

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, April 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 47**

**The Forest and Prairie
Protection Amendment Act, 1976**

MR. APPLEBY: Mr. Speaker, I beg leave to introduce a bill, The Forest and Prairie Protection Amendment Act, 1976. The purpose of this bill is to clarify further the responsibilities of private citizens and the Department of Energy and Natural Resources with regard to reporting fires and paying the costs of suppressing fires.

[Leave granted; Bill 47 introduced and read a first time]

Bill 45

**The Ground Water
Control Amendment Act, 1976**

MR. THOMPSON: Mr. Speaker, I beg leave to introduce Bill 45, The Ground Water Control Amendment Act, 1976. The purpose of this bill is to provide the legislative base necessary for optimum development of Alberta's ground water.

[Leave granted; Bill 45 introduced and read a first time]

MR. HYNDMAN: Mr. Speaker, I move that Bill 47, The Forest and Prairie Protection Amendment Act, 1976, and Bill No. 45, The Ground Water Control Amendment Act, 1976 be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

Bill 231**The Telephone Act**

MR. TAYLOR: Mr. Speaker, I beg leave to introduce a bill, The Telephone Act. This bill is similar to Bill 205, which is a discouragement or [makes it] an offence for people to intrude on private individuals' time by unsolicited telephone sales calls. It was pointed out to me by the city of Edmonton that Bill 205 would not be applicable to calls within the city. This bill does for Edmonton what Bill 205 would do for the province.

[Leave granted; Bill 231 introduced and read a first time]

head: INTRODUCTION OF VISITORS

DR. WARRACK: Mr. Speaker, it's my very great pleasure to introduce a class from Beiseker School in Beiseker, in my constituency. They are the Grade 9 class, 26 in attendance. They've been to the Provincial Museum and are now looking forward to this event in the Legislature. All of them, as students, are here for the first time. They are accompanied by their teachers, Mr. Bob Jenkins and Mr. Ray Courtman. I'd ask them to rise in the public gallery as they are introduced to you, Mr. Speaker, and to members of the Legislature. Would you welcome them in the usual manner.

MR. LYSONS: Mr. Speaker, I'd like to introduce to you, and through you to the members of the Assembly, 40 Guides and Brownies from Vermilion. They are accompanied by their teachers and their bus driver. They are a very charming group. I would like them to stand and have the introduction of the House.

DR. WALKER: Mr. Speaker, it is my pleasure to introduce to you, and through you to the members of the Assembly, a group of seven Boy Scouts from the 3rd Claresholm Boy Scout Troop. They are accompanied by their Scout Leader, Mr. Garth Lupus, and Leo Toone, the Assistant Regional Boy Scout Commissioner. I would ask them to stand and be welcomed by the Assembly.

MR. HANSEN: Mr. Speaker, I would like to introduce to you, and through you, two young gentlemen who took part about a year ago in bringing the big cake for the Lieutenant-Governor to the Legislature Building from the Catharine Whyte Centre in Cold Lake. Kevin took part in making the cake. I'd like to introduce to you Kevin Bushore and John Ottenbrite from the Grand Centre area.

head: ORAL QUESTION PERIOD**AEC Discussions**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Energy and Natural Resources, and ask if he could tell the Assembly what discussions took place between him and the chairman of the Alberta Energy Company prior to its annual meeting last Tuesday.

MR. GETTY: Mr. Speaker, there were many occasions prior to the annual meeting when I had discussions with the chairman of the Alberta Energy Company.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Did any specific discussions relating to the annual meeting of the Alberta Energy Company take place between the minister and the president?

MR. GETTY: No, Mr. Speaker. As to how the meeting might be held, which I guess the hon. Leader of the Opposition is asking, no. I consider that a matter that's certainly within the adequate responsibility of the board of directors and management of the company.

MR. CLARK: Mr. Speaker, then a supplementary question to the minister. Is the minister in a position to indicate what instructions were given to the president of the Alberta Energy Company along with the proxy right for the province of Alberta's majority voting position?

MR. GETTY: Just that the proxy be handled in the best interests of the shareholders, Mr. Speaker.

MR. CLARK: Mr. Speaker, so there's no misunderstanding, a further supplementary question to the minister. No specific instructions were given to the president of the Alberta Energy Company when he was advised by the minister that in fact he would have the proxy right for the shares owned by the Government of Alberta?

MR. GETTY: No, Mr. Speaker. If the hon. Leader of the Opposition perhaps has some specific issue he would like me to refer to, I'd be happy to. But as I imagine most other shareholders of the Alberta Energy Company did, the government illustrated its confidence in the management and directors of the company by providing them with the proxy.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister had discussions with officials of the Alberta Energy Company with regard to the question of its equity participation in coal development in Alberta?

MR. GETTY: Mr. Speaker, I believe that over a period of a year the matter has been discussed, yes. Coal is one of Alberta's energy resources and the Alberta Energy Company provides an opportunity for Albertans to participate in energy developments in the province.

