhaps it's \$2 a barrel — that's what it should be at least. But if that's what happens, we're getting close to the world price. The Treasurer isn't going to be able to bail down in the barrel next year [for] another \$2 a barrel to put on top. In the next two to three years our conventional crude oil production [will] start to decline. Yet during this period we've got our direct

and indirect debt to a figure of \$4,121 billion — the highest in Canada.

When we look at the budget, Mr. Speaker, it should also be pointed out that anyone who really sincerely wants to try to look at the expenditures of a year ago, when this Legislature approved the expenditures in May — the expenditures which were put before us on Friday evening set out a 16.8 or 17 per cent increase in expenditures. Now the Treasurer can talk in terms of 7.7 per cent and 10.7 per cent, but he's not really kidding even himself. It gets to a situation where you clearly look at the estimates of last year and the estimates of this year, and it's 16.8 per cent.

Add on to that, Mr. Speaker, that during the last two years this government has averaged more than \$300 million in special warrants each year. One of the real disappointments I had with the budget is that there is not one indication in the budget that this government is going to try to hold down special warrants next year. Mr. Speaker, you'll recall that at the fall session my colleague from Little Bow asked if we couldn't have supplementary estimates in this Assembly. The Premier said something like, I believe, he didn't really think that was necessary.

But when we have \$300 million in special warrants two years in a row, no commitment in the budget this year to cut that back — we've already had a commitment from the Minister of Hospitals and Medical Care that at least a \$4 million special warrant will have to come sailing along as a result of the decision on the certified nursing aides. So if you were to add on \$300 million, which is a conservative average of the last two years, this 16.8 per cent increase in expenditures from estimates to estimates will come closer to 25 to 26 per cent. That, Mr. Speaker, is during a period of time when, according to the Treasurer's own figures, our revenues are going up 13.8 per cent.

In fairness to the Treasurer, there is no provision in his estimates this year for the increase that will come into effect in June or July. But far more important than that, Mr. Speaker, is the trend we're setting — a trend of an absolute minimum 16.8 per cent increase this year, if not one special warrant goes through, or perhaps as high as 25 or 26 per cent, if the pattern of the last two years exists.

Also, Mr. Speaker, I'd like to add to the discussion by laying on the table for the members of the Assembly the results of some housing surveys done in Calgary and Edmonton. I do this because of quite a bit of emphasis in the budget with regard to certain aspects of housing. But I raise this right now because I think it's important that members recognize that in the city of Calgary in 1975, the average house increased 30.9 per cent. That was the increase in the value of housing in Calgary — what a house would cost on January 1 and [at] the end of December. According to the best information I can get, the cost increased 30.9 per cent. During the 10-year period from '64 to '74, the value of the average house and lot in the city of Edmonton increased 175 per cent. In the city of Calgary it's even higher: during the same 10 years, a 185 per cent increase in the cost of housing and land. So when we look at the commitment in the budget about housing, let's keep these kinds of figures very much in our minds.

I had hoped that in the budget, Mr. Speaker, there

would have been a real commitment of substance to say, this government is going to take whatever steps are needed so that young Alberta families can acquire homes, be it through the Alberta Housing Corporation, this new organization we're going to be setting up, or some mechanism for us to think in terms of making commitments as far as the heritage fund is concerned during a period of time we have the revenue we've got now. Not to place the utmost priority on making it possible for young Alberta families to acquire their own homes simply isn't good enough, in our judgment.

So, Mr. Speaker, to conclude this portion of my remarks I'd simply like to say this: we have a deficit in this province, projected in the budget, not of \$31 million but \$188 million. We've reached the illustrious position, as of the end of 1974, of total direct and indirect debt to this provincial government of \$4,121 billion. We see in this budget that colleges, universities, schools, hospitals, nursing homes, and municipalities received, on the average, a 12.5 per cent increase. The Attorney General's and Solicitor General's departments received a 30 per cent increase, which I do not object to. But what I object to most violently is that we have a situation of other government departments at a 23 per cent increase, which is twice what those organizations that have had to face the 11 per cent spending guideline are able to get. That's why we've said several times in this House that this government is not prepared to face Albertans on restraint. They choose to force local governments and local municipalities and appointed groups to face the public.

Then we look at the increase in support staff — nothing close to the Provincial Treasurer's figures of 7.7 per cent or 10.3 per cent or 16.8 per cent. What do we see as a very conservative estimate for support service increases? A cool 19 per cent, which simply means we're going to spend more money on services, and we're going to get less money into the hands of the people the programs are set up for.

Mr. Speaker, it seems to me, when one looks at the budget, recognizing the fact we don't have the amount of information we'd like to have, that some questions have to be placed before the government. I would hope they'd be answered during the course of this debate or in the estimates. The first question has to be: if this is restraint, if 16.8 per cent this year is restraint, with no commitment to limit special warrants, what are we going to do 12 or 14 months from now when the 18 months are over? What are the government's spending plans for that time? We don't think it's asking too much for the government, in the course of this session, to say look, in a year's time this is what we're looking at. It isn't unfair to municipalities, it isn't unfair to other Albertans, to say what we can expect when this 18-month period is over. So we'd hope the Treasurer or someone on the government side would give us some indication of the government's plans [as to] what we are going to do when restraint is over. Remember, with restraint this year we've got a 13.5 per cent increase in our estimates [and] a 16.5 per cent increase in our expenditures, if there are no special warrants.

I was going to do this later, but perhaps this is as good a time as I can think of. If the Provincial Treasurer, using his figure of 10.7 per cent, can hold to 11 per cent — that's .3 per cent in special warrants

— I'll buy him the largest steak he can eat at any place in Edmonton.

AN HON. MEMBER: That's bribery.

MR. CLARK: No, it's not bribery. It's just an effort to try to save the taxpayers some money.

AN HON. MEMBER: Hear, hear.

MR. CLARK: Then, when we look at the budget a bit further, we find the commitment of \$50 million for the replacement of rural hospitals. But for the life of me — and it's quite possible I missed something — we can't find this \$50 million accounted for at all in the government spending program for this year. Is this one of the things we're going to slide into the heritage fund, like we're sliding in the Syncrude venture? That's not a long-term kind of investment that we should be putting into the heritage fund, at least until we've had some discussion here in the Legislature. Where do we find that \$50 million in the budget?

I'd also like to ask the Provincial Treasurer if sometime in the course of the debate on the budget or in the course of his estimates, he could bring to the Assembly the figures which support the figure of \$2,675 million on page 9. That was the base the Treasurer used to come to his 10.7 per cent. It would be very interesting to see the reasoning behind that; to see just when those commitments were made, and which commitments the government feels it was bound by on September 17, and which it wasn't.

Then if we look into the budget a bit further, we'll find — I think it's on page 24 — the need to find money for the rest of this year's commitment for Syncrude. I think it runs in the vicinity of \$25 million. Once again, we can't find it in the budget. Now it does say in the budget that Syncrude is going to go over to the heritage fund. Are we going to wait till after the end of March, then take that \$25 million out of the heritage fund? It's no place in the budget, at least as far as I can see.

The very basic question has to be asked about the heritage fund: are we looking at the heritage fund as a means of revenue-producing investment so that when our non-renewable natural resources decline, the people of Alberta will get the benefit of that revenue to maintain services at a reasonable level? If that's what we're doing as far as the heritage savings fund is concerned, that should be on the table right now.

If the government's basic idea with the heritage fund is to use the money of today, the bulk of that 30 per cent, to invest in revenue-generating investments so that we have the benefit of that revenue when our non-renewable resources decline, this may be as good a place as any to say that those individuals and groups who want the heritage fund money for investment's sake had better be sure their investments can stand the light of public scrutiny. That message must get home to people who want to become involved in the use of heritage fund money. If those investments can't stand the glare of the public spotlight, if they can't stand to be looked at in this Legislature — and we've got to say we'll leave that to a committee of the cabinet — as far as I'm concerned, Mr. Speaker, that isn't good enough.

This cabinet's record on investments isn't all that hot, by any stretch of the imagination.

The last question I'd ask the Treasurer in that area, Mr. Speaker, would be: with the modified program budgeting now in place, where are the financial controls to be found? Is it a matter of their [being] in the individual departments? Will the Treasury Department assume the responsibility for controls so that we don't see the \$300 million in special warrants next year, or will it be the Auditor's office? It has to be the Auditor's office or the Treasurer's office or the individual departments. I would hope we'd also get an answer on that matter before the session concludes, Mr. Speaker.

Now, Mr. Speaker, I'd like to move on to some aspects of the government's approach to the budget. First of all, Mr. Speaker, I'd like to deal with a rather small comment on page 13 of the budget — the Provincial Treasurer comments about Albertans paying the lowest taxes in all Canada. I think we can all agree with that. We have no direct sales tax, no estate tax, and no gift tax. Well, I should hope not. They weren't in place when this government took over. Our personal income tax is 15 per cent lower than the next lowest province.

I can recall a motion in this Assembly by the former Member for Calgary Mountain View — the motion not being accepted by the chairman — to lower income tax in this province. On the comment here about the gasoline tax being the lowest in Canada — and well it should be — I can also recall the former Member for Calgary Mountain View asking the former Treasurer time and time again when he was going to see the light and remove the gasoline tax. It took a great deal of persuasion to get the Treasurer of that time to move in those areas.

When the government pats itself on the back and says, we've got no sales tax, no estate tax, and no gift tax, and we've got the lowest income tax and the lowest gas tax in Canada, all I can say is, why shouldn't we? We've also got the highest spending government in Canada.

Now, Mr. Speaker, with regard to the approach the government has taken to this budget, especially in what I'd refer to as the people services area, I think the best way I can sum up my reaction is to say that this government equates spending more money with an automatic increase in quality of service. To put it another way, the Tory approach, really, is to hire a few more civil servants, try to apply a few dollar bill Band-Aids, and hope the problems of the day will slip behind us, especially in the area of social services.

I come to the conclusion, after reading the Speech from the Throne again and looking at the budget, that this government is really bankrupt when it comes to ideas or approaches as far as some of the social problems of the day are concerned. Mr. Speaker, I just cite the areas of education, health, prison reform, municipal finance, and labor relations. I had expected, when this session started, that living with restraint, the government would take a number of initiatives in these areas of social programs to perhaps make some radical changes; to look at some of the problems we have in education today, not from the standpoint of having to spend a tremendous amount more money; or to look at the hospital situation and have a real hard look at perhaps some different kinds of delivery systems. In the area of

prison reform we've done virtually nothing in four years. Despite what the minister said the other day, we've now got young offenders in this province in Peace River, Fort Saskatchewan, and Spy Hill right alongside the people who have been there for some time, people who have been there many times, too.

Municipal finance — it wouldn't have cost this government a great deal of money to stop slithering around the issue of municipal finance this session, or even this fall session. We asked the minister the other day. He said, well, it's a very complex area. Well, yes it is. But you know, first we had the Farran report, then we had another report, and now we've got this other committee. Talking to some people on the committee, they themselves say, we have no idea when we're going to make a report. It wouldn't have cost the government one cent to come to grips with some very basic problems as far as municipal finance is concerned, to move in the direction of giving local governments a number of important decisions to make at their own level, and giving them a portion of income tax revenue to move with it.

We look at the area of this government's lending and borrowing programs. This government's now got something like 15 different agencies lending money through various funnels. Some funnels are bigger than others. But the fact is there appears to be no effort to try to pull these things together so there's some co-ordinated mechanism. I've talked to Albertans, and I'm sure other MLAs have too, who put one department of the government against another to see which department they can get the best deal from. And some of them are really deals. It wouldn't cost this government one cent to try to come to grips with that problem. In fact, they would save the public of this province many hundreds of thousands of dollars. The same thing could be said as far as municipal finance is concerned.

As far as prison reform is concerned, I can recall when the tables were turned in this Assembly, and we used to hear the great comments about the McGrath report and penal reform in Alberta. There were some people who were very genuinely concerned at that time. I don't know what's happened to those people today. But those people should go and look at Fort Saskatchewan, Spy Hill, Lethbridge, and Peace River, and find out where the young offenders are.

As far as education is concerned, education is a difficult portfolio at any time. But suffice for me to say this, Mr. Speaker, we've heard a great deal about changing the curriculum committee. It's been implied that we're going to have a rather new direction as far as education is concerned. Whether it's going to be in the direction of the three Rs or departmental examinations or [whatever] they have in mind, no one seems to know. We're just putting a few Band-Aids on here again.

It just seems this government has no guts when it comes to grappling with the thorny problems in the social services area. I know members are going to get up to say, if you grapple with those problems, it's going to cost you money. I say to you, if we can make program budgeting operational the way it's intended, we can come to grips with some of these problems in these areas. And they're not going to cost us additional money. But they will cost us additional money if, yearly, we simply hire a few more civil servants

and we put on a few more dollar Band-Aids. That's really the government's approach with regard to that area.

Let me give you an example that came to my attention over the weekend. It deals with this question of the health unit that surrounds the city of Calgary, the Mountain View health unit. It has been in operation for a number of years. One of the members of the board stopped me on the weekend. To say that he was furious would be a gross understatement. Last year the Mountain View health unit, through pretty good budgeting practices and so on, had a surplus of \$29,000. They've been advised by the government now, because they have a surplus of \$29,000, we're going to take \$29,000 out of your first allocation of funds from the government. Here is a group of representatives from local governments in that area — not just in my constituency. Last year they saved \$29,000.

What thanks do they get? They get a letter from someone in the Department of Social Services and Community Health saying, we're going to dock \$29,000 off your first-quarter statement this year because you saved \$29,000 last year. Now that's a real commitment. That's a real commitment to deal with waste and inefficiency in the bureaucracy. Because these people were prepared to do what they could to try to save public funds, they're having the \$29,000 taken away from them. Mr. Speaker, you don't need program budgeting to know that's no way to run any kind of operation, if you're going to have local people meaningfully involved in the thing.

Then, Mr. Speaker, if we look for just a moment at the comparison between the '74 and '75 expenditures from the public accounts, we'll find that travelling expenses of civil servants went up some 37 per cent. We'll find travelling of other than public servants went up some 62 per cent — a 40 per cent increase in travelling between '74 and '75, a 100 per cent increase in entertainment expenses, a 145 per cent increase in fees and commissions. Look at the information presented to us Friday night, Mr. Speaker, and try to find comparisons for that information. It's virtually impossible.

In fact, it's completely impossible. That's why it's so important that we get an answer from the government quickly as to when we can expect the complete move to program budgeting. As far as these estimates are concerned, either we're going to have to have a great deal of additional information in the comparative information the Treasurer has promised us, or we're going to have to get the co-operation of all the ministers, when we're in committee or in the House, to get all sorts of additional information. Or, frankly, we can't live with our responsibilities.

Another example, Mr. Speaker, of the kind of financial management that rather turns one's stomach comes from the student assistance board. They've been writing some students, albeit with high indebtedness. The kind of correspondence going to them is: . . . it's a result of the fact that the board has unexpected funds during the current fiscal year, which it wishes to direct towards those students with exceedingly high indebtedness. It's desirable to help those students with high indebtedness. But to be doing it because we've got funds left at the end of the year, without any general policy towards it?

In the course of the Speech from the Throne

debate, I think I mentioned a new civil servant who doesn't share, by any stretch of the imagination, the same political philosophy that I have. He came in after '71, and has the appropriate point of view, I suppose. But this individual indicated to me that, in the area of his responsibilities, he had been involved in trying to cut down the administration. He had been able to work out a way in which seven or eight people could be removed from the operation in his department, and [the department could] still carry on. What happens? Well, the department across the hall or down the way just added eight or 10 people. If the public service doesn't see a commitment by this government to really try to come to grips not only with financial management and restraint, but also [with] the growth of the bureaucracy, one can't expect the civil servants to lead the way.

I'm still rather surprised that once again this year the Ombudsman indicates that a high percentage of his complaints come from citizens who don't get an answer. Yet several times in this House, examples are given of ministers who haven't really been pictures of speed when it comes to replying. If the ministers can get away with that, why, in fact, can't the public servants?

In conclusion, Mr. Speaker, I'd simply like to make five or six points. What we must do, I believe, in the course of this budget consideration, is to get involved in really coming clean as far as what the government's plans really are. I think we all recognize that today we live in an age of accountability. Accountability as far as this budget is concerned is vital. If we're going to convince Albertans that we're even faintly committed to restraint, that's going to mean a need for a great deal of information from the various departments and from the ministers.

I make the point again, in conclusion: the heritage fund investments must be prepared to stand the light of public scrutiny. We're not really asking for any departure from democracy. What we're asking is perhaps a return to the tap root of democracy. That is a slogan and a term used pretty freely in Alberta a few years back. That was the term "open government". When we've got the heritage fund legislation coming before us [and] the tremendous investments available there, [when] we've got a new budgeting approach before us, now is the time for us really, truly, to open up and have the kind of open government we've heard so much about. There's no question the government doesn't want to give us the information for the estimates. They can move along. It seems to me now would be an ideal and very appropriate time to move in the direction of a real commitment to an age of accountability and really open government.