ERCB Hearings

MR. CLARK: Mr. Speaker, I'd like to ask if the minister is in a position to indicate whether he has had discussions with the Energy Company regarding its application to go before the ERCB with regard to PetAlta, the project just east of Edmonton in the Fort Saskatchewan area. Has the minister had discussions with regard to this project?

I might involve a second question. Has the minister been involved in discussions dealing with a second project to go to the Energy Board by the Alberta Energy Company prior to the ERCB hearings?

MR. GETTY: The way the questions were placed, I'd have to say the answers are no and no.

MR. CLARK: Mr. Speaker, in light of the way the answers were placed, might I ask the minister if he's aware of the date the Energy Resources Conservation Board will be going ahead with its hearing on the PetAlta application?

MR. GETTY: No, Mr. Speaker, but I'd certainly get that information for the hon. Leader of the Opposition.

AGT Policy

MR. CLARK: Mr. Speaker, I'd like to direct the second question to the Minister of Utilities and Telephones. Is he in a position to indicate to the Assembly what steps Alberta Government Telephones has taken to live with a spirit of restraint in light of the annual report tabled in the House yesterday?

DR. WARRACK: Mr. Speaker, I can do that at least partially at this time, and more so as events unfold. In the budgeting process, the management of Alberta Government Telephones has looked very carefully at curtailing expenditures judged to be non-essential in continuing into the future the excellent service at reasonable cost.

In addition to that, Mr. Speaker, in accordance with the Public Utilities Board, some changes have taken place to offset some of the operations which accounted for some of the loss in 1975.

Thirdly, Mr. Speaker, at this very moment in Calgary the Public Utilities Board is examining the rate situation of Alberta Government Telephones with respect to which areas ought to be regulated and which, if any, should not, and further to that, the rate structure itself with respect to the financial solidity of Alberta Government Telephones.

MR. CLARK: A supplementary question. Can the minister indicate what expenditures the AGT board considered unnecessary and cut back in this year's operation?

MR. SPEAKER: Order please. If this question can be answered in some general way, it might be in order. Otherwise, it would clearly be one that should be on the Order Paper.

MR. CLARK: Then might I ask: is the minister in a position to indicate to the Assembly whether Alberta Government Telephones will be asking for another rate increase during this calendar year?

DR. WARRACK: Mr. Speaker, the status of the rate application filed in September 1975 is that an interim rate increase was considered and agreed to by the Public Utilities Board effective December 1, 1975, or the loss would have been even greater than that reported in the annual report tabled yesterday. The full-scale rate hearings are therefore proceeding in 1976.

The discussions in Calgary today are centring on the question of which areas of AGT operations ought to be regulated and which should not. Subsequent to that, my understanding is that Phase I in the normal rate application procedure will commence in the middle of June. This will take place during the summer months. As the result of the Phase I examination by the Public Utilities Board, if an additional amount of aggregate revenue is essential for Alberta Government Telephones service to the public and financial solidity, then Phase II will be considered. The present application filed in September 1975 is now under consideration. It appears quite clearly that it will not be concluded until some time in 1977.

MR. CLARK: Supplementary question to the minister. Given the interim rate increase, is it the anticipation

of Alberta Government Telephones and the minister that Alberta Government Telephones will operate on the profit side this year?

MR. SPEAKER: I regret interrupting the hon. Leader of the Opposition, but I would suggest the question might run into some difficulty on two grounds: one of them being that it may be somewhat hypothetical; and the other one being that the matter is presently before a quasi-judicial body, which, although it might not be influenced, might in the minds of some people appear to have been influenced by what might have been said in this Chamber, particularly if it were said by the minister who is responsible for this particular area of government.

MR. CLARK: Mr. Speaker, then might I phrase the question to the minister this way? Does the budget that Alberta Government Telephones has approved for 1976 show a profit?

DR. WARRACK: No.

MR. CLARK: Supplementary question to the minister. How much of a deficit does the budget approved by the Alberta Government Telephones Commission show?

MR. SPEAKER: I hesitate to intervene again, but if we're talking about a document which is available . . .

MR. CLARK: This year?

MR. SPEAKER: Undoubtedly it will be available within a reasonable time. It may have to be obtained by a motion for a return — I'm not aware of that. In any event, what we're going to get into here is interpretations and information from a document which is not yet before the Assembly. I would suggest there might be a better way of dealing with that information.

Third-level Air Service

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Deputy Premier, Minister of Transportation. Has the government received any reports or complaints from employees of Bayview Air Services that their wages have not been paid and are, in fact, seriously in arrears?

DR. HORNER: No, not directly, Mr. Speaker. As a matter of policy, I had people in my department attempt to interview the employees of Bayview to see where and how we might assist them in finding suitable employment.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. To the minister's knowledge, in the discussions departmental officials have had, there have been no complaints regarding payments of salaries in arrears?

DR. HORNER: No, Mr. Speaker. I would suggest the usual line for employees with that kind of complaint would be to place it before the Board of Industrial Relations.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister, further to a question posed last week in the Legislature. Is the minister in a position to advise the House of the status today of Bayview Air Services?