I make the point once again. We're fighting inflation on the backs of colleges, hospitals, school boards, and local governments. We're not fighting inflation in this government. The only area of expenditures where there was a decrease, as far as support staff is concerned, happened to be in the vote for the Legislature — legislation. Maybe that says something about the commitment to the Legislature. I don't know. That's perhaps a problem for another debate. Suffice for me to say, when it comes to social problems, during this time of restraint when the government really could have addressed itself to those areas, it's missing the opportunity. It's trying to

apply a Band-Aid and more civil servants.

As I've indicated earlier, from where I sit, the budget is confusing and misleading. It doesn't even state what the real deficit for the year is going to be — \$188.5 million.

I concluded my comments on the Speech from the Throne by simply saying, I'm for a government that demonstrates it can control itself before it tries to control others. I'm still waiting for that kind of demonstration from this government.

MR. MINIELY: Mr. Speaker, may I first of all indicate to you and to members of the Legislature what a pleasure it is for me to participate in this particular budget — a pleasure, of course, having formerly been Provincial Treasurer. I must confess to you, Mr. Speaker, and to members of the House that when my colleague, the Provincial Treasurer, was delivering his budget address, I tended to feel with him. I also tend to feel what he feels when many months of work have been completed in the budget address.

Mr. Speaker, I believe my colleague, the Provincial Treasurer, presented an outstanding budget on Friday evening. I think it presented a financial policy for Alberta which was right for the climate we are in at the present time — not just in Alberta, but in Canada. Our first term of office, the first four years were a term to set new directions, to institute new programs, to accomplish the directions we felt were necessary for Alberta in the '70s. But the budget this year is [for] a different time, a different climate — not just in Alberta, but in Canada. It is a time for consolidation, implementation of programs, restraint in public expenditure.

Mr. Speaker, in my view, the budget my colleague presented on Friday night strikes an excellent balance between the need for programs of a very high quality to be continued in Alberta today, and setting aside and ensuring our future — not just in the balance of the '70s, but in the '80s, the '90s, and perhaps beyond that. Mr. Speaker, in my view, it accomplishes that by striking that balance for today. Of course, as my colleague indicated, the Alberta heritage savings trust fund is going to set aside funds for the future of this province. As a former Treasurer, and working today with my colleague, the Provincial Treasurer, I can say it's a source of personal pleasure to me to see such an outstanding thing as the Alberta heritage savings trust fund for the future of this province.

Mr. Speaker, it is a responsible budget because it does not just protect today, but protects the future. It protects not just us, but our children and our grandchildren.

Mr. Speaker, I would like to refer now to my particular portfolio, Hospitals and Medical Care. In my first opportunity to speak to Members of the Legislative Assembly on May 28, 1975, I tried to indicate the overall situation in Hospitals and Medical Care. I would refer to the last budget I had the pleasure of presenting to Albertans. At that time, on February 7, 1975, we indicated that the largest single item of expenditure by the province continues to be the funding of hospitals in Alberta. In the 1971-72 budget, the amount provided was \$212 million. Only four years later, the amount required for hospitals has risen to nearly \$400 million, and requires close to 20 per cent of the province's total operating budget

commitments. Mr. Speaker, in that budget of February 7, 1975, we went on to say that these costs nearly doubled in just four years, and in total dollars represented the largest growth factor by far in provincial government expenditure.

Mr. Speaker, in my first address to this Legislature on May 28, on general challenges in the portfolio of Hospitals and Medical Care, I delineated seven broad challenges. I would like to refer to *Hansard* of May 28 on what those challenges were. Mr. Speaker, the first challenge I delineated to members of the Legislature was [that] of ensuring we have a proper mix of health care facilities in Alberta. Another major question I referred to was the development of cost-effective programs in our health facilities and health care institutions. The third I referred to was areas of importance in the future: preventive health, preventive medicine, and education of our citizens. The fourth area was the fact that a better provincial ambulance system would become an integral part of whatever directions we moved in in the hospital system and future medical care in Alberta.

Mr. Speaker, another item I raised was the question: can we improve in professional medical knowledge-sharing between our major centres and our smaller rural hospitals, and physicians practising in rural Alberta? The sixth I mentioned at that time was: are we really establishing the proper priorities in health care in terms of the total health care of our citizens in Alberta? The seventh was that in my view, not just I, but all of us who are responsible for legislation, all of us who have any responsibility in health care, must exercise a great deal of leadership. We can accomplish much more by working together than we can ever accomplish by simply passing legislation or decrees.

Mr. Speaker, those seven challenges were presented on a very cursory view after two months of being in the portfolio. At the same time, I indicated to Members of the Legislative Assembly that I would spend the first year in what I would call an assessment phase. I would be travelling throughout Alberta, meeting with many people in the health care field. I would be trying to assess the major problems — if you like, a process of education for myself — before I would be in a position to look at alternative solutions for the longer term future.

Mr. Speaker, I'm pleased that since that time, I've been able to have several meetings with the Alberta Hospital Association, the College of Physicians and Surgeons, the Alberta Medical Association, and many other health professions. I think I have met with in excess of 70 individual hospital and nursing home boards in Alberta in a period of 11 months.

It was also my pleasure to travel to Germany in this period of assessment — as follow-up to the European mission — to see what we might learn from other countries that could have application in our hospital system in Alberta, in terms of cost-effectiveness and certain specialized areas of care that they may be doing better than we are in Alberta. Mr. Speaker, let me say that it did not take very long for me to conclude that while we can learn something from other countries in specialized care, while we can learn something from other countries in terms of cost-effectiveness, there is no doubt that our overall quality of care in Alberta is second to none — not just in Canada. [It is] one of the finest overall hospital and

medical care systems in the world.

Mr. Speaker, I can only describe the help and co-operation I have received from all the groups I have mentioned in one simple word: "outstanding". It has been a source of pleasure to me to work with many people over the last 11 months — and of course, in the future, while I hold this portfolio.

Mr. Speaker, not just in terms of the assessment phase but the co-operation ... I've now met with nearly all boards — I think all but two — in Edmonton and Calgary since we granted individual hospital budgets. Mr. Speaker, I can say that the co-operation during the year of restraint and the 11 per cent overall expenditure restraint in the hospital field has been outstanding, as well. Without exception, Mr. Speaker, they support the government objective of restraint at this time. That's not to say we won't have pockets of problems in the hospital system.

As you know, Mr. Speaker, when any across-the-board policy is developed, it ends up in a certain amount of rough justice. It ends up with a possibility — although we've tried to be flexible, to recognize individual circumstances — it does mean, Mr. Speaker, that as it's working through the system there may be a problem here and there. But without exception, the general situation and the general co-operation are indicating that during this year of restraint the overall standard [will be] that no citizen in Alberta will suffer for lack of good-quality care, and excellent-quality care, at any time they may require this, as this is working through the system.

Certainly, Mr. Speaker, some reductions will be necessary. Some hospitals have indicated to me they will be closing down a certain number of beds. But it's important for us in the Legislature, it's important for all people in health care, to realize that we are starting with the highest level of quality, the highest number of active treatment beds. Mr. Speaker, we can in fact have adjustments. We can have some cuts in certain areas without sacrificing quality, without jeopardizing in any way the care necessary for citizens in Alberta.

That, Mr. Speaker, is what we as Albertans would expect: that during a year of restraint we maintain, generally speaking, our high level of care, but that we do not finance programs that perhaps can be economized. That is our objective. Mr. Speaker, we hope this is the result, recognizing that there may be individual problems which we will have to assess as this is developing.

Mr. Speaker, the first year of assessment, where the priority is on the assessment, I feel must now come to an end. While we will always be learning, as we are in every part of government, nevertheless I feel after one year the time has come that I must address myself to the longer term solutions in the health care field. For want of a better word or description, Mr. Speaker, I would call the phase I am now entering in my portfolio the "policy development" phase for the longer term future of health care and hospitals and medical care in Alberta.

Mr. Speaker, I do not underrate the complexity in what is a very, very difficult field. Nevertheless, I would rather that I as the minister, my colleagues in government, all of us in the Legislature, assess and consider alternative solutions, assess and consider better ways to result in overall quality care, realizing there is a health care dollar, that we must use it

effectively. Mr. Speaker, I would rather consider alternative solutions and reject them, than not to consider alternatives at all.

Mr. Speaker, during this period of policy development, I have asked [for] and developed a partnership research project with the Medical Services Research Foundation of Alberta. Members may recall this was a foundation created when the old MSI program was discontinued and a surplus existed. They came to me early and said they would like to do a partnership study with the provincial government, to look at the organization of the hospital system in Alberta and perhaps at where improvements could be made that would result in better decisions for our citizens.

Mr. Speaker, I like the partnership approach. I like government utilizing people outside of government to give us advice. I think it takes away from an insular thing that can very easily develop in government. Mr. Speaker, they will be studying broad questions and working with the Hospital Services Commission. They will also be assessing the Hospital Services Commission and how it relates to the hospital system in Alberta.

In addition, Mr. Speaker, during this period I am planning on locking ourselves away for brainstorming what might be better solutions in the future. Because in my view, Mr. Speaker, there is no doubt that in the longer term we in Alberta must improve the broad health care management by priorities.

While we are in a year of restraint, I think we are fortunate in Alberta that we will have more flexibility over the next few years than other provinces in Canada. But I think everyone who has a responsibility in health care is realizing that not just this year — while we might have more flexibility in future years, we must make our decisions very carefully, and we must make them on a priority basis.

In such a large area of public expenditure, Mr. Speaker, I think we know that the kind of cost increases we've experienced in the last five to 10 years cannot be experienced in the next five to 10 years. So that throws the challenge, Mr. Speaker. That means we have to organize in a way that will result in choosing priorities, perhaps at times [making] some difficult choices in determining what the priorities should be. What should we do, and perhaps [in] what area are we not going to be able to do, in any given year?

Mr. Speaker, I'd like to talk to members briefly about the kind of thing I think we must address ourselves to. As I indicated earlier, I think I would call it the need for management of health care by priorities. It interests me as a layman, and I think our citizens would like to know, how we would develop a choice based on priorities. One very interesting thing I have been reading [about] in the last 11 months is, do we realize the priority of incidence of a disease? Are we actually expending public funds on the basis of how it affects our citizens the most? Do we know the answer to that question?

As an example — and I'm referring to an article in the CMA Journal — I'd like to quote, Mr. Speaker, some parts of the article entitled, "Prevention of cardiovascular disease: an urgent Canadian problem". Without specifically quoting, Mr. Speaker, the article says over half the deaths in Canada each year are the result of cardiovascular disease. The drain on the economy in Canada is \$1 to \$2 billion a

year. Mr. Speaker, it also indicates that it is continuously growing. It says that it's a result of a very pepped-up society. We're all under much more pressure today than we were 20 to 25 years ago. Mr. Speaker, I'm not here to talk [about] this, but to say that as an example, one would conclude that this would be a very high priority in the longer term planning for health care disease, if it's killing over half our Canadian citizens.

Mr. Speaker, if choices must be made, it is incumbent on all of us — boards, the medical professions, citizens involved in health care — not only to begin to determine where the highest priority should be in diagnosis and treatment, but to communicate to the citizens we mutually serve. Citizen participation and understanding of priorities in health care will become very important in the future.

Mr. Speaker, in addition, we must examine ways to improve citizen input, local input, in the decision-making in the hospital and health care system, and local responsibility. We must examine lower cost alternatives. We must find more cost-effective ways of delivering health care. Mr. Speaker, we must now examine in greater detail the broad questions I raised on May 28, 1975, the new questions that we have learned during the year of assessment, and some of the additional questions I have raised today.

Mr. Speaker, during and after completion of the policy development phase, I hope to be able to propose some specific broad proposals that will hopefully improve our system of determining priorities in health care, and will result in managing health care within overall financial responsibility, yet maintain that level of quality we have been used to in Alberta. I am confident, Mr. Speaker, we can make substantial improvements if we're prepared to address ourselves to the problems. I am confident that discussion, accurate and sound communication by legislators, by health-care boards, by public officials, by citizens directly involved in the delivery of health care, can result in these improvements.

I am also confident, Mr. Speaker, that Albertans will support health care management that will maintain our quality but result in better decisions, better choice of priorities, and will realize that we may not be able to do it all, that we might have to make some difficult decisions. Mr. Speaker, I believe that Albertans will support an approach to health care management that will neither result in bankrupting them as individuals when they must have access to the health care system — as in the United States — nor bankrupt their governments through lack of sound overall management and determination of priorities — as we see in some countries in Europe.

MR. KIDD: Mr. Speaker, it is with pleasure that I rise and make a few comments concerning the Budget Address. Let me first compliment the hon. Provincial Treasurer on his budget presentation, truly a masterpiece of clarity.

Perhaps it might be well to put the sums of money we're considering in proper perspective. With \$1 million, one can spend \$1,000 per day for three years. With \$1 billion, one can spend \$1,000 a day for 3,000 years. We will spend nearly \$3 million in the proposed budget. Yet there are segments of our society who say, in the Sam Gompers tradition, give us more.

Mr. Speaker, my constituency, Banff, is truly a microcosm of this province. Farming, ranching, tourism, coal mining, oil wells, gas plants, cement plants, many employed in the city at various occupations and living on small holdings, and many small industries. Yet, while my constituents represent a varied cross-section as to background and occupation, I believe they have many common interests relative to this province's monetary policies and management. They say that a major concern of this government is to continue to demonstrate efficiency in administration. They say that the excellence of most of our civil servants cannot be diluted by the incompetence of some. They say that cabinet ministers must be readily available to them on matters of major policy concerns, and they say that in order for cabinet ministers to do so, the burden of day-to-day business must be clearly on the shoulders of our civil servants, and must be efficiently performed.

Specific, legitimate and continuing concerns of my constituents include: the development of uniform, equitable and simple assessment methods for property taxation — small acreage holders are particularly concerned, Mr. Speaker; facilitating the efficient and rapid provision of housing in the various towns within the constituency; fair and sensible regulations concerning the loss of arable land to residential use; action towards a plan for recreational development of the vast mountains and foothills areas within the provincial portion of my constituency; and joint provincial-federal agreement towards a reasoned plan for Banff and the Canmore corridor. Mr. Speaker, I'm pleased to report that most of these concerns are under careful consideration by this government.

On a somewhat less altruistic plane, Mr. Speaker, the citizens of Exshaw wonder when the winding, narrow and dangerous 1A highway from Exshaw to Canmore will be rebuilt. I'm certain that the estimable and honorable Minister of Transportation will take full cognizance of my remarks in this regard. I'm sorry he's not in his place.

Mr. Speaker, as noted in the Budget Address, estimates for basic education, hospitals, and medical care are, together, \$100 million more than in the 1975-76 forecast. And together they total \$1.1 billion for 1976-77. Yet, Mr. Speaker, the expectations of the citizens of this province are such that economies and efficiencies will be required to live within this staggering total.

Well, Mr. Speaker, the Minister of Hospitals and Medical Care has dealt in great detail with this subject regarding hospitals, but I am fully convinced that the responsible officials of school boards, school divisions, and hospital boards will take the proper action to maintain the quality level better than any other province, and still live within the budget. And Mr. Speaker, livestock operators in my constituency who've had to be very efficient to survive are not too sympathetic with those who wish to spend more on social services.

And our estimates for advance education and manpower — up \$10 million. Fine, Mr. Speaker, but let's take a hard look at the number of foreign students attending our universities who are taking advantage of about the lowest level of tuition fees on this continent. There are those, Mr. Speaker, who say: why the restraints; let's use the heritage trust

fund. Well, Mr. Speaker, this government was elected on the premise that the fund would be used for the benefit of our children and their children when the oil wells run dry. I say that solemn promise can only be changed by electing a new and different government.

Mr. Speaker, I applaud the moves that have been taken by this government in 1975 to maintain the viability of business in this province, such as the refund of taxes on royalties through the Alberta exploration plan, largely necessitated by the increased federal government take. Mr. Speaker, if I were a leader of the strong and vital labor force in this province, I would greatly praise this government for taking action to strengthen businesses, and thus maintain secure employment for those I represented.

Mr. Speaker, I'm not going to talk very long. So, in conclusion, thank you for having given me this opportunity to speak, and again let me congratulate the hon. Provincial Treasurer for his excellent budget presentation.

MR. TOPOLNISKY: Mr. Speaker, I appreciate the opportunity to participate in the 1976 budget debate. I want to begin by congratulating the Provincial Treasurer on his budget of restraint and his fine presentation. Secondly, I want to congratulate the hon. members who have thus far contributed to this debate. We have had some fine speeches on both sides of the House.

Mr. Speaker, I want to express a few economic concerns in my constituency. First of all, I want to talk about the rural natural gas system. We hear about the natural gas co-ops but we do not hear anything about the municipal owned gas systems. In my view, this is a better way of getting natural gas to the farmers, the villages, and to hamlets than a co-op system.

Position paper No. 11, Rural Gas Policies for Albertans, April, 1973, and subsequently The Rural Gas Act recommended that every effort be made to supply natural gas to as many as possible of the one-fifth of Albertans who do not enjoy the benefits from this clean, economical and convenient fuel. This will not only improve the quality of life of rural Alberta, but will facilitate diversification of the rural economy.

The main feature of the policy was that farm customers would be responsible for the first \$1,700 of capital cost per farm connection, with the government contributing the remainder up to a maximum of \$3,000.

Natural gas co-ops mushroomed all over the province for the next few years without adequate research and/or looking for alternatives. Now the questions and concerns come from a number of constituencies in regards to the financial difficulties some of these gas co-ops are in.

Many of them are properly managed and operated and do not have the problems to the same degree. Although The Rural Gas Act made provisions for municipally owned gas systems, the initial ventures have all been set up as co-operative associations with little regard to municipal boundaries.

The alternative to a gas co-op is the county-owned system: a self-liquidating system which pays for itself just like water and sewers in towns and villages. It is administered as a local government

utility. It is self supporting and outside the main municipal debt.

The municipally or county-owned system is more desirable, and preferable because it is more universal. There are fewer difficulties. The county borrows on behalf of the farmers. The collateral is the pipeline, and the network then is supported by gas sales, but it can have final support through the mill rate if necessary.

There are now six municipally owned gas systems in the province at various stages of development. Three of these are in my constituency, and there's also a gas co-op. I want to explain briefly the status of each one.

The gas co-op [was] organized in August, 1972. They elected an executive and directors, hired a consultant to do the feasibility study, set their boundaries and went far beyond the county boundaries. They canvassed for membership. The original cost to the farmer was \$1,350; two years later, \$1,600; now it is \$1,700. The penetration level after three and a half years is 66 per cent. The price of gas is about \$1.35 per MCF, and the farmers have loans and liens on their land.

On the other hand, Mr. Speaker, the municipally owned gas systems have the following advantages over the co-ops. The county is already organized. They have an elected council. The boundaries are defined. Only the county boundaries are used, including villages and hamlets. County office space is used, and county staff do the bookkeeping. Only one official is hired, a utilities officer. There is a grant of \$15,000 for this purpose by the government. The farmers have a small down payment of \$200 in two systems, and \$300 in the third. This is a low down payment, Mr. Speaker. There are no farm loans or liens on the land — certainly widely accepted.

Therefore, there is a high level of penetration, over 90 per cent of potential hook-ups, all within less than one year of canvassing. The price of gas is \$1.25 per MCF, still only about half the price of the alternate fuels, propane and heating oil.

I recently attended a regional meeting of gas co-ops. Four neighboring co-ops and two municipally owned gas systems were represented. Their concerns were: insurance for gas co-ops, financing construction, easements and rights of way, area co-operation in case of line breaks or fires, and the price of gas going up. Their request was that the present price hold for the next five to 10 years, and the rebate program continue.

Mr. Speaker, the budget indicates that \$70 million will assure that Albertans will continue to have by far the lowest costs in Canada to heat their homes, a saving of approximately \$84 per home annually.

[Dr. McCrimmon in the Chair]

The Grain Handling and Transportation Commission held hearings on branch line abandonment of B-category rail lines. Several of these hearings were held in my constituency. I was much impressed by the quality of briefs presented by the farmers, businessmen, councils, organizations, and others. They all expressed concerns on behalf of their communities. Some points that were emphasized are: number one, should the Coronado subdivision be abandoned? It would be a disaster to

the communities along Highway 28, and the farming community in northeastern Alberta. Rail abandonment would mean elevator closure. This means the demise of towns and villages, and the whole community system will be disrupted. Development and growth will tend to decrease. With the added burden, of maintaining and retaining the existing services, the social and economic viability of these communities will be lost. We heard loud and clear the voices of representatives of towns, villages, and farmers that B-category rail lines be retained.

In the Land Use Forum recommendations, under ownership of land, there is a recommendation that anyone should be free to walk on any private land without permission. Mr. Speaker, there is clear objection to this by my constituents.

AGT extended flat-rate calling program allows toll-free calling to market centres within 30 miles. The following communities want this service extended: Chipman to Lamont, Waskatenau to Smoky Lake, and Clyde to Westlock.

We hear quite a bit about irrigation and irrigation projects in southern Alberta where there's a lack of sufficient water and moisture for growing crops. In northern Alberta, it is the drainage problem. Nearly every county has a drainage problem. Here's a typical resolution sent in by one county:

Moved and seconded that this meeting go on record requesting the provincial government to give its utmost consideration in increasing its present cost-sharing contributions towards drainage problems.

With regard to equalized industrial assessment, there are inequities with regard to the apportionment of the industrial taxation base. Therefore, industrial assessments should be equalized and applied throughout the province.

Refrigeration is now required for meat carriers. The regulations require carriers to install refrigeration equipment capable of keeping the temperature of meat products at 40 degrees Fahrenheit. The complaint by small truckers, who service small towns and villages up to 100 miles from Edmonton, is that an expenditure of up to \$15,000 for conversion of trucks would certainly not be worth while. They have to move out of transportation of perishables, which would result in small towns and villages no longer receiving the service they have been used to for the last 40 to 50 years.

Regarding surface lease rentals in my constituency, some landholders with whom I communicated on several occasions have not settled yet. I want them to receive the highest rental possible at today's market value with regard to productivity allowance, assessment, severance, inconvenience, as well as compensation in full for damage and destruction of property. Uniform, the arbitration board, and the Farmers' Advocate have also tried to assist them.

I visited the Lamont elementary school at the request of the council and the school committee. The structural faults were pointed out. The building is shifting and heaving. It is questionable whether it could be repaired or is worth repairing. Some frame stucco buildings, Mr. Speaker, don't last 35 years. There are 260 students and 12 teachers in a very inadequate and unpleasant situation. I believe that nine thirty-fifths of that school should be written off on the grounds of functional obsolescence.

Village councils that find it necessary to increase their council members from three to five should have that flexibility. A number of village councils find themselves swamped with work because of new programs and ambitious plans for growth and development. Some councillors spend more time on village work than on their own businesses. A resolution to this effect was endorsed by the Alberta Urban Municipalities Association last fall.

Some concerns in agriculture: some of the cow-calf farmers are still in a critical situation at the present time. I hope that in the province of Alberta, together with the federal government, a stabilization program for the livestock industry would soon be implemented. It should be a program that would include cost of production, that would control year-to-year fluctuation in prices, in the interest of both the producer and the consumer, that would reflect the provincial interests and meet local requirements. Of course, Mr. Speaker, it would be desirable to have national unity on this type of program. Failing this, then, it should be on a regional basis.

Southern Alberta stock growers, or Canadian stock growers, are really not representative of the northern Alberta cattle producer. In the north, the cost of feeding is greater. The winters are longer. There is more marginal land which lends itself to livestock industry. And perhaps there are more younger farmers. There has been a recent request that assistance apply, not on a province-wide basis, but only to those farmers residing north of the 52nd parallel. Mr. Speaker, I don't accept the statement, and I quote: "Our society's attitude undervalues the food that farmers produce. There is discrimination against farmers." Mr. Speaker, Alberta farmers are efficient producers of food for domestic and export markets to feed the world. This is much appreciated and recognized by all hon. members, I believe. Looking after the needs of rural population is certainly a high priority with the Government of Alberta.

Thank you, Mr. Speaker.

MR. MUSGREAVE: Mr. Speaker, I would certainly like to add my comments to those of my colleagues who have already spoken on the budget. I'd like to congratulate the Provincial Treasurer on a well-balanced, progressive budget. Regardless of some of the comments we've already heard in the House about the juggling of percentages and the isolating of certain parts of the budget and suggesting those have been raised higher than the overall guidelines, I think most citizens of Alberta would agree with me that it's a restrained budget. It indicates this government is prepared to act within guidelines lower than those set by the federal government. In my view, it is doing what most Canadians agree should be done, and that is that government spending should be restricted and controlled wherever possible.

I would like just to mention some of the things that concern my constituency; in particular with regard to the budget, Mr. Speaker. These are some things that perhaps the government can consider, but certainly I hope members of the House will bear in mind. One of the problems [is] that we hear many criticisms of the oil programs — that the incentives being offered are to the advantage of the major oil corporations. I think probably they do help them in some regard. At

the same time, they are also hopefully making sure the oil industry continues to be a healthy, competitive industry, serving a good need in our province. Some concern has been raised by very small companies that the ability to borrow money if you only have one or two wells is quite restricted. The conventional lenders are not able to assist you. It's my understanding the Alberta Opportunity Company cannot help those companies in the primary production of resources.

Another area of concern that has been pointed out to me is senior citizens. I would caution those members of the House who have less gray hair than I have that there's a new force out there. Next summer they are bringing an activist from Los Angeles to the Calgary area to help them organize. They may be calling themselves the Gray Panthers. This is a spinoff from an organization in the United States, New York City in particular. They are now going to organize themselves, so they have part of the political action as well as the social action. I would suggest that we all better be aware of our concerns in the future because some of us may be replaced by senior citizens, as we call them, who have decided they're not going to stay home and just collect their pension cheques and play bingo. They've got other more important things to do. That is to come up to this House and take over.

One other area of concern I have, Mr. Speaker, is with regard to gasoline prices. Along with many of my colleagues in the House, I've been pressured by various people who cannot understand why we should be even considering that we may have to pay more for our gas. As I mentioned Friday, I think we in our government and all members of the House have to appreciate that we are part of a world economic community. We can't expect to have gas cheaper than someone else, and at the same time expect them to pay world prices for our primary products of agriculture or our resource industries. When people ask me if we can anticipate an increase in gasoline, I say, certainly. If we get an extra \$2 for our oil, you can expect to be paying at least 10 cents more per gallon for your gasoline. And I still think it's an excellent bargain.

Another concern I have, Mr. Speaker, a reflection from my constituency more than anything else, is the concern some people have regarding rent control. Unfortunately, there are still many people who are concerned or afraid to raise the problem with the rent control officers that their rent is being increased more than it should be. I believe many tenants should be aware that the law is there to protect them. If more of them spoke out, I think they would appreciate that their fears would not be realized and they would not be evicted, particularly those who are long-term tenants.

Mr. Speaker, naturally the budget isn't going to please everyone — not even those members on the government side of the House. There are probably programs we think should have been given more money. Or we're concerned there are some areas the Provincial Treasurer might have pushed the knife a little harder than we would have liked. One I'd like to put forward is library services. I really feel, in view of the comments in the Downey report, they should be augmented. I must confess I'm having difficulty explaining to librarians in Calgary, for example, who

can wire Ottawa and ask what periodicals or material are available in Edmonton. The federal system can tell them what's available. But they can't wire to Edmonton direct, because there's no provincial service. Now, I can be sympathetic, but I can't get too concerned because I know it's not an intent of the government.

I heard one member of this House allege that the reason we cut back on library services is that we want the people of Alberta to be restricted in their reading habits, so they won't know what the government is doing. I don't accept that, Mr. Speaker. I think, though, that I'd like to say to the House: while there may be areas where we've had to cut back, such as library services, I think every time we lose a day of productivity because a person can't work; every day a person spends in a hospital longer than he should have; if we don't have the opportunity to give a young mother the financial resources to continue to raise her family — [this] is probably more important and rates higher in the government's scale as far as library service or things of this nature at this time. So it's difficult to say that we shouldn't cut back on these services. Obviously we have to, if we're going to keep within the guidelines. While I'm concerned on the one hand that we cut back on such things as library services, I can well see why.

One area in the early part of the budget debate that concerns me too, Mr. Speaker, is the fact that some members of this House say the large corporations are achieving huge benefits. As I was an employee of a large corporation, I'll just make two comments. One, my dividend rate has not increased in the last two or three years. Secondly, the shares in my company two years ago were worth double what they are today. If the market place thinks the oil companies are not doing that well, I would suggest that some members of the House should appreciate the fact that perhaps we're not getting all that they think we are.

On that point, I should point out that in the last five years, personal income tax has doubled. From 1970 to 1975, personal income tax for Albertans has increased 100 per cent. At the same time, corporation taxes paid by corporations in the province of Alberta have tripled. I hope members of the House will appreciate that statistic.

Mr. Speaker, another area that has been mentioned quite frequently is the per capita debt of Alberta citizens. As an Albertan living in Calgary, I may have the highest debt per capita of any citizen in Canada. As a citizen of Calgary, I also have the best ambulance system in North America, the best lighted city in North America. I probably have the largest urban parks in the world. We have a relatively new city. We have new streets, new roads, new houses, new buildings — Edmonton is in a somewhat similar position — far greater than many, many cities throughout the world, particularly in North America. We have a water supply that will serve a million people. We have arenas, swimming pools, and so on, [that are] the envy of many Canadians. Mr. Speaker, we're able to do all this because we have a capital debt.

Most of the money in the city of Calgary — I would say about 99 per cent of the money the city owes — is borrowed from the province of Alberta. That happens to be the same person. In other words, we owe the money to ourselves. So when people say we

have the highest per capita debt, I think they should point out that it may be the highest, Mr. Speaker, but it's money we owe to ourselves. If you talk to any financial consultant about the method of borrowing and lending we've used in the province of Alberta, he'll conclude it was an excellent system.

Mr. Speaker, I notice some others members of the House have mentioned the Alberta Municipal Finance Corporation and the fact that perhaps the corporation hasn't reported to the House as rapidly as it could have. I talked to one of the members of the commission only last week. I applaud the minister responsible, in that we're concerned with a very difficult area. As the hon. Member for Banff mentioned, it involves assessment of lands, the kinds of taxation that can be developed, the systems that can be developed. It involves changing historical concepts. It involves the sharing of power. It involves a lot of complex issues that shouldn't be lightly decided, and in my view, shouldn't be quickly decided. I think we should concern ourselves with these areas and make sure we conduct our work in a most careful and considerate manner.

Mr. Speaker, one other area I would like to touch on is housing. I think the fact that housing is not as adequate as it should be has been raised. I think the record of this government, and particularly the forecast for 1976 are, in my opinion, one of the best in Canada. When we look at the figures for 1975; when we appreciate that housing starts were 30 per cent higher in that one year alone, whereas across Canada they were only 2 per cent; when we look at the huge numbers of new subdivisions; of condominium programs that are going forward; of apartments being built throughout the whole province; I can't see how anyone suggests we are not doing a first-class job. I'm concerned that some members of the House suggested that we're not doing enough for young people. Yet we have a very good program through the Alberta home ownership program and the core housing incentive program. Both of these are going to provide many new units for first ownership to young families and give them a start in life. Mr. Speaker, I should point out in the city of Calgary one condominium development went forward about two years ago. Already the people are selling out at sometimes twice and almost triple what they originally paid.

Mr. Speaker, I would like to suggest that if one views the budget in total, one would be hard pressed not to say that it was a responsible budget, a restrained budget. I think every Albertan should be very pleased that he lives in this province. I think we are certainly blessed with lots of natural resources. We've been blessed with a very aggressive group of citizens who are concerned to be productive, who have worked hard, and I would suggest, who have believed in the free enterprise system. At the same time they've believed in being concerned about those less fortunate, either by way of intelligence, education, or physical handicap. We don't see any poor people sleeping on the streets in our cities. We don't see anyone going hungry. We don't see anyone ill-clothed to the point of embarrassment, such as we did in the '30s. We don't see pictures of poor people with no clothes on, or no shoes on their feet and things of this nature, which all of us have seen.

I suggest, Mr. Speaker, certainly this government

wouldn't take credit for all that. I think much of the credit for our position must go to the Social Credit government while it was in power. But I think our government has certainly put in a new balance and a new emphasis. I think it can bode nothing but good for the people of the province of Alberta.

[Mr. Speaker in the Chair]

MR. WOLSTENHOLME: Mr. Speaker, it's my pleasure to represent the Highwood constituency. So as not to leave any doubt in anyone's mind as to what and where it is, it's the home of Joe Clark.

I would like to add my congratulations to the Provincial Treasurer for the excellent presentation of a very fine document.

Mr. Speaker, it's almost a year since I first spoke in this Assembly. I won't go into all the trepidation I felt on that occasion. Suffice it to say, I was rather pleased to get through and sit down. There's a little difference for some of us this time. There are a few of us on this side this time. Instead of facing TV cameras and looking at the backs of the necks of our ministers, we now sit over here and face them eyeball to eyeball. Mr. Speaker, I must say it's a much more expressive view.