DR. HORNER: Only in a very preliminary way, Mr. Speaker. My understanding is that two other third-level carriers — and perhaps three — have made an application to the federal Minister of Transport to take over that particular scheduled service. In the interim, it's being operated by Gateway Aviation of Edmonton.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Has the minister received any information at this point in time as to when those applications will be processed by the MOT, and what schedule we're looking at?

DR. HORNER: Well, Mr. Speaker, it's a difficult for me to answer for the federal MOT. On occasions they can be relatively quick, and on other occasions, as in the rapeseed case, they can take seven years.

MR. NOTLEY: Mr. Speaker, a supplementary question. Has the minister received any information yet with respect to when this matter might be decided permanently?

DR. HORNER: No, Mr. Speaker, but we're as anxious as the hon. member is to try to resolve the situation so we might go ahead with the plans for additional third-level carriers in this province.

MR. NOTLEY: A further supplementary question to the hon. minister. Was there any possibility, and is there any possibility, of another third-line carrier taking over Bayview, or is receivership in fact the only option at this stage?

MR. SPEAKER: I would respectfully suggest to the hon. member that that's the kind of information which might be obtained otherwise. It's certainly in a speculative area.

MR. NOTLEY: Mr. Speaker, perhaps I can rephrase the question and ask the minister if the government has seriously considered, as an option, acquiring Bayview in conjunction with another company.

DR. HORNER: No, Mr. Speaker.

Population Trends

MR. BATIUK: Mr. Speaker, I'd like to direct my question to the hon. Premier. This is a follow-up question to one I posed to the Minister Without Portfolio. Mr. Speaker, I may have been unfair in posing the question to the minister at that time, because it was about a program that had been in existence for four years, and he has been a member of this Legislature for only a year.

Would the Premier advise whether the decentralization programs have proved successful in holding back the rural population or the mobility of the rural to the urban population, and whether it is the intention of the government to continue with such programs?

MR. SPEAKER: If I might interrupt, the latter part of the question would appear to be in order for the question period, but the first part is definitely a matter of opinion concerning which the hon. member no doubt has his own opinion.

MR. LOUGHEED: Mr. Speaker, would the Chair permit me to answer the latter part of the question . .

AN HON. MEMBER: Briefly.

MR. LOUGHEED: . . . as briefly as I can, because of the magnitude and importance of the subject? If I understand the nature of the question, it is whether any change in policy is contemplated by the government on our basic economic strategy of balanced economic growth. In fact, Mr. Speaker, I think the better terminology and better way to describe the policy of the government is [that it is] one of balanced economic growth throughout the province, rather than decentralization. I think the decentralization aspect deals essentially with the operations of government to the extent that we can decentralize them practically out of the capital.

MR. R. SPEAKER: Bureaucrats.

MR. LOUGHEED: The position we take in terms of balanced economic growth is that there is no change in policy. I think we've had considerable success. Certainly, though, we recognize that we are moving against trends that exist today in North America, but we're as determined today as we were on September 10, 1971, to see in this province a balanced economic growth and that the smaller centres continue to strengthen and prosper.

Bull Semen

MR. BRADLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Agriculture. Last Wednesday the hon. minister announced in the Assembly, in response to a question I asked earlier, that indeed Australia had suspended the importation of bull semen from Canada.

My question to the hon. minister is: is he in a position to state what effects, if any, this suspension has had on the Alberta cattle industry?

MR. MOORE: Mr. Speaker, I have had an opportunity to review that. The total exportation of bull semen from Alberta to Australia during the last calendar year was in the amount of about \$.75 million. It's hard to anticipate whether that may have increased, but we would expect it would have had the ban not been placed. Mr. Speaker, that represents about 10 per cent of the dollar value of the total semen that's produced in Alberta.

MR. BRADLEY: To the hon. minister, Mr. Speaker. It is my understanding the Australian government suspended importation of bull semen from Canada because of the suspicion that Canadian cattle had become infected with bluetongue.

Since there have been no reported cases of bluetongue in Alberta and only one in Canada, would the minister be able to inform the House what action the

Alberta government or the federal government have taken in order to have this suspension removed?

MR. MOORE: Mr. Speaker, this decision taken by the Government of Australia is very recent. It is not generally the case that I, as Minister of Agriculture, would correspond directly with the federal minister regarding problems of health of animals. More often what happens, and what is happening now, is that the veterinary services division of Alberta Agriculture continuously consults the health of animals branch and the director at the federal level with advice on what is best for the industry in Alberta, in Canada, and in other countries. I'm not sure yet whether any official protests or representations from Canada have been made to the Australian government. I expect they will be, if in fact it's deemed that the freezing of sale of semen in that country was done in a manner which, in our opinion, didn't truly reflect the situation in Canada.

You have to keep in mind, however, Mr. Speaker, that in dealing with other countries, we're not dealing with individual provinces. It's difficult, if not impossible, for the government of a foreign country to ban semen from two provinces in Canada and not from eight others, because in fact semen can flow across provincial boundaries in Canada without any controls at all. So we have to face the fact that in export markets we live by Canadian rules.

Cattle Exports

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Business Development and Tourism. The report of the Alberta mission to Europe states that the opportunity exists to export cattle from Alberta to Europe.

Could the minister indicate whether there have been any inquiries of the government or any other agencies for cattle from Alberta to Europe since the mission?

MR. DOWLING: Mr. Speaker, there have been some indications of interest in buying cattle. We prefer to export grown beef, processed and sliced up in nice little packages to make greater value added for our Canadian exporters and for the people of Alberta.

However, through the Export Agency an initial shipment of small animals was sent to Europe on a trial basis. I'm not in a position to expand on that particular transaction. Perhaps the Minister of Agriculture might have something else to add.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Who, specifically, in the export agencies will be following up inquiries of possible markets in Europe?

MR. DOWLING: Mr. Speaker, we have in the Export Agency a divided responsibility. There are representatives of that organization designated as the authority for Europe, for the Far East, for South American countries. I can't name the person who will be responsible for that market, but there is a person established in the Export Agency who now has that responsibility.

PWA — Policy

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Transportation. It's with regard to Pacific Western Airlines.

Has the solicitor acting on behalf of the Government of Alberta filed the application for leave to appeal to the Supreme Court of Canada with regard to the situation?

DR. HORNER: I am not aware whether the actual physical filing has taken place, Mr. Speaker. But we have certainly notified him that we intend to seek leave to appeal.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Will the minister table the appeal in the Legislature for our information?

DR. HORNER: Well, at the moment I see no difficulty with that, Mr. Speaker, other than the fact that because it's before a court of law I'd have to get some advice from my legal colleagues relative to the question of what they call sub judice.

Dairy Industry

MR. FLUKER: Mr. Speaker, my question is to the Minister of Agriculture. In view of the fact that the federal Minister of Agriculture to a certain extent has blamed the provincial marketing agencies for the recent excessive milk production, could the minister indicate what steps have been taken at the provincial level to stabilize production?

MR. MOORE: Mr. Speaker, as I think I indicated earlier in the Legislative Assembly, I have been meeting this week and expect to be meeting next week with the entire Dairy Control Board in this province to determine what we might do after the announcement last week with regard to national dairy policy by the federal Minister of Agriculture.

At the moment, the industrial milk production situation in Alberta is that, based on the number of cows that are milking in April 1976, we could be capable of producing about 28 million pounds of butterfat in the coming dairy year. We have a quota of about 23.9 million pounds. In meeting and discussing this matter with the chairman and the members of the Alberta Dairy Control Board, it will be my objective to ensure that we're fair and equitable in distributing the available quota to all dairymen in Alberta, regardless of how long they've been in business, whether they're just industrial milk producers, or whether they're fluid milk producers as well.

Mr. Speaker, toward the latter part of next week I expect to be in a position to announce what kind of formulas we're going to use in this regard, and what kind of global reduction in production will be necessary on an individual basis.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. I'd like to ask the minister if he could outline to the Assembly the instructions or directions he has given to the Ag. Development Corporation with regard to the way the corporation views new loans in the dairy area. When I say "new loans", I'm

thinking of people who haven't been involved to date in the business.

MR. MOORE: Mr. Speaker, since about last November no new loans have been made or committed with respect to new people making a decision to go into the dairy business. Some funds have indeed been released where decisions or loan authorizations were made prior to that, and individuals had begun developing a herd or building a barn or something of that nature.

However, the dairy development program implemented some three years ago is remaining in place, largely for the purpose of assisting people already in the dairy business who may have to refinance or do some such thing to assist them in a period of difficulty such as we expect over the course of the next year.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Have instructions from the minister gone to the Ag. Development Corporation to be lenient to those commercial milk producers who in fact are having difficulty at this time making their repayments to the Ag. Development Corporation?

MR. MOORE: No, Mr. Speaker, instructions have not gone in that regard. As a matter of fact, we're not yet in a position where people in the business of producing industrial milk should have difficulty in meeting their payments, because it's only been since April 1, some three weeks now, that the new restrictions with regard to quota and subsidy eligibility have been in effect. As a matter of fact, we don't know yet what they are.

If there are any difficulties with respect to people who have borrowed sums of money to go into the dairy business and had their production cut by the action a week ago of the federal government, those difficulties should not show in that regard for some months down the road. Certainly, at that time we will be looking at what kind of extensions, if any, might be made.

Drug Abuse

MR. TAYLOR: My question is to the hon. Minister of Education. Has the hon. minister any recent reports on the increase, or hopefully decrease, of the use of soft drugs, such as marijuana, in our high schools?

MR. KOZIAK: Mr. Speaker, a report on that subject matter was made some time ago. I believe the results of that were filed in the Legislature. I haven't received any reports subsequently that would change the findings in that document.

MR. TAYLOR: A supplementary. Does the hon. minister receive reports of the use of marijuana by, say, intermediate students in the province from either school boards or superintendents?