A few of my remarks may be a little unusual. But I feel they represent the feelings of most of us MLAs who have now served nearly a year in this Legislature. I think some of those remarks should be stated so some of the people know how much their help has been appreciated.

When I first came up here, I wondered, how will I be received? Will the ministers know their MLAs? Will the staff be too busy to lend a hand to a small-town country boy? Would they be willing to show him the ropes? How would the opposition react to a new member who had replaced one of their own? Today I realize my fears were unfounded. On my first day here an hon. member treated me like a brother, took me on a guided tour of the building, and explained as we went.

The Premier, the ministers and their staff, along with the other MLAs, although very busy, have been most co-operative, understanding, and on some occasions, very patient — especially you, Mr. Speaker. To sum it up, everyone in this building was willing to accept. I've even been told that the opposition members pull their pants on one leg at a time and socially are great guys. I've been most pleased with the comradeship and team spirit of the MLAs.

One of my pleasures has been to be appointed to the Historic Sites Board. It's been a real experience. The staff are a dedicated, enthusiastic group, struggling to get by on a limited budget. Their aim is to preserve for future generations the history of times gone by. The board advises and makes recommendations to the minister on matters concerning the preservation and protection of historic sites in Alberta. I would urge the minister, if at all possible, to increase this group's budget.

A year ago I told you quite a bit about the Highwood constituency. There have been a few changes in that year. The town of Nanton, the home of the MLA for Highwood, is having a senior citizens' lodge, constructed. W. W. Manufacturing manufactures squeeze gates, portable corrals, et cetera, for the farmers and ranchers. Private industry has

completed a housing subdivision. The town council is busy developing another subdivision.

The town of High River has a new provincial service building, which I had the privilege of assisting the Hon. Bill Yurko to open. A new liquid feed processing plant has recently been opened there, and a food processing plant is a real possibility. The downtown core has been partially renovated, while construction of new housing has really accelerated in the town of High River, putting a stress on the facilities of the town, especially education.

The villages of Cayley, Aldersyde, Longview, De Winton, and Millarville are struggling to stay viable, while demonstrating the vitality of their people by improving their library, recreational, water, and sewer services.

The town of Okotoks is a real problem, it being a bedroom for the city of Calgary. I am pleased that the ministers who are concerned with their problems are responding very favorably. Industry is showing interest in moving out to Okotoks. A new Mocoat Industries has located in Okotoks. They manufacture storage tanks with a new technique of applying fibreglass with a special formula that makes the tanks superior in many ways to the conventional types.

The twin towns of Turner Valley and Black Diamond are now experiencing growing pains, and are planning for future developments and extension of their services. This area was where Alberta really started its oil production and exploration. A relaxing drive or visit to that west country of unsurpassed beauty is really worth while.

The residents of Highwood are very interested in the implementation of some of the recommendations found in the Land Use Forum [report]. The small acreage sites are quite interested. But some of the ranches, covering many acres of beautiful, recreational land, view with alarm some of the recommendations. Their particular concern is the suggested hiking paths. While I share their concern, we must be very careful not to deny the people of Alberta access to the beautiful streams and scenery of that west country. We must be very careful in our deliberations because we certainly do not want an issue like the fence at Lake Louise a few years ago.

I must tell you about a few of the public-minded ranchers we have out there. They have created rustic campsites and trails for the public to use. They are working and co-operating with the recreational people. They even mark out special zones for each individual hunter during the hunting season. I applaud endeavors such as these by some of the people who own and lease some of the most beautiful land in Alberta. As you've possibly gathered, I'm proud of my constituency, which has contributed much to the oil industry, agriculture, and growth of our province.

Regarding the budget, Mr. Speaker, I do not possess a vocabulary suitable to describing such an effective document for the well-being of all Albertans. Because of its clean, clear statement of policy, it does not require defending. It gives me, as a government MLA, the opportunity to stand here very proud to be part of a government that has very skilfully applied restraint, while recognizing the need for hospitals, social services, and protection of its people.

I deplore negative thinking and cannot understand those who call the budget a misleading and deceiving

document, because, in my mind, it is anything but.

Thank you, Mr. Speaker.

MR. KOZIAK: Mr. Speaker, in reflecting upon my notes, I'm afraid that I may find myself extending beyond the half hour. I hope I can use some of the extra time given to me by some of the other members of the House in speaking less than their allotted time, but that will be determined as I progress.

I feel, Mr. Speaker, that one phrase I could use in describing this budget is that we've reached a time in Alberta where we can, in fact, count our blessings. This budget truly describes it. The efforts of the hon. Provincial Treasurer are indeed sterling in presenting to this Legislature, not only in his fine address but in the compilation of the accounts of all the various departments, just an outstanding document, an outstanding program for the forthcoming fiscal year.

Mr. Speaker, as has been indicated many times, we have the highest level of social services in all Canada and probably in all the world. We can enjoy that high level of social services, and we can continue to enjoy that in the forthcoming fiscal year, without experiencing the burden of any new taxes, and without experiencing the burden of any increase in existing taxation.

It is evident from the budget, Mr. Speaker, that basic education is one of the government's priorities in the forthcoming fiscal year. Over the next weeks, the Legislature will be asked to approve an expenditure in the 1976 fiscal year in excess of \$513 million for basic education services. The \$513 million, Mr. Speaker, is an increase of 11.1 per cent over the forecast of expenditures for the fiscal year we are now completing. It represents, Mr. Speaker, an increase of \$53 million. Even then, Mr. Speaker, that figure is somewhat misleading because it is on the low side.

When you look at the Estimates of Expenditure 1976-77, and thumb to page 97, under Vote 2, financial assistance to schools, there is an additional \$58 million which is collected by virtue of a 26-mill supplementary requisition on commercial and industrial properties. \$58 million becomes available throughout the province. \$58 million can be added to the \$513 million, being the provincial contribution, for an actual total of \$571 million which would be paid out to school boards to enable them to discharge their duties, and to enable the Department of Education to discharge its duties in the provision of educational services for the youth of Alberta.

Mr. Speaker, when we count our blessings, it's time to reflect. The hon. Provincial Treasurer, in his address to us Friday evening, forcefully pointed out that of the total funds we have to distribute, to spend, on the people of the province of Alberta, to provide the high level of services that I've indicated, of that total 45 per cent depends on the sale of non-renewable resources — 45 per cent. If we look at the budget of the Department of Education and look only at the \$513 million, that 45 per cent represents \$230 million — \$230 million more than was spent on education when this government took office. What, Mr. Speaker, would happen to education if we did not have that \$230 million, if we could not rely on the sale of the non-renewable resources of this province to provide us with 45 per cent of the Department of Education's budget?

Mr. Speaker, many many people have come to me and said — and I agree with them — that education is an investment. That it is. It's an investment in the future. The dollars we now invest in education for the benefit of those children presently in our school systems, are, in fact, an investment in the future, an investment that will pay many dividends. So a total budget of \$513 million is in fact very defensible when we are attempting to control inflation. The spending of that large sum is, in fact, defensible, Mr. Speaker, because it is for the benefit of the students presently enrolled in our school systems, the students in whom we are investing, the students who will ultimately pay great dividends for this province.

Some would suggest, Mr. Speaker, that we should go further, that 70 per cent of the proceeds of the sale of our non-renewable resources is not enough. Some would suggest that we should spend all the proceeds of the sale of our non-renewable resources in order to provide even further funds for education.

Mr. Speaker, those who would make that suggestion would indeed be shortsighted. Just as education and the dollars we put into it is an investment today, just as the investment we make in education will pay dividends tomorrow, so, Mr. Speaker, is an investment in the education of tomorrow's children as important. There are children, Mr. Speaker, who will be entering our school system next year, the following year, and for many years to come. For them also, education will be an investment, the results of which will be beneficial for the province as a whole. And what will we say to them, Mr. Speaker, in seven, 10, 15 years if we spend the total proceeds of the sale of our non-renewable natural resources today and have nothing to invest in the education of those children who will be coming? Our children, our children's children.

Of the \$513 million — well, actually of the \$571 million, to be accurate, Mr. Speaker — over 97 per cent of those expenditures are basically direct or indirect payments to school authorities and educational agencies in the province for the provision of educational services. Less than 3 per cent of the total is allocated for direct expenditure by the Department of Education. Even that 3 per cent provides for the operation of direct educational services to Albertans. I include in that, Mr. Speaker, the correspondence school and the Alberta School for the Deaf.

Mr. Speaker, as the estimates of expenditures for the department will be considered later by committee and by the Legislature, it is not my intention at this time to go into detail, into a description of each individual grant provided for in the estimates. However, I should point out that 1976 represents the first year of a new three-year finance plan for education in Alberta. It is the first year of a plan which reflects the continuation and expansion of this government's policies for education. However, before I go into a discussion of that plan and some of our progress in regard to our basic goals in education, Mr. Speaker, I would like to respond to some of the concerns which have been raised recently, dealing with what in fact 11 per cent in the budget means.

A resolution appeared on the Order Paper, very shortly after the session commenced, seeking a discussion of the distribution of grants relative to the 11 per cent principle. At that time, members of this Assembly were not aware of what was in the budget.

Members of this Assembly did not realize that the estimates of the Department of Education would in fact provide an 11.1 per cent increase over the previous year. Today, we are aware of that fact. There are school boards, Mr. Speaker, who will receive 11 per cent — more in terms of total funds than they received last year. There are certain school boards, Mr. Speaker, that will receive more than 11 per cent — more than they received last year. At the same time, Mr. Speaker, there will be those school boards who will, in fact, receive 11 per cent or less than 11 per cent — more than they received last year.

Why should that be? Well, Mr. Speaker, our whole system of grants in the Department of Education, in the Department of Education's budget, provides for distribution of funds on the basis of many principles, one of the most important of which is, in fact, the number of students enrolled, the number of students a board provides educational services for. If the board in fact finds that the enrolment in their jurisdiction has increased, there is a good chance that board will receive funds from the department in excess of the 11 per cent increase. A board that finds the enrolment in its jurisdiction has dropped may find the total value of funds it receives from the department will in fact also be somewhat less than the 11 per cent increase. There are other factors as well, Mr. Speaker.

In November I announced the grants for the school foundation program fund, and these were as follows: \$838 for each elementary student, as compared to \$739 in the present year, an increase of 13.4 per cent; for junior high, \$921 compared with the present year of \$813, an increase of 13.3 per cent; and for high school, Mr. Speaker, \$1,172 compared with \$1,108 in 1975, an increase of 5.8 per cent. Now the mix of students the board in fact has will determine some of the grants that board will receive. A board that has a higher percentage of high school students this year than last, even though the increase is 5.8 per cent, because high school students are accounted for a larger grant, may in fact find that the result is grants in excess of 11 per cent. I point these out to indicate to hon. members, Mr. Speaker, that 11.1 per cent is what, in fact, is being provided by this budget. The amount that each board receives will vary depending on circumstances.

Mr. Speaker, I have not yet heard from one board that would suggest they are receiving less money this year. There may be examples of that, but I have not heard of them. I've heard of boards who have indicated that they will be receiving somewhat less of an increase than they wanted, but none that suggest they are receiving less in funds.

When we look at this budget and say it's time to count our blessings, I'm reminded of a school jurisdiction in the province of Ontario whose news release I've recently received. That particular news release brought to the attention of those who read it the fact that that board — I believe it was the county of York — faced in the forthcoming year a salary burden of approximately \$7 million more than the previous year. Mr. Speaker, the result of an 8 per cent increase in the grants in Ontario left this board with \$134,000 less in total grants than it received the previous year. So, Mr. Speaker, I think that in comparing the jurisdictions in this province with those in others, it is, in fact, a time to count our

blessings.

Mr. Speaker, from time to time, in looking at the Department of Education's budget, comparisons of the percentage of the department's budget to that of the overall spending of the provincial government will be made. If the relative ratio is slipping, great cries of anguish are brought forward. It's an interesting approach, Mr. Speaker, but it's a fallacious one. For after all, in the Department of Education, the funds that flow to school boards are used on the average throughout the province to pay salaries. I'd say about 70 to 80 per cent of the budget of school boards would go towards salaries. Now these salaries are paid to people. These people, Mr. Speaker, get sick. They need hospitals. They need health care. These people — the teachers, the bus drivers, administrators, the janitors, the school custodians — get old. They age. They need the same program for the aged as anybody else in this province. They need senior citizens' homes. Mr. Speaker, these people have persons. They have property. They need the same protection as anybody else in the province.

The results of our overall budget in providing these services provide equal benefit for those in education, equal benefit for them, as for those who are not in education.

Further, Mr. Speaker, before you can teach a child, that child must have a roof over his head. That child must have food in his stomach. Otherwise, we would be wasting our efforts in education on that child. The efforts of this government, in the area of housing particularly, in assisting in putting roofs over the heads of Albertans, are indeed to be commended — not only in the area of housing. Mr. Speaker, it is beneficial for those in education as well; for the students, for the teachers, for the administrators, for everybody.

Mr. Speaker, it's been brought to my attention that it is now the hour. I would like to move that we adjourn the debate until this evening.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, depending on progress this evening and on Wednesday, in addition to proceeding with Government Motion No. 1, members should be ready to proceed as early as this evening with second reading of all bills on the Order Paper except Nos. 1, 6, 9, and 19.

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

[The House adjourned at 5:29 p.m.]

[The House met at 8 p.m.]

MR. KOZIAK: I notice that the time allotted to me is quickly drawing to a close, and at this time I must indicate my appreciation to the Assembly for giving due consideration to education in this year's sittings.

There are at least three, perhaps four, resolutions on the Order Paper on private members' day which I will take advantage of in covering some of the points I

had intended to speak on tonight, but I'm sure the time won't be available to me. So I will attempt to summarize some of the areas I wish to contribute in this budget debate, and leave others for an in-depth study during the course of the discussions of the resolutions on the Order Paper.

I mentioned earlier, Mr. Speaker, that we are in the first year of a three-year finance plan in education. The emphasis — if I may put it that way — will be in the area of elementary education. We have changed the weighting factor from the previous year of 1 for elementary, 1.1 for junior high school, and 1.5 for senior high school students. That weighting formula determines the amount of funds school boards receive for each student enrolled in each jurisdiction. As a result, under that formula a senior high school student would be worth 1.5 times what an elementary student is worth.

The change for this year has been to reduce the disparity so that the weighting is 1 for elementary, 1.1 for junior high school, and 1.4 for senior high school students. In 1977, Mr. Speaker, we expect to close that gap further by reducing the spread to 1 for elementary, 1.1 for junior high school, and 1.3 for senior high school; and finally, in the third and last year of the plan, bring the three levels still closer together with a 1 weighting for elementary, 1.05 for junior high school, and 1.20 for senior high school, thereby bringing closer together the grants that are available to school boards and creating greater emphasis in the elementary area which is, in my view, one of the most important areas of education.

Mr. Speaker, it is my intention to spend more time in the area of the handicapped and the assistance we provide to handicapped children in a resolution placed on the Order Paper by the hon. member Dr. Webber. However, I think that at this particular time I should point out the tremendous growth we experienced — particularly in the last two years, but since 1971 — in providing special education services for students in this province. In the 1970-71 school year 1.18 per cent of all the students in our system were receiving special education services. By this year, 1975-76, this increased almost fourfold to 4.11 per cent. That, Mr. Speaker, is a true indication of the emphasis this government has placed on providing special education services for those in need, those who are handicapped, and those who have learning disabilities — almost a fourfold increase in a period of four to five years.

While I'm on the area of the handicapped, Mr. Speaker, it gives me a great deal of pleasure [that] in this budget when we are faced with constraints in attempting to fight inflation, we are able to provide additional assistance for those schools, such as Winnifred Stewart and Evelyn Unger, that were created by the volunteer efforts of Albertans throughout the province before our school systems recognized the need for providing special services for children who are retarded, who are autistically deficient. Before recognition was made in the regular school system, Mr. Speaker, volunteers in this province created these schools and, through their efforts, provided educational services for these more handicapped people in our society. I am pleased that in this particular budget, Mr. Speaker, we are able to increase substantially the payments to these particular schools, from \$1,315 to \$1,970, all the way

up to \$2,800. I'm sure, Mr. Speaker, with that additional assistance these volunteers, these dedicated people in our society, will be able to provide even better services for these needy children.

Another area, Mr. Speaker, in which I'm very pleased we were able to make a positive announcement was the educational opportunities fund. Mr. Speaker, it has been said that with this fund this government has wrought benefits out of the educational system four and five times the money that's been invested. It has been money very well invested, Mr. Speaker, and I'm pleased we can continue that fund for an additional three-year period.