MR. KOZIAK: Mr. Speaker, it seems to me that the more recent reports and comments I've heard, although they're not confirmed, would indicate the general trend in the school population is away from drugs and more towards alcohol, and that alcohol is a

greater problem in the schools than drugs are at this time.

MR. TAYLOR: One further supplementary to the hon. minister. In view of the fact that the drug sellers sometimes move from the high schools to the intermediate schools where they don't have the necessary information about drugs, is the department or any school board conducting pilot projects in the province in regard to the use of drugs by Grade 7, 8, and 9 students?

MR. KOZIAK: The department is not, Mr. Speaker. I wouldn't be sure as to the efforts of school boards in regard to pilot projects on this plane.

Home Canning

MR. HANSEN: Mr. Speaker, my question is to the Minister of Consumer and Corporate Affairs. In view of the fact that reports indicate there will be a shortage of seal lids for home canning for the third year in a row, could the minister have his department see if there will be an adequate supply for this year?

MR. HARLE: Certainly, Mr. Speaker.

Land Ownership

MR. CLARK: I'd like to ask a question of the Attorney General. Is he now in a position to make available to members of the Assembly the report from the Land Titles Office with regard to the question of monitoring the amount of land in Alberta that ends up in the hands of non-Canadians?

MR. FOSTER: Mr. Speaker, I have most of the information in my office, and hope to be able to make it public before too long.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. That's the same answer we've received twice before.

Is the minister in a position to give us some indication as to how soon he'll have the information available?

MR. NOTLEY: How many days after the Legislature closes?

MR. FOSTER: Just in case *Hansard* didn't pick it up, Mr. Speaker, the Member for Spirit River-Fairview wanted to know how long after the session was over I would make this information public. I really can't say. I don't know.

MR. NOTLEY: Is the hon. Attorney General at least going to shoot for having the information available before we recess?

MR. FOSTER: I'll be happy to shoot as requested, Mr. Speaker.

SCHIP Grants

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Housing and Public Works. It concerns the senior citizen home improve-

ment plan.

Is the minister in a position to advise the Assembly whether Albertans of Indian or Metis origin living on the reserves or colonies are now eligible for the home improvement grants?

MR. YURKO: Mr. Speaker, they have always been eligible. The only question that remained right from the initiation of the program was the working of the mechanism to make sure that all native people on the reserves who qualified had access to the money. In this regard, both the officials and I have met with Mr. Cardinal and Mr. Laboucane, and have worked out what is necessary to see that the eligible people within the reserves or within the Metis community have access to the \$1,000 grant program.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly what the mechanics of that mechanism are?

MR. YURKO: Mr. Speaker, in relationship to the Indian reserves or the native reserves, my conversations with Mr. Cardinal and the officials were general in nature and allowed the officials to work out the details. But from a general point of view, people on reserves who had access to a bank or an institution through which money could be funnelled to their account were to be treated in the normal manner, as any other qualified individuals in Alberta.

With respect to other individuals who may not have access or the ability to have dealings with a normal financial institution, we discussed the possibility of assistance by the band chiefs in this regard. One of the questions was whether or not band chiefs could sign as Commissioner for Oaths. That was to be checked with the Attorney General's Department.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. Will there be any assistance for senior citizens of native origin living in homes owned, for example, by the band council?

MR. YURKO: Yes, Mr. Speaker, the method of qualification in that regard is much the same as for a person living in a second house who is qualified on the farm. Provided there was substantive assurance that that senior citizen and his wife were permitted to live in that house, or had tenure for the rest of their lives, then they would qualify. But this is just one of many considerations in terms of application and qualification.

MR. TAYLOR: A supplementary to the hon. minister. How big is the backlog of applications presently being held?

MR. YURKO: The procedure set up to process applications is working remarkably well. I don't think the delay between the receipt and processing of an application and the notification of the applicant is much longer than several weeks. It seems to me that the figures given to me were in the order of three or four weeks.

MR. TAYLOR: One further supplementary. Has a tentative date been set for the second phase of the program?

MR. YURKO: Mr. Speaker, no tentative date has been set, but I would advise that department officials are working on various probabilities and possibilities for Phase II of the program.

Foreign Students and Academics

MR. CLARK: Mr. Speaker, I'd like to direct my question to the Premier. Can he give us some indication as to the government's consideration of the question of foreign students?

MR. LOUGHEED: Well, Mr. Speaker, at this stage the matter has been left under the jurisdiction of the Minister of Advanced Education and Manpower for discussions with the university and postsecondary institutions in the province, in the hope that something effective can be worked out without undue pressure from government. I must say that we have had a significant response in the general sense from the public of Alberta, as I'm sure the hon. leader has as well. We would hope action would be forthcoming from the postsecondary institutions at least before the end of this calendar year.

The Minister of Advanced Education and Manpower may wish to add to this.

MR. CLARK: Mr. Speaker, might I direct a supplementary question to the Minister of Advanced Education? Has he had discussions with the presidents or officials of the three major universities in the province concerning quotas or some other mechanism to meet this problem, which I think the public is rightfully concerned about?

DR. HOHOL: Mr. Speaker, as the hon. Premier pointed out, the matter is before the boards of governors of the universities and other institutions at the present time. As in many, many areas of advanced education, I have an ongoing discussion with the leadership of those institutions on all matters.

MR. CLARK: Mr. Speaker, a supplementary question. Might I ask if the ongoing discussions have been specifically on the question of foreign students, since the discussion in the House in the last two weeks?

DR. HOHOL: Mr. Speaker, not in the sense that I made it a point to make certain I was in discussion with every institution. That would take about 22 institutions. I think we're speaking of colleges and universities in particular. For the most part, we have been in discussion on this subject and the related one of foreign academics.

MR. CLARK: Mr. Speaker, might I ask the question of the minister more specifically? Has the minister had discussions with the president of the University of Alberta, the president of the University of Calgary, and the president of the University of Lethbridge on the question of foreign students and the question of foreign academic staff since the matter was first raised in the Legislature?

DR. HOHOL: Trusting memory to some degree, I would say that in the time interval specified by the hon. Leader of the Opposition, Mr. Speaker, I spoke with the presidents of the University of Calgary and the University of Lethbridge. Preceding that time period, I had conversations with the president of the University of Alberta.

MR. CLARK: Mr. Speaker, being even more specific: when the minister indicates he spoke to the presidents, did he speak to them specifically on the question of foreign students and faculty?

DR. HOHOL: Yes, Mr. Speaker, the response was in the context of the question.

MR. CLARK: Mr. Speaker, might I ask the minister one last question? It refers to a question I asked last week.

Now that the Department of Advanced Education and Manpower is looking for a new deputy minister, can the minister assure us that the loss of the deputy minister won't slow the government's action in this area of foreign students?

DR. HOHOL: Mr. Speaker, I missed the one-to-one correspondence with respect to the context of the question. But I assure the House that the important matter under discussion before the Assembly today will continue without any lessening of the import it deserves.

SCHIP Grants (continued)

MR. ZANDER: Mr. Speaker, my question is directed to the Minister of Housing and Public Works. I wonder if the minister is aware of the delays in the processing of senior citizens' applications from those eligible for the \$1,000 home-owner grant. Delays of as much as one and a half to two months were reported to me.

MR. YURKO: Mr. Speaker, in answering the earlier question with respect to the processing of applications that are clearly eligible in every way, this takes some three to four weeks.

I should indicate a number of applications were questionable as to their applicability. I instructed the director of the program to hold these until some policy decisions were made on them. During the last several weeks the director has met with me. We have cleared up a number of these items with respect to eligibility, because there are a vast number of variations which couldn't possibly be covered by the initial guidelines and regulations. We have now addressed ourselves to those that have been held. They are being processed.

MR. ZANDER: A supplementary. I'm not referring to those that are questionable. I'm referring to those senior citizens now receiving the full supplement. Some have been waiting for about a month and a half now.

MR. YURKO: I really have some difficulty understanding how the hon. member would know whether they

are eligible with respect to all matters. Being on the Alberta income supplement is only one of the eligibility requirements.

MR. ZANDER: Mr. Speaker, for the minister's information, some of those senior citizens have appeared at my door. I have filled out — I personally know they're getting the maximum. They have not received their application in about a month and a half.

MR. YURKO: Mr. Speaker, I'll certainly check into the matter again. But there are other eligibility requirements such as home ownership, whether the house is owned, the name of the person applying. Many, many factors are involved. It's not simply a matter of whether you're on the Alberta assured income plan.

Most of our difficulties have been in the area of home ownership, because in many instances, the house is in the name of the half of the couple who isn't eligible. As a result, we have to review the situation to see that the fellow who's eligible isn't going to be kicked out one month after the money is received. There are letters that have to accompany the application in some cases.

MR. TAYLOR: Supplementary to the hon. minister. If I could just make a very short explanation, many of the applications in my constituency have been completed within 10 days.

But I'm wondering if the hon. minister could at least suggest to the administrators that when there is going to be a holdup beyond three weeks, the applicant be advised that the matter is under consideration and that he will hear shortly. It's so very difficult to deal with these when people come in and say, I haven't heard for five weeks. These are very few, but it's very important to that few.

MR. YURKO: Mr. Speaker, I think the hon. member makes a very good suggestion, and I'll determine whether or not a suggestion of this sort is, in fact, being followed. I suspect it is, but I will certainly check into the matter.

MR. ZANDER: Supplementary to the minister, Mr. Speaker. I can assure the minister there is only one occupant of each house, and no one will be kicked out.

Wage and Price Controls

MR. NOTLEY: I'd like to direct this question to the hon. Premier. A word or two of explanation is necessary. In the last several days, the Government of Saskatchewan indicated they have serious misgivings about the constitutionality of the method by which the federal government has proceeded with wage and price controls — not objecting to the federal government proceeding, but the particular method the federal government has adopted, suggesting instead that they should have moved under the peace, order, and good government clause.