The results of that continuation are testified to by a letter I received from one of the boards. I've received many, but I've chosen one paragraph as an indication of the benefits that fund has provided for elementary children in this province. I'd like to read to you an example of how this fund was used by this particular board:

Extensive involvement by teachers in professional development activities, for example, all grade 1 teachers participated in a two-week intensive workshop prior to the introduction of the Ingham Blended Sound Sight Approach to Reading. The Boards provided time during the last week of school and the teachers gave the first week of their holiday. This training and subsequent motivation and exemplary involvement by teachers resulted in doubled reading scores during the first year. The success was so encouraging and the response by parents so positive and encouraging that the same program and procedure was extended to grades 2 and 3 this year.

Mr. Speaker, with results like this, I'm very pleased that we can extend this fund this year and provide continued benefits for children in elementary grades.

Mr. Speaker, the other area I'd like to touch upon very quickly is the greater involvement in education of the everyday people of Alberta. I've already made the announcements with respect to the changes in the Curriculum Policies Board which will see half the members of that new board — which replaces the former elementary and secondary curriculum boards — composed of non-educators, people from everyday Alberta. Their thoughts and their points of view will be reflected in curriculum development in years to come.

At this time, Mr. Speaker, I'd also like to add another aspect of curriculum development that interests me. In the month of February, with a two-day seminar in Providence Centre, we commenced work on 13 units of Canadian studies — one for each grade, and an additional one, Mr. Speaker, that will strengthen the amount and the level of Canadian studies presently available in our social studies program.

Not only is the fact of the work on these studies interesting, Mr. Speaker, but also the method in which this is being accomplished. We have 13 individual school boards throughout this province, each board working on one unit of study. They are working with teachers, parents, and resource people in the development of a unit of study, which each school board will then pilot in the jurisdiction in which that unit is being developed. Subsequently, all these units will be brought to the Curriculum Policies

Board for a decision as to whether these become compulsory units of study to be included in our social studies program.

Mr. Speaker, I mentioned that we are in the first year of a three-year finance plan for education. In determining the escalation factors that will be established for 1977 and '78, other quality improvement programs recommended by the minister's advisory committee on school finance will be reviewed late in 1976. These include grants for metric conversion, work experience program supervision, time-phased replacement and updating of vocational equipment; small schools and small jurisdiction assistance; fine arts incentive funding; and the formula governing the level of funding under the declining enrolment grant.

Mr. Speaker, the government is aware of public criticism of quality of education. Shortly, in this House we will be debating a private member's resolution in which the matter of compulsory Grade 12 exams will be considered. That debate will be listened to with great interest. We intend to give greater attention to the evaluation of achievement of basic skills at the upper levels of the elementary schools. We feel that appropriate diagnostic and achievement testing would give the school systems ample opportunity to provide appropriate corrective and remedial measures to assure that the fundamental skills are obtained to satisfactory levels. Efforts must be extended by all the stakeholders in education to establish the framework within which quality can be defined, and the degree to which schools can accept responsibility for its measurement and achievement.

Finally, Mr. Speaker, I feel — and I'm sure every member in this Assembly feels — the quality of education in this province depends on our teachers. Speaking as a father of five children, all of whom are enjoying the benefits of our educational system, all receiving the attention and competent guidance of very dedicated teachers, I can state without hesitation that in our educational system in Alberta we do have quality. Now that, Mr. Speaker, does not mean there is no room for improvement. In acknowledging there is room for improvement we should not deny the many accomplishments we have seen in this province in education — accomplishments, Mr. Speaker, that we can reflect upon and truly count our blessings.

MISS HUNLEY: Mr. Speaker, in rising to take part in the budget debate, first of all I must congratulate my colleague, the hon. Provincial Treasurer, on his most exciting and responsible Budget Address.

As I consider the budget and the estimates we propose to place before this Assembly, I wish to direct my remarks to the philosophy of restraint which, in my mind, is coupled with the challenge of not just maintaining but rather improving existing services while still exercising restraint in our spending. Mr. Speaker, I accept that challenge. I know it will not be easy, for people have come to expect that their wishes will be granted if they scream loud enough and long enough.

This was brought to my mind quite forcibly at a recent meeting in my constituency in which I discussed what effect our 11 per cent guidelines could have on favorite programs. I said, "You may find you're not too happy. Something that you're very proud of, one of your favorite programs, may be cut

back. It may not grow as quickly as you would like." A farmer in the audience got up and said, "Helen, I want you to think about the days when we weaned the calves on the farm. You know, when you first shut them off from the cows and you wean them, the bawling and the carrying on is something fierce." But he said, "You know, it doesn't take too long. In a few days that goes away, and everything gets back to normal. I want you to remember that when you're struggling." I have a feeling my farmer friend's philosophy will stand me in good stead, Mr. Speaker, over the days ahead.

Having spent almost one year in this portfolio, I'm still amazed at some of the requests, or even demands, that I get for public money. While many of them are genuine and are worthy of and will receive consideration as we move into the future, others will not receive consideration. Those are the demands that should be accepted by individuals as their own responsibility. There are requests that should be supported voluntarily by the public rather than arbitrarily from the public purse. While I accept the challenge of providing services to people in a responsible manner, I throw back a similar challenge to individuals and groups: that they also accept their responsibilities for some community services.

When a problem arises, we usually look around at our resources to try to solve it, and all too often our habit has been that the first resource we seize upon is money. I suggest to you that this is not necessarily the best resource available. Often the very strength which is needed lies within concerned and capable people. The expenditure of too much public money has diminished the stature of volunteer agencies. At least that is what so many of them tell me.

I believe over the past decade our young people have been trying to tell us that we put too much stress on material things and that somehow this demeans the human soul. There are some of us here tonight who recall without too much difficulty — I realize, Mr. Speaker, that this will date me and a few others in this Assembly, but we can put our minds back to the resourcefulness of citizens of this country and this province when in the '30s and early '40s money was very, very scarce. To other hon. members of this House, such tales will seem like folklore, but I can assure them that the feeling of great satisfaction from making do was very real to Albertans and Canadians during those dark days.

In case we get the mistaken idea that we invented in the past two decades such systems as PSS and other community services, I would refer you to the book *The Ten Lost Years*. In that book you will find the story of the waitress who used to bag the crusts which were cut off sandwiches in the restaurant where she worked. At a certain hour of each day she would go to the rear door of the shop and hand out the bags of crusts to a host of hungry men who had lined up to benefit from the kindness of this warm and thoughtful human being. No, we didn't invent the handouts, but we have been in jeopardy of poisoning them by basing all of them on dollars and quietly squeezing out the human factor.

When I meet with senior citizens, they are proud to acknowledge that they know how to mend and make do, and they expect their government to mend and make do and manage their affairs well. I find them most appreciative of our continuing programs, and I

find them anxious to be part of community life. But, Mr. Speaker, I'm sure all hon. members in this House share with me the pride that we surely must have in our senior citizens' programs. The Alberta assured income plan, the senior citizens' division of my department, grants to senior citizens' agencies, and funds for training in gerontology: all of these will be found in the budget equated in terms of dollars and cents, and we have cause to be proud.

But again, Mr. Speaker, I would urge my colleagues and the public at large to remember that sometimes a smile, a nod, a few minutes of friendly chat would mean more, much more, to a lonely senior citizen than a further increase in pension. Speak to the drivers of Meals on Wheels. Ask them what they feel is the most welcome commodity which they bring into the homes of their clients each day. No one will question the benefits derived from a hot meal delivered daily, but in so many cases it is the anticipated regular visit of a concerned human being that means so much to the recipients of that service. Surely our thanks should go to the volunteers who provide the time and human warmth to brighten other's lives.

During the past year it has been my pleasure to meet with many groups and organizations who work with the department in delivering services to people. The frank exchange of ideas and ideals is a great inspiration, and I wish to acknowledge publicly my appreciation of the good works still being done by citizens and citizen organizations. Usually at our meetings, Mr. Speaker, we all agree that we could do with more money. Usually we also agree to take a look at what we're doing, to see how we can be more efficient, and to see if the programs are as good as they can and should be.

During my departmental visits to institutions I have been impressed with the capable devotion the staff bring to their daily tasks. The officials in the department are anxious to see improvements in the delivery system and additional programs implemented, and I share their enthusiasm. We agree that we have much to do, and it will only be done well if it is planned well in the initial stages.

Our experimental projects in High Level and Medicine Hat will be evaluated this year so we may know if this delivery system is suited for our province. They have been interesting pilot projects, Mr. Speaker, each different from the other, and we have learned a great deal from each of them.

As we review the estimates of my department, you will note the lion's share goes into treatment programs. I see a great need to bolster the preventive aspects, both in health and in social service areas. I have told the health units that some of them may need to mark time while the rest catch up.

The whole area of denticare must be effectively planned, for how can we deliver an effective program when some areas of the province do not yet have dental service of any kind. Surely prevention needs to move in first, and we will do this through the health units as funds and trained personnel are available.

Somewhere along the way I hope that we can instill into our citizens some sense of responsibility for their own physical and mental well-being. We spend money on keep-fit programs to encourage people to keep fit, and I guess that's a good preventive

measure. We talk about good nutrition, but we don't always practise it.

The task force on highway safety has some very interesting comments for all of us if we want to talk about prevention, if we want to talk about assuming responsibility for our own actions and the effects our actions have on the lives of others. We have much to do ourselves as far as prevention goes. As far as maintaining a healthy spirit and a healthy body, there is much that we can do and much that we should be encouraging of others.

While we speak of nutrition, I would like to comment on our Metis school lunch program. It's very popular, and I believe it's very effective. At the present time, we are attempting to evaluate whether it's really doing the job we wish it to do. I believe it is. I believe it too should be expanded.

Mr. Speaker, there is an old adage with which I am sure we are all familiar: "An ounce of prevention is worth a pound of cure." Well, old adages are going to have to change I guess, but in months ahead our department will be involved in developing programs that will test the thesis that a gram of prevention is worth a kilogram of cure.

It seems when dollars are plentiful we tend to devote our time and programs to the easier route of cures. Fiscal restraint will provide for us the very exciting challenge of developing the less costly preventive programs. Also in times of unlimited dollar expenditure, there is a proliferation of agencies and quite often a resultant fragmentation of services. The officials and staff of the Department of Social Services and Community Health are eager to accept their part of the challenge and to become more involved in evaluation, consolidation, and integration of services. Together we anticipate that community organizations, volunteer groups, and community co-ordinating services will, in the final analysis, find that they too will emerge stronger, not weaker, as a result of our very responsible attitude toward the spending of public funds.

Mr. Speaker, because of the nature of my portfolio, I could go on and on with the enthusiasm which I feel for the programs covered in my estimates. In fact, knowing the dedication of the staff in my department, it's a temptation to convey more of their eagerness, and my own, to forge ahead with our programs. I am confident, though, that during the months ahead the proof of our enthusiasm will be reflected in the results of a combined team effort.

In conclusion, I wish to draw attention to several of our aims and objectives. There will be no cutbacks in services to disadvantaged citizens, be they handicapped, single parents, or unemployables. The dependent handicapped will continue to be one of my high priority concerns as we develop our strategy for the months and years ahead.

In the area of child welfare, there will be renewed attention to an improved family support system. Many of our community-oriented programs will have geographic benefits, in that fewer people will have to leave their own communities. In fact, more will be returned to them. Our emphasis, of course, will be on serving the needy and not the greedy.

In all areas, Mr. Speaker, there will be a continuing effort to deliver services to people effectively, economically, and efficiently. Hopefully, each of those goals will be achieved with a genuine spirit of

humanitarianism.

I want to assure you, Mr. Speaker, and all hon. members of this Assembly, that as program funding is initiated for this new fiscal year, I'm not at all apologetic for what we have proposed. I'm enthusiastic and eager to share with all who will be involved — in government, in the volunteer sector, and in other community service organizations — the excitement of working efficiently towards well-chosen goals. It will be successful; it will be stimulating. And if I could paraphrase someone else's lines:

If all who whine will whistle  
And those who languish laugh,  
The rose will rout the thistle.  
The grain outrun the chaff.

Thank you, Mr. Speaker.

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

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

HON. MEMBERS: Agreed.

#### head: **GOVERNMENT BILLS AND ORDERS** (Second Reading)

##### **Bill 5** **The Alberta School** **Trustees' Association** **Amendment Act, 1976**

MR. DIACHUK: Mr. Speaker, I beg leave to move second reading of Bill 5.

As I indicated on the introduction of that bill, it will permit the Alberta School Trustees' Association to own property eventually. At one time, as a member of the executive of the trustees' association, I realized that we moved to a fine accommodation in what is known as Royal Alex Place. But I know that, from time to time, many members of the association throughout the province have wished to be in their own premises rather than paying rent, and eventually to own their own place.

The other portions of the bill are to change the legal part. Instead of using the part "zones", they will be using groups of associations throughout the province.

[Motion carried; Bill 5 read a second time]

##### **Bill 6** **The Calgary General** **Hospital Board Act**

MR. McCRAE: Mr. Speaker, I move second reading of Bill 6, The Calgary General Hospital Board Act.

Mr. Speaker, before I get into the content of the bill, might I point out that there is an error in Section 4(4) of the bill. The reference in that subsection should be to Section 8 rather than to Section 6, so if all members would please make that notation in their copy of the bill.

AN HON. MEMBER: It does say 8.

MR. McCRAE: It is correct right now? Then the memo I have is in error. In any event, the bill is correct.

Mr. Speaker, Bill 6 will replace the Calgary Hospitals Board Act, being Chapter 7 of the Statutes of Alberta, 1954. The existing board will be continued with the new name, the Calgary General Hospital Board, with a new constitution. The bill will also repeal legislation pertaining to the board dating way back to 1890, 1914, and 1934.

This important bill, Mr. Speaker, has been discussed and negotiated for some two years now between the city of Calgary representatives on the hospital board, and representatives of the government. It provides a new mechanism or administration for the Calgary General Hospital Board. It provides, Mr. Speaker, that the board shall be composed of the mayor and eight electors appointed by resolution of the council. Not more than two of the board shall be from the council, and in the act an elector is defined as a resident of the city who is qualified to vote. In other words, the elector must be a landowner as I interpret the legislation.

The bill also provides for staggered appointments so there is continuity of the board and they don't all retire at the same time. It also provides that a member of the medical or dental staff of the hospital is not eligible to be appointed to the board.

Members may note that Section 3 of the Calgary Hospitals Board Act — that is, the previous act — which provides that the city of Calgary would have been vicariously liable for the acts and deeds of the hospital board, has been eliminated or left out of the new act. The board, by Section 8 of the bill, may make by-laws respecting the calling of meetings, the quorum for meetings, and other general business of the board.

By Section 9 of the bill, the board is empowered to set its own remuneration, and this, Mr. Speaker, brings the responsibility for setting remuneration with this board in line with other boards of the province. It also recognizes the very heavy responsibilities their work entails, the fact that they are dealing with multimillion dollar budgets and very serious heavy responsibilities, and gives them the opportunity of determining some of the remuneration for their work. We think, Mr. Speaker, that it's a proper responsibility to give to them. If any members of the board do not choose to take remuneration for their work, say for instance members of city council, they would not of course have to take that remuneration.

Sections 10 and 11 of the bill give the board full control of the hospital. These powers have been widened in order to provide for flexibility of operation. Of special note is the right to hold real property and to deal with it. However, by subsection (2), the board cannot acquire, sell, or lease real property for a term of more than one year without first obtaining the approval of city council.

Mr. Speaker, I move second reading of the bill.

MR. R. SPEAKER: In looking at Bill 6, I wonder, when the hon. minister closes the debate, if he would make a comment or two with regard to the principle of the city council appointing the mayor, the mayor being an automatic member of the board. Why doesn't the city council appoint a number of persons

plus the chairman of the board, so the chairman could be picked at large or from persons appointed to the board? I was wondering what the principle behind that particular amendment was.

MR. SPEAKER: Are you ready for the question?

MR. R. SPEAKER: Mr. Speaker, was the hon. minister going to make comment on that prior to voting on this . . .

MR. SPEAKER: Oh, I thought perhaps he was going to reserve his comment for committee discussion. However . . .

MR. McCRAE: Committee discussion would be fine if that is agreed.

MR. SPEAKER: If the Assembly wishes to deal with it now, we can disregard what I said.

HON. MEMBERS: Agreed.

MR. McCRAE: As I understood the question, Mr. Speaker, it was why the mayor was an automatic member of the board and why he wasn't chairman. Was that the interpretation I took from your remarks?

Mr. Speaker, we thought it appropriate that the mayor be a member of the board in his capacity as mayor. We thought it more appropriate, however, that the board itself determine who among their membership might be the chairman.

[Motion carried; Bill 6 read a second time]

#### Bill 7

#### The Alberta Loan Act, 1976

MR. LEITCH: Mr. Speaker, I move second reading of Bill 7, The Alberta Loan Act, 1976.

Mr. Speaker, bills of this nature are brought before the Legislative Assembly from time to time to authorize the government to borrow funds. In this case, the authorization is for \$200 million. I may advise members of the Assembly that the majority of this borrowing is done by way of 91-day treasury bills and that we are nearing the limit of the borrowing authority that's been provided by earlier legislation. Thus, an additional borrowing capacity as proposed in the bill is required.