My question to the Premier, Mr. Speaker, is to inquire whether the Alberta government has sought constitutional advice on this matter. If they have, what is it?

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

MR. HYNDMAN: Mr. Speaker, we've been closely monitoring the situation since the reference by the federal Minister of Justice to the Supreme Court of Canada. Essentially, two issues are involved. The first deals with the constitutionality, either in whole or in part, of the federal act, and the second deals with the question of whether or not it is necessary or proper for a province to have a legislative act prior to purporting to delegate part of the anti-inflation program to the federal government. That latter question is one of interest only to the province of Ontario, insofar as this Legislature has passed the legislative underpinning for its delegation.

I would think, insofar as we're now finalizing our position as to Alberta's posture with regard to the reference, we would be in a position to outline that within the next seven or 10 days. I might also say that, as a province, we still see the need for anti-inflation measures to dampen the anti-inflationary psychology.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Has the government sought specific expert constitutional advice from authorities in the field?

MR. HYNDMAN: Mr. Speaker, we've sought constitutional advice from a number of sources. Also, I think we have available within the government a very high calibre of constitutional advice. So in drawing conclusions as to the course of action we'll take, we're certainly seeking the best possible advice to reach a decision which will be appropriate for the people of Alberta.

Career Counselling

DR. PAPROSKI: [Not recorded] . . . a question to the Minister of Advanced Education. Mr. Speaker, I wonder if the minister would indicate to the House whether the career development information section in his department has a defined policy; or is that policy still in the planning stage?

DR. HOHOL: For the information of the Assembly, the career counselling centres, as we put them together about two years ago, are in project or research type of consideration. We're evaluating those, and we'll make determinations for future modifications or approval of the present program as we have it at Lethbridge, for example.

DR. PAPROSKI: A supplementary, Mr. Speaker. I wonder if the minister would indicate whether he has information to indicate that there is duplication of activities regarding such career information and development in the Department of Education, the Department of Advanced Education and Manpower, and the school systems in the province.

DR. HOHOL: One could safely assume there would be some degree of duplication, not all of it necessarily bad. But to the extent that they are exactly the same, they are best avoided. It's a matter of working

together with the several departments of government, the school boards, and other agencies in addition to these that deliver a service to young people in particular. I presume the question is in context.

DR. PAPROSKI: A supplementary, Mr. Speaker. I wonder if the minister would indicate to the House if the career information available from the Department of Advanced Education and Manpower is in fact available to elementary, junior, and senior high school students at this time.

DR. HOHOL: Yes, Mr. Speaker, my information on this matter is that the manpower division of the department is really trying to get the most complete information with respect to careers and occupations in the long term in Alberta, and somewhat in Canada, so that when young people, school councillors, parents, and other people assist each other to make determinations with respect to life choices in careers and occupations, they do so with the full knowledge of the circumstances that relate to and impinge on that particular career.

DR. PAPROSKI: A supplementary. I'm pleased to hear that the minister realizes this is a very important item. I wonder if the minister would indicate to the House. . .

MR. SPEAKER: Might this be the last supplementary. We've run slightly over our time.

DR. PAPROSKI: Is this the last supplementary, Mr. Speaker? Thank you.

I wonder if the minister is aware that the Department of Advanced Education and Manpower is providing information regarding careers to elementary and junior high school students which is above their heads, or is in a form that is not intended to be assimilated or understood by elementary, junior, and senior high school students.

DR. HOHOL: That of course is a value judgment. To the extent that the hon. member is accurate, we'll certainly do everything we can to make sure that he and everybody else can read the information we put out.

ORDERS OF THE DAY

head: WRITTEN QUESTIONS

MR. FOSTER: Mr. Speaker, I move that the questions on the Order Paper stand and retain their place on the Order Paper.

[Motion carried]

head: MOTIONS FOR RETURNS

MR. FOSTER: Mr. Speaker, I move that Motion for Return 130 stand and retain its place on the Order Paper.

[Motion carried]

166. Mr. Taylor proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
The number of persons in Alberta who were tested for the Category 5 driver's licence during the year ended March 31, 1976, who were (a) successful, (b) unsuccessful.

MR. FARRAN: Mr. Speaker, I'd like to move a small amendment to Motion 166. Because the department has only been keeping these sorts of records since November of last year, I'd like to move the motion be amended as follows: strike out the words "the year ended" and insert therefor "the period from November 1, 1975, to". So it will read, "during the period from November 1, 1975, to March 31, 1976".

[Motion carried]

167. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
All travelling expenses incurred by Brian Elliott and Marcel Arcand on behalf of the Department of Social Services and Community Health for the months of December 1975, January 1976, and February 1976 including the following information:
(1) the origin and destination of each trip,
(2) the person or persons met by Mr. Elliott and/or Mr. Arcand with respect to government business on each trip,
(3) the purpose of each meeting mentioned in (2) and,
(4) the cost of each trip.

[Motion carried]

168. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
(1) the name of each legal firm engaged by the Agricultural Development Corporation during the fiscal year 1975-76, including the name of the specific lawyer or lawyers dealt with in each firm;
(2) the nature of the service supplied by each legal firm referred to in (1), including the amount of the fee charged for each such service.