[Motion carried; Bill 7 read a second time]

#### Bill 10

#### The Unfair Trade Practices Amendment Act, 1976

MR. HORSMAN: Mr. Speaker, I move second reading of Bill 10, The Unfair Trade Practices Amendment Act, 1976.

As indicated in first reading, the purpose of this bill is to clarify the requirements relating to prominence to be given to the part of the price as compared to the total price in representations. There are three clauses which require explanation.

The first relates to the striking out of the words "or an advertisement" in Section 2 of the present act. The present clause could impliedly restrict the

meaning of representation by the very presence of the words "or an advertisement". Since the operative clauses of Section 4 refer at all material times only to a representation, it is deemed prudent to strike "advertisement" since that is included in the meaning of representation. Also, this will complement the proposed amendments noted in Section 3 of this amendment act.

In regard to Section 3 of the amendment act, we'll add four subclauses to replace subclause (xviii). This has been referred to as the shopping list in the present act, and will help to cover some of the situations which have arisen where the matter is unclear.

The clause in its existing form was originally intended to cover two purposes, situations where a price for a part of the goods or services was displayed without as prominently revealing the total price. For example, a business saying that something could be obtained for only \$2 per visit when, in fact, to obtain that price per visit it would be necessary to enter into a long-term contract for a total price of \$400.

The other area which was intended to be covered is where suppliers advertise goods by emphasizing a low part price such as the monthly payment, but neglect to feature the total price entirely or do so in an obscure manner. The existing clause adequately covers the first intention but, because of some ambiguities, falls short in achieving its purpose in the second situation.

The recommended amendment of Clause 18 removes the term "advertisement or display" and substitutes therefor the word "representation." In its present form, the new clause will cover abuses such as I have indicated, where the \$2 per visit price doesn't spell out the long-term requirement of an end price of several hundred dollars.

Clause 18 is also not clear with respect to situations where the price of any part of the goods or services has been shown and the total price has been intentionally omitted.

Clause 19 requires that if the price of any part of the goods or services is to be featured, the supplier must also disclose the total price.

The next item relates to the deficiency in the wording as such that the present clause does not require the total price to be shown when the advertiser elects to show a part price, such as a down payment or a single instalment. The amendment will now require the advertiser to also feature the total price with the same prominence as the part price.

Finally, in regard to the amendment to subclause (xviii), the principle behind the last amendment, which will be Clause 21, is similar to the aforementioned amendment 19 where it has been suggested that the present clause does not include situations where a part price is shown and the total price is omitted. In order to clarify this possible ambiguity, Clause 21 clearly provides that the total price must be present if a part price is to be featured. The distinction between this clause and Clause 20 is that in Clause 20 the total price must not be given less prominence than the part price.

The final small amendment is that in Section 12(2) the word "an" was inadvertently omitted from subsection (2) when the act was initially passed, and this will add that small word to clarify that clause.

MR. TAYLOR: Mr. Speaker, I'd like to say a word or two on this bill. In my view, the bill is long overdue. These four unfair trade practices have been carried out by numerous merchants throughout the province for many years. Many people have become very annoyed at it, and some have become quite embarrassed. Particularly item 4, in which the amount of the instalment leads one to believe that that is the total payment until you actually come to pay the bill. I think we're very wise in bringing in these unfair trade practices and setting them out clearly as is done in this act.

However, I don't see any particular penalties. I assume the general penalties of the act will apply, but I would like the mover of the bill to indicate what penalties are imposed, what penalties the court will have the authority to impose — both maximum and minimum. Because unless the penalty is more than what they can make out of this type of practice, we may find that the fine is paid and the practice continues.

The other point I would like to deal with in this particular section is: is it going to be monitored from advertisements, or is somebody going to check the notices in stores? I would like some indication of how the act is going to be enforced.

DR. BUCK: Mr. Speaker, I also support the principle of the bill, and the mover will answer some of the questions the hon. Member for Drumheller has asked. The section which says that the total cost has to be displayed as prominently as the partial cost will be something we will watch to see if it will actually happen.

In this day and age, it's very difficult. In the time of high-pressure selling and advertising, it seems many people do get taken in when they think the product they are buying or the course they are taking is going to cost just a few dollars. All of a sudden, they find out that the "just a few dollars" just happens to get your foot inside the door. Once they've got the whole body inside the door, it costs just a lot more than the few dollars. So I would like to compliment the mover of the bill, and I will be looking forward to see if it's enforceable.

Thank you, Mr. Speaker.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: In answering the questions raised by the hon. Member for Drumheller and the hon. Member for Clover Bar, the penalties provided in the existing act, which was passed at the last session, are the same. These are new clauses added to Section 4 of that act, which specified the various unfair trade practices. In fact, these add a few more clauses to those unfair trade practices. All the balance of the act still applies in the same manner as to other unfair trade practices already enumerated.

As far as the question of how the act is to be enforced, I would like to point out to the House, Mr. Speaker, that it will be enforced in the same manner relating to these unfair trade practices as to the others enumerated. Also, the Department of Consumer and Corporate Affairs is now entering into a

program of advertising throughout the province.

I think all hon. members should now have received copies of display advertisements which will be published by the department to bring to the attention of Albertans generally the fact that this protection is provided by this legislation, and to bring to the attention of the department complaints which arise relating to this type of unfair advertising. I think that will materially assist Albertans, Mr. Speaker, in coming to realize the fact that this legislation is in existence, and bring to the attention of the department unfair trade practices which existed in the act prior to this amendment and in the proposed amendment. I hope that will be beneficial to assist Albertans in realizing this protection is available.

[Motion carried; Bill 10 read a second time]

**Bill 11**  
**The Alberta Health Care**  
**Insurance Amendment Act, 1976**

MR. MINIELY: Mr. Speaker, I move that Bill 11, The Alberta Health Care Insurance Amendment Act, be now read a second time.

Mr. Speaker, in my remarks to the budget debate this afternoon, I pointed out the importance of citizen understanding and citizen input into the future development of priorities in the health care field. This amendment is consistent with that, in that it provides for the appointment of three Alberta citizens at large to the board or the commission board of the Alberta Health Care Insurance Commission.

[Motion carried; Bill 11 read a second time]

**Bill 12**  
**The Department of**  
**Transportation Amendment Act, 1976**

DR. HORNER: Mr. Speaker, Bill No. 12, The Department of Transportation Amendment Act, 1976, really reflects the problem of increased costs relative to the things we do in our department, relative to the question of land costs, gravel costs, culvert costs, equipment and parts costs, and the operating reserve that is required.

I would point out that in the last year we've taken over those roads that were formerly in the Department of Lands and Forests, and the airports, so we require an additional amount in the stock advance to be able to do the things that should be done in advance planning. All of the things in the stock advance are then rolled into the next budget and are therefore always voted on by the Legislature. But to be able to plan properly, to have the stockpile that's required, requires this increase in the kind of stock advance that the department requires in the years ahead.

MR. TAYLOR: Mr. Speaker, I would like to say a word or two in connection with this bill. The suggestion of raising the \$35 million to \$60 million is, in my view, a sound business practice. There have been times in the history of the Department of Highways, now The Department of Transportation, where the fund did not leave any working capital with the department. As a

result, costs were increased and bargains could not be taken advantage of.

A department, such as the Department of Transportation, that is building bridges, highways and roads, putting up safety guardrails, et cetera, should be in a position to buy the material at the best possible price, and in quantity. And unless you have a sufficiently high stock advance fund, you're not able to do that. The almost doubling of this fund, in my view, is not extravagance, but is a business-like way of trying to operate a very large department. Unless you're able to provide inventory of lumber, steel, parts of bridges, gravel, maybe even concrete to a lesser degree, then the department is unable to plan its work properly or to the best advantage. So I think this is a very excellent bill, and while it may sound like some extravagance is being exercised because of almost doubling the amount, that certainly is not the case.

There's another case I would like to mention. The Department of Transportation must, of necessity, buy land from time to time. I'm sure the present minister will find, as has been found in the past, that on occasion when you have to take a few acres, or several, out of a quarter section or sometimes out of a section, the costs run very, very high because of severance, because of what it does to the balance of the land, et cetera. There have been times when the department has had to pay as much for that relatively few acres as they would have paid for the entire piece of land. In my view, that is not good business.

It's far better to buy the entire section — or the entire parcel in a case like that — build your road, and then sell the balance back to people who want to buy it with the severance, or buy back the land on each side. While I'm not in favor of the department going into the real estate business, I think this is a businesslike way of doing it. It prevents farmers trying to farm on both sides of an arterial highway. It provides greater safety, and sometimes it brings a greater amount of money back into the stock advance than what was paid for the entire piece of land used in the highway. If that's not good business, I don't know what good business is. Besides, it leaves the landowner, much happier than having his land severed. Then he's worrying about getting across to the other side with his cattle, his combine, et cetera.

So, Mr. Speaker, I strongly support this bill. I would support it even higher than \$60 million, because it will enable the department to conduct the business of the people of the province in a businesslike way and actually save dollars for the taxpayers.

MR. TRYNCHY: Mr. Speaker, just a few comments on this bill. I too would like to go on record as supporting this bill. The Member for Drumheller has put it quite openly and wisely. I had an occasion to have gravel hauled in my constituency last year. We needed the gravel badly, and we couldn't get it because we didn't have any funds. We had to haul it across a muskeg, which you can do only in the wintertime. The necessary funds were not there, so the consequences were that we would have to pay double the following year. This would provide for those kinds of things. It would also provide for buying land for next year's construction. We always have to make sure we have the necessary right of way a year or two in advance, and sometimes we can't get that without this kind of

money.

Another thing we have to do when we build highways is move power lines. If you don't have a year's lead time on that, you can't get the highway moving because a power line is in the way. Also, you find a number of times tendering in the wintertime, contractors are out of work, and in a slack period you get a cheaper rate — truckers are always looking for work. The gravel hauls are more appreciated than by truckers, and the contracting jobs are essential to our economy.

I'd like to go on record as supporting this, and, like the hon. Member for Drumheller said, even if it were a little higher in principle we would be saving money in the long run.

[Motion carried; Bill 12 read a second time]

**Bill 14**  
**The Real Estate Agents'**  
**Licensing Amendment Act, 1976**

MR. McCRAE: Mr. Speaker, I move second reading of Bill 14, The Real Estate Agents' Licensing Amendment Act, 1976.

Hon. members will recall, Mr. Speaker, that during the fall session, 1975, we passed The Real Estate Agents' Licensing Amendment Act, 1975. That bill, Mr. Speaker, resulted from many months of discussion between representatives of the government and of the real estate [agents] association. The bill incorporated a number of major additions and changes to existing real estate law.

Some of the changes were that time-sale agreements were brought within the scope of the act. We made changes in the bonding provisions which provided that agents and not salesmen would be bonded. We also established an appeals procedure, Mr. Speaker, providing that a person whose licence had been suspended or cancelled could then appeal to an appeal board of two to four people appointed by the minister. Prior to that amendment, the appeal had gone to an advisory board, which after hearing the appeal, would make representations to the minister. The final determination was with the minister. The amendment provides that the appeals are to the appointed board, which consists of two to four people appointed by the minister. In this bill today, Bill 14, we've expanded it to provide that a person who has been refused a licence under Section 8 of the act can appeal to this board which is appointed by the minister.

A clarification to the act, Mr. Speaker, results from some confusion under the section introduced in the 1975 amendment. That required a person, an agent, or a salesman purchasing real estate under a guaranteed sales agreement to put down 5 per cent of the total sales price. That was the original intention of the amendment last fall, but apparently there was some confusion in the industry and among the lawyers as to whether it was 5 per cent of the total price, or 5 per cent of the difference between the total price and a mortgage that might have been assumed or taken out. So this amendment, Section 3, will clarify that to the extent that we will now put beyond all doubt that the amount the agent, or the person buying by way of guaranteed sale, must put down is 5 per cent of the total price.

A further amendment, Mr. Speaker, is Section 32(1) which provides an agreement which is in writing to list real estate and that a copy of that listing must be left with the person owning the real estate. It also provides certain conditions under which the agreement is void. That is, if certain provisions do not happen, the listing agreement will then be void. Mr. Speaker, this provision was in the act previous to the amendment in 1975, and was inadvertently left out in the drafting of the amendments in 1975.

Mr. Speaker, I move second reading.

MR. NOTLEY: Mr. Speaker, I certainly support the principle of Bill 14. I would be interested, however, in the government's views on some of the problems that potentially can arise with respect to trust funds.

Mr. Speaker, to illustrate what I mean, perhaps I could give the members of the Assembly an example of an occurrence which took place recently in the central Peace. A real estate agency had a fairly large operation there. Because the nearest legal firm was in Grande Prairie, one of the partners of the firm became a notary public. Now, one doesn't know exactly what happened. However, in the course of the police investigations which are now taking place, it's pretty obvious that the trust funds were used improperly. Now, one can say, fine, that's something which will eventually work itself out through the proper execution of criminal justice. But, Mr. Speaker, it's rather small consolation to the individual home-owner who sold his or her home and now finds that the only thing he has to back him up is a \$5,000 bond spread over a \$150,000 loss. So, that's about 3 cents on the dollar.

Mr. Speaker, one of the concerns that I have, especially in these areas where we have notaries public doing the conveyancing, is that there has to be proper bonding so that in the event that we do have maladministration or criminal activity on the part of a person in a position of trust, the individuals will have some kind of protection. As I say, Mr. Speaker, this is a matter which has not been resolved at this stage of the game. My concern, however, is that I just don't think there is any financial opening for the people who have lost their life savings in some cases, as a result of the fact that that bond just didn't cover the problem.

Now I know it is very popular to berate lawyers, and I suppose I am wont to do it as much as anybody. But the fact of the matter is that if you have a lawyer involved, at least you have the Bar Association to back you up. If a lawyer is a crook and runs off with the trust fund, at least we have the Bar Association to turn to. But where that doesn't exist, Mr. Minister, where all we have is a notary public who has a \$5,000 bond behind him or her, what happens then?

So I would like to suggest frankly to the government that this is an area of some legitimate concern. I don't expect you to be able to solve it overnight, and certainly not by amending this bill, but it's the sort of thing where it's an area of legitimate consumer protection that I would like to see the government take under advisement. Perhaps either one of the ministers, the Minister of Consumer Affairs or the Attorney General, might like to make some comments on it.

MR. HARLE: Mr. Speaker, I'd like to respond to the hon. member this way, and say that the whole problem of bonding in the licensing area is one that I am taking under advisement. It will be my intention to survey the legislation generally and to look at the problems which arise in bonding.

Unfortunately, the problem arises because of the fact that a bond is really a penalty which the bonding company pays upon a default. It seems to me that it's being used from a point of view of consumers generally, you might say, as being an insurance policy, which of course it isn't. The proceeds of the bonds are invariably, by the terms of the statutes, directed towards satisfying claims, but as I say, from a point of view of insurance. I think the hon. member will recall the amendments were made last year. My indication at that time was that we were not happy with the present bonding requirements for real estate agents. That is in the process of being changed, and we hope to have the new bonding provisions in place with the new regulations by, I believe, July 1.

The type of situation and the type of problem which is recited by the hon. member is of concern. I'm not sure what the solution to the problem is, because under our Notaries Public Act, a notary public is by that act permitted to do certain things as well.

MR. GHITTER: Mr. Speaker, I would like to make some comments on this bill. I do so first by prefacing my remarks in the sense of talking in terms of the real estate profession, because I think it is a profession which in the history of this province has handled its affairs admirably, has provided a service to the public, has developed some of its own rules, some of its own ethics, some of its own controls, all of which I think are meritorious, and all of which I think have been of a service to the real estate industry in the province.

I preface my remarks because I have the feeling that many things that are happening in the real estate world, particularly now, in the development of the housing market, particularly in this province and in the cities of Edmonton and Calgary, are actions which are in many respects taking away from the high standards that were previously experienced by real estate agents throughout this province.

I think right now, Mr. Speaker, in the cities of Calgary and Edmonton, the streets are literally lined with gold from the point of view of those who wish to enter the real estate field, those who wish to sell real estate, and those who wish to earn their livelihood, as they should, from that particular industry. But unfortunately, within that same sphere of influence, we are finding in these cities that literally hundreds of individuals, men and women, are flocking to the real estate world, not so much to provide the service of selling real estate, but more particularly from the point of view of trading on their own account.

What we are finding now in our cities is that the price of real estate is being pushed up higher and higher and higher by individuals, many of them realtors, who are getting involved in purchasing property on their own account solely for the purposes of turning around and selling it again before the ink is even dry, not just making the profit which accrues to a realtor for bringing vendor and purchaser together, but taking that profit, and on top of that taking

whatever profit is involved from the point of view of the appreciation of that property during this short period of time.

The effect this is having on our real estate market is, of course, one of pushing the price of housing higher and higher as it moves along. We are seeing situations in our cities where individuals who are really providing nothing to the property are not improving the property, are not in any way providing a service, are coming forward and, merely by virtue of being middlemen, are making appreciable profits merely from the point of view of being in the right place at the right time.

This is not the original intention of what a realtor is all about. The purpose of realtors and the reason they are paid is that they bring a vendor and a willing purchaser together. They sell a property and when they do so they receive a commission. And so they should. That is what traditionally their profession has been. Unfortunately, that is no longer the case. Unfortunately, although the Real Estate Agents' Licensing Act requires a realtor, if they are buying on their own account, to divulge that fact in an interim offer to purchase agreement, some of them are doing it and some of them are not. It is a very easy matter to, what we call in the legal profession, "beard the transaction" so that vendors are not aware of the fact that the purchaser is a realtor. Vendors are paying that realtor a substantial fee, the realtor is taking that house or property into his own inventory and is then turning around and selling it.

Frankly, Mr. Speaker, I think it is time these rules, these laws, are stiffened. We have a useful amendment, proposed by the hon. member, which deals in terms of requiring a deposit on a guarantee sale to be 5 per cent of the total amount. Mr. Speaker, I don't think that goes far enough because again, it is very easy for a realtor to take the commission from the sale, guarantee the trade-in property, place the 5 per cent down by setting off the commission on the sale of the property against the 5 per cent, and then taking that guaranteed property which he, for example, has told the parties he would guarantee at X number of dollars. He turns around and sells for X Y, the realtor pockets the Y dollar and the guarantee goes through. Frankly, Mr. Speaker, I don't think the regulations in this particular amendment are really strong enough.

It seems to me that we should follow the practice of reputable realtors, some of them carrying on their trades in both the cities of Calgary and Edmonton, who do not allow their agents to trade on their own account. There are a number of realtors who can duck that practice and do it well. Their employees make a good living, a very fine living I might add, but they do not trade on their own account. Because if ever there is an area of a conflict of interest, it's the conflict of interest that exists when a realtor, who is supposed to act for a vendor to make his fee, makes that fee and ends up pocketing the property at the same time. Then he turns around and sells it for more a few months later.

That is a conflict of interest. That is a conflict of interest we should not allow or tolerate, particularly because of the negative impact it's having on real estate which is going out of sight in our cities. The average price of an MLS listing in the city of Calgary last month was \$61,000 — the highest in Canada.

That is a ludicrous situation. Those houses aren't worth \$61,000 even if they were put up today brand new. They are 850 square feet in outlying districts, and they're going for \$61,000. If you traced the transition of the change of ownership on those properties at the Land Titles Office, you'd probably find in the course of a year they have changed hands three or four times, and you'd find that each time there was a speculator in between taking off his little bit. By the time it gets to the *bona fide* consumer out on main street who requires that property, the price has gone up \$15,000 and for nothing.

Mr. Speaker, I would recommend very seriously — and I'd be interested in the views of the Minister of Housing and Public Works, who's working so hard to try to maintain a level of housing — that when affordability is so much the problem, as he has stated many times in this Legislature, if we're ever going to face the problem of affordability, it's time we deal with the middleman who's not offering anything. The realtor, in my view, is offering something, but not when he is piecing off on his own account.

I think it's time this Legislature stood forward and seriously considered a law with severe penalty requirements that suggested if a realtor is trading, either directly or indirectly, in his or her own account, and turns around and sells that property, he or she stands subject to heavy penalties of law. It's only if we do that that realtors will practise realty, lawyers will practise law, whoever is practising whatever they're doing will be paid for what they are supposed to do and not for making inordinate profits from the public. I would highly recommend this for the consideration of the Minister of Consumer and Corporate Affairs and the honorable mover of this motion, because I think the time has come that something like this should be accomplished.

DR. BUCK: Mr. Speaker, may I ask the hon. Member for Calgary Buffalo a question? Mr. Speaker, I endorse what the hon. member says, and it was brought to my attention that not only were realtors in on this kind of action, but many lawyers were in on the same kind of action. I'd just like to know if the hon. member can indicate to me if that is so.

MR. GHITTER: Mr. Speaker, in reply, I think it's one thing if a realtor paid to be an agent with respect to the sale of property trades in his own account solely for the purpose of turning the property over and making a fast buck and doesn't hold onto that property: then I think we should do something about it. If a person in another profession wishes to invest his dollars with the point of view of holding, that's one thing. If it's merely a case of immediately turning the property over, from the point of view of an individual who is not involved in that, then I think the time has come for us to seriously consider — as the Land Use Forum was suggesting — a speculation tax on the turning over of realty.

I think they are two different problems. One is the point of view of a person who is paid to do something, doing something in a conflict-of-interest situation. Another is the point of view of any of the hon. members speculating in real estate, but turning it over. In that case, I think it's time for the consideration of a speculation tax. I think the Land Use Forum alluded to it. But I do think there's a

distinction between the obvious conflict and one that is not.

DR. BUCK: Mr. Speaker, to the hon. member. The instance brought to my attention was where there was collusion between the real estate agent and the lawyer who was acting for him. They had a little deal going — either you take it or I take it, but we'll make the dollars. This is the instance I was trying to bring to the hon. member's attention to find out if he felt it was prevalent or if it just happened to be an isolated case.

MR. GHITTER: I don't think it's prevalent, Mr. Speaker, but I think a lot of people are speculating in real estate right now and are making large profits. I'm not against the profit motive or anything like it, but I think when it's having the impact on housing that it's having now, it's our responsibility, as legislators, to consider what should be done. I'm becoming more and more of the view that we should look seriously at the Ontario example, take the good things from that Ontario situation, and start talking in terms of a sales tax for profits of that nature.

MR. TAYLOR: Mr. Speaker, I'd like to say a word or two on the act, too.

First of all, in connection with the bonding, I think there's a lot of merit in taking a pretty careful look at the bonding of real estate people. But I hope we'll not get in the position where we put all real estate people into the same basket. There are a number of real estate people in small centres in the province who don't do a large volume of business. When you start talking about bonds, it opens another avenue of expense for the real estate operator, which again is added to the price of his operation and, indirectly, to the price of homes. So I would hope, as we study the bonding issue, that certainly we should do everything we can to protect those who leave their money with real estate people.

But let's not do something that's going to make it impossible for a small real estate agent in the small centres to operate and continue in business, in order to get the sharks who happen to be operating in Calgary and Edmonton. Most of these sharks do come into the larger centres.

I would like to say that having been in the real estate business a number of years ago, I was impressed with the high principles and morality of most people in that trade in Calgary, Edmonton, and elsewhere in the province — through convention and so on. As a matter of fact, I was agreeably surprised at the high morality of most of these people. But a few sharks come along, and now with real estate being what it is, they're rapidly increasing. I think we have to take extra special steps to protect the item in the area where the trouble is, not spread it out into smaller centres where the difficulty isn't arising.

So while I agree with proper bonding, I would hope that that proper bonding will be on a progressive scale in order to deal with the high, medium, or low volumes of business that real estate agents carry out.

The other item I'd like to mention briefly is the matter of commissions. Under the present commission method, where it's a straight percentage, there's no inducement to keep prices down. This becomes very evident where the real estate agent

also becomes the appraiser. It adds fuel to the fire in a case mentioned by the hon. Member for Calgary Buffalo where the real estate agent happens to be the appraiser of that property, could well appraise it below its value and then, when he gets it in his own name, sell it at the proper value. All of these items are adding to the high cost of land and housing.

I sometimes think if we could get all the irregularities out of the sales of land and houses, we could probably reduce the prices people are having to pay today for their houses by 25 per cent. I'm not sure it's right that real estate agents who sold you a home 25 years ago, today sell the same home for two or three times what it was worth 25 years ago. This doesn't seem right to me. There is something morally wrong about it, yet it is being done every day.

Surely there should be something done about real estate agents appraising homes. Some of them are very valuable appraisers. But if I were going to have some appraising done, it wouldn't be by a real estate agent unless I knew this man personally, knew his ability, training and what he could do. The Canadian institute of appraisers have men of high calibre. There's a code among them, and they're well trained. I think if appraising is done through the Canadian institute of appraisers, we're helping to solve the problem, part of which exists in the points mentioned tonight.

Before sitting down, I'd like to say I'm not speaking about the majority of real estate agents. It's a very small minority who are giving a bad name to the whole group.

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

HON. MEMBERS: Agreed.

MR. McCRAE: Mr. Speaker, the hon. member has raised some very interesting and difficult points. Responding first to the hon. Member for Drumheller, questioning the bonding of the smaller agents in the rural areas, let me assure the hon. member that the bonding provisions are scaled from \$10,000 to \$100,000, and of course the scale depends on the number of agents employed in the particular agency. So I don't think it will have any serious impact on the rural agents.

Mr. Speaker, I think it's been acknowledged by both the hon. members that the vast majority of real estate agents are very responsible members of their association. Although they do raise a very complex issue — and that is whether real estate agents should or should not be able to trade in real estate — I think the real answer to that problem has to be to get more housing onto the market. It's only in recent months, perhaps the last year, that this has been a problem. I think prior to that time the price of housing had been fairly stable. There was a gradual increase from year to year, but it was a predicatable, ascertainable increase.

I guess that comment would relate to the appraisal question too: whether or not a real estate agent should be appraising houses. Frankly, in the urban areas right now, I don't know how anyone would appraise a home. I think you could put a value on it one day, and if you go out there a week later it's a totally different value. On the weekend, I took the

opportunity to visit a few homes that were up for sale. I was fascinated to see that a home I saw traded at about \$42,000 a few months back was listed yesterday at \$68,500. I also went into a condominium that was advertised at \$79,500 and which I happen to know sold for \$49,000 about the time of the election last year when I door-knocked there. I also was out in one of the wealthier areas. I checked on the prices of lots there — not with the intention of buying, naturally, but just as part of my survey — and found that lots that were going around \$20,000 a few months back were now at \$45,000. I suppose that, of course, relates to some degree to the question of annexation and the bringing of new developed lots onto the market.

The Member for Calgary Buffalo has raised the question of a land speculators' tax for ordinary citizens who are speculating in real estate, and a penalty provision for real estate agents who are trafficking in real estate. The Land Use Forum made some reference to the same problem, and that is a speculation tax. Mr. Speaker, I would hesitate to see us get into that area with too much enthusiasm. I suspect that the housing crisis that is with us so very much right now will have abated somewhat within 18 to 36 months. I think the levelling-off process will occur at that time, and perhaps the speculators' tax will not be necessary. However, it's something we shouldn't rule out, and perhaps we should study it in some detail. If the new housing programs of the Minister of Housing and Public Works don't have a levelling or stabilizing effect on prices, perhaps it's something we should look at very seriously.

With regard to the possibility of a penalty for agents who dabble in real estate trades, I recognize the conflict of interest that may happen there. They can in fact confound, confuse, or perhaps mislead a vendor into believing that someone else is the actual purchaser when, indeed, it may be that real estate agent. However, I think that in a free enterprise system this is something the Real Estate Association should look into itself at the first opportunity. Give them the opportunity of cleaning up their own house if, in fact, it needs cleaning up. If they don't address themselves to it — and I think they can do their self disciplining, policing, organization. I think it's something they can get a handle on, and get rid of the agents who insist on trading in real estate. If they can't, again it's something we should perhaps look at very seriously. I'm sure the Minister of Consumer and Corporate Affairs will want to take a good hard look at that.

I want to thank both the hon. members for bringing up points of concern to the public in this time of tight housing. I hope that more housing of one sort or another will be on the market soon so these problems that are with us will abate and reduce in the future.

[Motion carried; Bill 14 read a second time]

#### Bill 15

#### The Municipal and Provincial Properties Evaluation Amendment Act, 1976

MR. JOHNSTON: Mr. Speaker, I move second reading of Bill 15, The Municipal and Provincial Properties Evaluation Amendment Act, 1976. This legislation deals with the question of determining

equalized assessment valuations, and grants in lieu of taxation for provincial and municipal properties owned in host municipalities. The two principles we are attempting in this legislation really are to provide greater certainty to the practice which is now ongoing.

First of all, with respect, we wanted to ensure that the valuation of municipally-owned gas electric systems is included in the equalized assessment. While this is indeed the practice now, there was some uncertainty whether other amendments to legislation may have precluded that possibility, yet we wanted to maintain that those municipally-owned systems would contribute to the school foundation program.

In a like vein, Mr. Speaker, the second principle deals with Alberta Government Telephones, and to ensure that the overbuild or the excess capacity is not included in the valuation in determining the grants in lieu of taxes. This again is a principle which has been established before, yet amendment to this act in 1974 introduced some uncertainty as to whether this would be the situation. I am quick to point out that, indeed, land and buildings are treated in a similar manner. This only deals with economic excess or the unused capacity for Alberta Government Telephones, such things as switchings and cables.

Mr. Speaker, I seek support of this distinguished plenum at second reading of this amendment act.

[Motion carried; Bill 15 read a second time]

**Bill 16**  
**The Northland School**  
**Division Amendment Act, 1976**

MR. TESOLIN: Mr. Speaker, I move second reading of Bill 16, The Northland School Division Amendment Act, 1976.

Mr. Speaker, the Northland School Division came into existence pursuant to a ministerial order dated December 9, 1960. Two reasons seem to have been the driving force behind the establishment of Northland at that time. First of all, there was a desire to do something better in the way of provision of school services for remote northern communities. Secondly, there was a desire to bring the schools concerned into the mainstream of education within the province through the establishment of a more effective administrative system.

Prior to the establishment of Northland in '60, educational services were provided by a variety of schools: independent rural schools, various mission schools, schools run by the Metis rehab. branch, as well as those operated by the federal Department of Indian Affairs. The virtues and shortcomings of these schools are well documented. Schools were more often than not overcrowded, housed in makeshift buildings, often staffed by instructors lacking any formal training. Supplies were minimal, and texts, if any, were old.

Initially the division was operated under an official trustee appointed by the minister. In '65 this Legislature passed The Northland School Division Act. This act provided for the division to be governed by a school board, a board of five to be appointed by the Lieutenant Governor in Council. The five appointees at that time included a chairman who is a staff member of the University of Alberta, a resident of Fort

McMurray, and three government employees, one each from the Departments of Education, Municipal Affairs, and Public Welfare.

In 1968 this board was expanded to seven members, and persons of native origin were appointed to the board. The current board consists of a chairman paid by the Department of Education, an officer of the department, and openings for five native persons. Mr. Speaker, it is, I feel, important to note that these persons' nominations are sought prior to their appointments. We have seen a gradual transition, therefore, from a single trustee to an appointed board largely representative of government agencies or departments, to a board whose majority are native, are residents of the area encompassed by Northland, and whose nominations were sought prior to their appointment.

Mr. Speaker, this bill before us today foresees the day when the board will be composed entirely of locally elected representatives. When this comes about, Mr. Speaker, we'll have seen the fulfilment of much of the hopes of those who initially established Northland with the hope that it would truly become part of the mainstream of educational services in Alberta. This will not come overnight. Progress to date has been gradual and transitional. But this is our ultimate goal, to make Northland a division not unlike any other in the province in respect to its administration. We can never expect it to be like any other district in most senses, however. Northland School Division has a number of characteristics that set it apart and make it unique. The report of the Northland School Division study group, commonly called the Swift report, submitted to the minister in July of last year, makes that abundantly clear.

Mr. Speaker, in addition to creating a board to govern the affairs of Northland, The Northland School Division Act greatly expanded the boundaries of the division. The division comprises all that part of Alberta lying north of township 55, which is not included in any other school district division, county, or an Indian reserve. Hence, the physical area encompassed by the division is overwhelming. The community served by Northland and in which Northland operates schools or provides services is across this entire area — some 30 schools in number. The median number of schools operated by school divisions or counties in the remainder of the province is about eight or nine. Distances are vast. The problems of the communities are equally great.

Mr. Speaker, although much has been done of late to improve transportation in our north and to build roads to remote northern communities, it is a fact of life that a considerable number of schools are not yet served by roads. In fact, Mr. Speaker, the Northland School Division has some 30 horse-drawn school buses today. Supplies must be flown in or trucked over winter roads at great expense. Many of the communities have no phone service and no post office.

Mr. Speaker, isolation is no small problem in the vast north. The services Northland must provide for itself go far beyond those of other Alberta divisions. Accommodation must be provided for the school staff, sewage disposal must be provided for these teacherages as well as the schools. The same applies to water supply and, in many cases, to electrical power. It is a fact of life in the north that in many senses a

school must provide its own municipal services, if I might use that term. Expenses are therefore far beyond those incurred by other school divisions in the province, and this excludes consideration of isolation bonuses and so forth for the teaching staff.

Yet, Mr. Speaker, the taxation base is minimal. Supplemental requisitions produce revenue totalling but 2 per cent of expenditures in Northland School Division. It is essential that this base be expanded as much as possible. Although this province derives revenue from the north far in excess of the funds it must provide Northland, we must ensure that the division can tap available assessments. Mr. Speaker, this bill before us accomplishes just this.

Currently, the board of Northland School Division can, by and large, only tap assessments which lie within the school districts. This bill will allow the board to tap assessments that lie within its jurisdiction but are not within school districts and are not exempted by the minister.

Mr. Speaker, currently Northland School Division has had to establish school districts so that it could draw upon assessments. A slow process often taking two to three years, this bill before us would by-pass this lengthy procedure and allow the board speedy access to much needed revenues. Mr. Speaker, I might add, for clarification, that exemptions are to be allowed the minister. This could avoid an assessment being tapped by Northland in an area whose educational services may be provided by another nearby division.

Mr. Speaker, before I sum up my remarks, I should like to touch on one or two points. First, criticism has been directed of late to teachers in Northland School Division because of the high turnover rate experienced in many instances. Mr. Speaker, isolation is no easy matter to deal with. Rather than focus on those who have difficulty in coping with this most serious problem, we should rightly focus on the many, indeed the majority, who do serve their communities so well and in such a dedicated fashion. Mr. Speaker, they deserve our warmest appreciation.

Also we have experienced in the past problems in regard to assistance available to the staff in our north, and the maintenance of schools and teachers. The Swift report deals with these in some depth. Since the Swift report has been brought down, steps have already been taken to improve these conditions. Maintenance staff has been increased from two to eight, conditions are slowly improving, morale has increased.

The successful programs of teacher aids, counsellor aids, and other paraprofessional staff assistance so highly complimented by the Swift report, are continuing. There are now 45 teacher aids familiar with the Cree language in Northland, and 13 counsellor aids assisting the staff in community liaison, combating problems of community relations, absenteeism, and so forth.

Highly successful EOF, educational opportunity fund, programs geared to the special needs of Northland are to continue. The programs not only provide much needed backup to the teachers but are geared to meet the special educational needs of students in Northland.

Secondly, Mr. Speaker, much remains to be done. The Swift report details some hundred or so recommendations. This bill meets some of these.

The allowance for creation of subdivision flows directly from the report's recommendations, and as I have noted previously, foresees the gradual transition to a board consisting of members elected from several subdivisions. Mr. Speaker, this flows directly from recommendations contained in the report which call for the creation of a nine-man board, having seven representatives each elected from a subdivision.

The second major thrust of this bill before us also flows from comments the report makes in regard to assessments. This bill must be seen as one further step in a gradual process of evolution. Much remains to be done. No one could deny that. Many of the Swift report's recommendations will receive, I am sure, consideration in the future. Many are directed to the board, and feedback on certain of the recommendations have already led to increased maintenance staff, as I have noted.

Mr. Speaker, we must recognize the problems of education in the north are severe. Similar problems are to be found in northern Saskatchewan and northern Manitoba. They, too, are looking in the same direction as we are. Changes are needed, but they must be gradual. The fabric of education in the north is too fragile to proceed without great caution.

Mr. Speaker, I urge members to support this bill to take one more step toward improving educational services in our north, in drawing these services closer to the mainstream of services in Alberta as a whole.

MR. CLARK: Mr. Speaker, in taking part in the second reading of Bill 16, The Northland School Division Amendment Act, I'd just like to make three comments.

I commend the hon. Member from Lac La Biche-Fort McMurray in his comments with regard to the Northland School Division. I would like to direct my comments either to the mover or the sponsor of the bill in the House, or to the Minister of Education, and to say that, perhaps, second reading isn't the appropriate time to do it, but certainly Committee of the Whole would be [during] the Estimates, to in fact look carefully at the recommendations of the Swift report, and to make available for members of the Assembly an indication of which ones the government has moved on, which ones, in fact, the department of education does not accept, and perhaps get a similar kind of statement from the Northland School Division board.

I agree wholeheartedly with the comments made by the Member for Lac La Biche-Fort McMurray when he commends Dr. Swift for the work that was done on this particular report. I think basically it's well done. I'm not so naive as to suggest that every member is going to agree with every recommendation, but basically I think the report is very well done.

So the first point I would like to make, Mr. Speaker, is that perhaps in committee or in Estimates we might get a report either from the minister or from the sponsor of the bill as to the kind of progress the government sees with regard to the recommendations in the report. I think, frankly, it would be helpful also if we had a report from the Northland board as to which recommendations they plan to move on that are within their jurisdiction, and which ones they don't feel are reasonable.

The second point I'd like to make deals with the recommendations out of Chapter 19 of the report. Those deal specifically with the future of some of the schools which are presently in Northland School Division. I think in terms of Susa Creek and Muskeg River in the vicinity of Grande Cache; the Fort MacMurray situation with regard to expansion of the Fort MacMurray division to take in the Syncrude operation; the Zama City and Brewster's Camp area to be included in the Fort Vermilion system; the Menno-Simons with regard to possible inclusion in Fairview's division; then that Elk-South Wapiti districts, together with the intervening lands, be incorporated into the Grovedale school sistrict. I think this would an excellent time — if the minister is so inclined, but if his inclinations don't lean in that direction this evening, certainly once we get in committee — to give some indication as to what the government has in mind for the future of these particular districts. As far as I'm concerned, I've had representation from two of the areas which in many regards are sitting on pins and needles as to whether they're going to continue to be in Northland or be put into one of the adjacent divisions. That's the second point I want to make.

The third point I'd like to make, Mr. Speaker, on second reading of the bill, deals with the question of the time frame which either the sponsor of the bill or the minister sees for the implementation of Northland becoming a rather self-sustaining operation in keeping with the first recommendations made here — moving to the subdivisions and having seven of the nine people actually elected from the area. I think that's a good move. I think it would be interesting to see the time frame, and at the same time get some indication from the minister as to the kind of budgetary support Northland can expect this year in comparison to the last two years.

MR. NOTLEY: Mr. Speaker, dealing with two or three of the points the Leader of the Opposition has raised, I'd like to make some comments on those points as they relate to this bill.

When he introduced the bill, the member talked about gradual transition. I would hope, Mr. Minister, that if there is to be any transfer of some of the smaller schools — and I'm not familiar with the other schools but I am very familiar with the Menno-Simons school which is right in the middle of the Fairview School Division, as the minister probably knows. The feeling in that district is almost 100 per cent in favor of staying within the Northland School Division. They are not at all enthused about the prospect of being transferred to the Fairview School Division. Nor, quite frankly, is the Fairview School Division all that interested in finding themselves in the midst of a row or controversy over this matter.

I would simply suggest to the minister that in dealing with this one particular recommendation contained in the Swift report, easy does it. I think the words of the mover of the motion today, "gradual transition" — certainly one at the very least where there is close consultation with the communities involved. I would just underline in the instance of Menno-Simons there have been several other government moves of late, not by the Department of Education, but as a result of the Department of Energy and the Lands Branch moving that have

created such a background of hostility that any moves on the school question should be done with the diplomacy of Kissinger and all the best . . .

MR. CLARK: That was Kissinger two years ago.

MR. NOTLEY: Perhaps it was.

I certainly agree with the concept of moving to an elected board. I'm not sure to what extent we're ever going to make Northland, however, a division that will be self-supporting in any way, shape, or form. It seems to me the costs of operating the Northland School Division are always going to be so enormous and the tax base rather limited. There may be the possibility of industrial development that will change that. But for the foreseeable future anyway, it seems to me we are not going to see Northland move from a position where it will be able to operate on its own without a substantial influx of moneys from the provincial government.

I'm a little concerned about Section 6 of the act, Mr. Speaker. I don't raise this to get into a detailed discussion, but I listened carefully to the mover of the motion and I'm still just a little uncertain as to what the application of that section means. Will it in fact permit the minister to requisition for revenue, in an area — such as Menno-Simons, for example — where most of the people are outside that district? Would it, in fact, allow the minister to double-tax them? I hope not. I assume not.

But I see here that we have the statement, "are not within school districts and are not exempted by the minister". I'm wondering whether, in fact, that clause is giving the minister the latitude to exempt. I presume it does. But again, I just wonder whether we should be getting ourselves into that position in the first place. I'm a little puzzled. To me, there's still some ambiguity about Section 6 in my mind, anyway. I would like to have it straightened out, because I, for one, would not want to see any kind of double taxation. I assume the government doesn't propose to do that, but there is some uncertainty, at least in my mind, as to what the government is driving at.

In general comment, I certainly intend to vote for Bill 16. But I believe that in making changes in Northland School Division — and especially as it relates to the schools that are, really, surrounded by other jurisdictions, but not part of those jurisdictions — we should be very cautious before making transfers, and that only where there is community support should we, in fact, make those transfers. By and large, I think we should listen to the requests, views, and opinions of the people in the districts concerned.

MR. TAYLOR: Mr. Speaker, I would also like to add a word or two to Bill 16. As a matter of fact, there are three comments I'd like to make.

First, I'd like to congratulate the hon. member Mr. Tesolin for the very informative information he gave when he was moving second reading of this bill. As a matter of fact, it was the most informative and best explanation of the Northland School Division I have yet heard. What I liked about it as well as anything, as well as the information, was the pride with which it was given. Too many times, the Northland School Division has been considered a nuisance and a thorn in the side of the government. I got the feeling tonight that there is a feeling of pride and challenge

to try to do something for the people who live in that vast area, and I was very happy with that.

When the school foundation program was originally drawn up, the two objectives were: equality of education, and equalized assessment throughout the province. I remember the minister of that day, the Hon. Anders Aalborg, saying that if the bill were passed, it would not be long before a comparable building in the far north would bring in the same amount of taxation as a building in Edmonton, Drumheller, Lethbridge, or any other part of the province, even in an improvement district. I don't think we've quite realized that as yet. Equalized assessment has gone a long way, but it hasn't gone quite that far.

But I think we have moved along that way, and it seems to me Section 6 is bringing us a step closer in the north towards equalized assessment. As I read the section, it seems to me that if there are lands today that are not being taxed under the school foundation program, and are not paying their share of educational tax, whether or not they're in the Northland School Division, they should certainly be required to pay their share of educating the boys and girls in all parts of this province. It seems to me we're moving a step closer towards equalized assessment in the Northland School Division by putting in that section. I think it's a wise section. If it's doing what I have just suggested I think it's doing, it's going to help in that cause.

The other purpose was equalized educational opportunity. Of course we're still a long, long way from the boys and girls of the Northland School Division having the same opportunity for education as boys and girls in Edmonton, Wetaskiwin, or Calgary. I believe it would be a mistake for us not to recognize that they aren't having equality education today, but endeavor step by step to bring them up to the same quality of education as we have in other parts of the province.

I like the explanation that there's going to be a gradual transition of the Northland School Division to the point, eventually, where all members will be elected in divisions as they are in the rest of the province. I hope that gradual transition will also not be so gradual in bringing somewhat similar opportunity for the basic education that other boys and girls have in this province to the boys and girls who live in those isolated areas where there are vast mileages, huge distances between them, and tremendous isolation.

In my view, Bill 16 is moving us a long way toward what we want in the way of education in the northern part of the province of Alberta.

[Motion carried; Bill 16 read a second time]

**Bill 20**  
**The Municipal Government**  
**Amendment Act, 1976**

MR. JAMISON: Mr. Speaker, I move second reading of Bill 20. As I mentioned in introducing the bill, the purpose of this act is to define clearly the persons who have the right to petition for annexation of land from one municipality to another. In other words, you will be able to pick out the names on the title without

having the companies' names and so forth. It will make it much easier.

Actually, that's about what the bill does, Mr. Speaker. It's not a long speech like our hon. Member for Lac La Biche-McMurray. This is a very minor amendment and a good one.

[Motion carried; Bill 20 read a second time]

**Bill 21**  
**The Hail and Crop**  
**Insurance Amendment Act, 1976**

MR. MOORE: Mr. Speaker, I move second reading of Bill 21, The Hail and Crop Insurance Amendment Act, 1976.

Mr. Speaker, the agreement between the Government of Canada and the Government of Alberta, which was signed some two years ago with respect to hail and crop insurance, requires that the Government of Alberta fund 100 per cent of the administrative costs of the crop insurance program. In return, the Government of Canada pays 50 per cent of the premium costs which are charged to farmers.

As hon. members would know, during the 1975 crop year we were successful because of improvements in the hail and crop insurance program and because of the extensive efforts that the Hail and Crop Insurance Corporation and their staff made in delivering the program. We were successful in increasing the number of policyholders throughout Alberta from some 13,000 up to close to 19,000 during the course of that year.

That of course increased quite dramatically, Mr. Speaker, the level of payment coming from the federal government for their 50 per cent share of premium costs. Indeed, some of those kinds of increases showed up in other provinces as well, and may have been part of the reason in December 1975, the government of Canada announced they were going to try to cut back on crop insurance contributions during the next fiscal year.

However, as I outlined previously in the House, Mr. Speaker, it's now been confirmed that in 1976 they will meet their commitment of paying 50 per cent of those premiums. I would expect that during the course of 1976 we'll see there's not that much increase in the number of policyholders as compared to 1975 and, indeed, we're hopeful we can convince the Government of Canada that it will not be necessary to alter the program or to cut back in any way on the crop insurance program that is now provided.

This bill, Mr. Speaker, creates a different method of funding the portion I've just been referring to as the federal government's share of the 50 per cent premium which farmers pay. In 1975, that amounted to approximately \$15.5 million. The previous situation was that that amount, which of course was much less in '74 and '73, was required to be budgeted for by the Department of Agriculture or to be provided by way of special warrant. This bill will allow the Provincial Treasurer to advance to the Hail and Crop Insurance Corporation those sums of money which we know will be recovered 100 per cent from the Government of Canada in accordance with the

agreement we have.

The amendment to this bill is made, Mr. Speaker, simply because the kind of dollars we're talking about are not a budgetary expense of any kind whatsoever to the Province of Alberta, and we feel it is more appropriate that advances be provided and then recovered from the Government of Canada from time to time.

MR. TAYLOR: Mr. Speaker, the points I'd like to bring to the hon. minister's attention are in regard crop insurance in the province. The first one is where a farmer is not permitted to insure as much crop as he wants to because he had bad experiences for two or three or a number of years. This came to me as a very great surprise when one of my constituents complained about it. I contacted the board, and the chairman gave me the regulations which were in accordance with what they were doing.

I can understand that if a farmer is not tilling his soil properly, if he's mining his soil, if he's not fertilizing it, if he's not farming it properly and a poor crop comes as a result, he should be penalized. It's within his power to do better. But I have difficulty in following the thinking that if a hail storm or a tornado comes and ruins his crop, or if a plague of grasshoppers comes in that general area, he should be penalized and be required to have reduced coverage because of something over which he does not have control. I would ask the hon. minister to take a look at that, because I think it is building up something that's irritating a number of people who today are supporters of our hail and crop insurance program in this province, but who won't be if this type of thing grows.

The second point I'd like to mention is again something I've discussed with the board but not with the minister, and that is where there's a husband and wife having two separate operations. They each have their own farms and keep their own books. They pay their own income tax and so on, and under the regulations of the board they're required to have one insurance on their total crop, even though it interferes with the bookkeeping of the wife and the husband, both of whom have their own operation. Now I know Longfellow said, after you're married it's not thine and mine but ours, but I see difficulties in this particular item where the board of directors is very determined that husband and wife have their

insurance in one name. For the life of me, where these farms are separated, I can't see why the board is so determined that a husband and wife can't insure separately land that is in their own name, that they're fully responsible for, that they pay income tax on the revenue, et cetera.

So I would ask the hon. minister to take a particular look at that item too, because I think it's worthy of study. There may be something about married life that I don't understand. The married couple doesn't understand it either, so I think we do need enlightenment on that point.

MR. CLARK: For the first time in this session using those inevitable words "I hadn't planned to take part in this debate but ..."

I'd just like to support the comments made by the Member for Drumheller. I've had a similar kind of problem drawn to my attention by some members in my own particular constituency, where in fact the husband and wife are not able to take out crop insurance policies but the husband and the son, who farm together, are able to. The people involved have had an excellent record as far as any pay out by the corporation. In other words, if one were looking for a situation where there would be some hanky-panky, if that's the right word, there's more likelihood of it happening between the father and the son — because of just the amount of land involved in both cases — than the husband and the wife. So I would ask the minister to take the matter up with the crop insurance corporation and then perhaps report back to us on the matter.

[Motion carried; Bill 21 read a second time]

MR. HYNDMAN: Mr. Speaker, I move the Assembly do now adjourn until tomorrow afternoon at 2:30 o'clock.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until tomorrow afternoon at half past two.

[The House rose at 10:03 p.m.]