[Motion carried]

169. Dr. Buck proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
(1) subject to the concurrence of the Northern Alberta Regional Appaloosa Horse Club, copies of all application forms, contracts, and correspondence which passed between the Department of Culture, Youth and Recreation and the club in respect of the grant made to the club, as documented in Sessional Paper 112/75;

- (2) the appropriation number from which the grant was paid.

[Motion carried]

170. Mr. Taylor proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:

- (1) the cost of the advertisement on page 82 of the *Edmonton Journal* on March 31, 1976, dealing with rent control;
- (2) the cost per column inch of this advertisement;
- (3) (a) what government agency, if any, is responsible for the preparation of advertising for the Rent Regulation Appeal Board;
- (b) what advertising or public relations firms, if any, assisted with the preparation of this advertisement;
- (c) what monthly contract fee was paid or is payable to another government department or any independent firms, referred to in (a) or (b) above, for the month during which this advertisement was prepared;
- (d) what additional creative, production, or preparation charges, if any, were paid or are payable in respect of the preparation of this advertisement or for the total series of four advertisements which included this advertisement.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

1. Mr. Chambers proposed the following motion to the Assembly:
Be it resolved that
 - (a) the provincial government give consideration to further encouraging co-operative housing programs whereby affordable housing can be built by prospective home-owners, organized as building or continuing co-operatives;
 - (b) the provincial government increase its efforts in regard to innovative housing with the intent of making housing affordable by low- and middle-income families;
 - (c) the provincial government consider ways and means of using heritage savings trust funds for developing experimental housing designs and programs.

MR. CHAMBERS: Mr. Speaker, in moving this resolution on the Order Paper, I would say that my reason for the timing is the emphasis the government is obviously placing on housing this year. When we look at the total housing budget of approximately \$374 million, including \$242 million to be loaned by AHC, I think it's obvious that housing is presently the government's top priority.

When you look at the variety of programs covered, including the \$24 million for land assembly, \$30 million for public housing, \$75.6 million for the starter home program, \$50 million for the core housing program, \$5.5 million for mobile park devel-

opment, \$2.8 [million] for handicapped housing, \$39.8 [million] for senior citizens' housing, to name but some of them, members might think this field was adequately covered and therefore question the point of my resolution. However, despite all these programs some persons, especially young persons and persons of low income, will still be unable to take advantage of the existing programs.

With regard to expectations, the argument might be made that perhaps young people expect too much today, that maybe they should wait till they can afford to buy, as I'm sure many of us did. I suppose that in some ways that isn't too bad an argument. I know my wife and I rented a basement suite and apartments for many years before we could afford to build a house.

Nevertheless, despite the righteous indignation of a certain alderman, I think probably there isn't too much wrong with good basement suites. Properly inspected, adequate basement suites could provide a fairly instant sort of answer to a significant housing supply problem today. These, of course, not only offer the advantages of low-cost accommodation which would permit the young couple to save more and therefore perhaps buy a home sooner, but could also probably help the house-owner in paying for his investment.

When you get back to the subject of expectations, I think we'd all agree that all our expectations, not just the expectations of young people, have increased dramatically over recent years. You only have to look at what's called "minimal housing" today: 1,200 square feet, usually with fireplace and expanses of carpet, beautifully decorated; and compare that to the houses of perhaps 15 or 20 years ago: often 800 square feet, many only partially completed. For example, in storey-and-a-half homes, the upper half might not be finished, and certainly basements weren't — but generally not painted inside. The home-owner usually did that at some subsequent time, when he had the money. Nevertheless, these houses did their job. A lot of families were happily raised in them, and I suggest to you that the majority of these homes are still doing a good job for people today.

However, in my view there is another problem. While I'm optimistic that we will catch up on housing supply within the next couple of years, I'm not quite so optimistic about rental accommodation. I think the capital cost allowance will encourage investment as long as the builder doesn't lose money. But a tax break doesn't help much when the entire venture might be operating at a loss. I suspect that rents would possibly have to rise too much in order to make this kind of investment as popular as it once was. Therefore, maybe rental accommodation will not provide our young people with the most practical housing alternative during the next few years.

Co-operative housing, however, can provide accommodation to people who have little or no down payments and who are on low incomes. As members know, the concept of co-operatives is very old. In researching the subject, I found it interesting that the first co-operative on record was called the Fenwick Society of Weavers. It was formed in Scotland in 1761. After that, a number of small co-ops sprang up across Europe. Apparently the first large co-operative was also formed by weavers, in Lancashire, England,

in 1844. Twenty-eight of them each put in \$5, and they opened a small co-op food store. It's interesting — or I thought it was — that today the same co-op has 44,000 members and does an annual business of over \$3.25 million.

Housing co-ops, however, have been slow to develop, especially in Canada. They apparently began in this country in Cape Breton Island and developed in Nova Scotia in the 1920s. The only reason I can see that they developed there and not elsewhere was possibly that St. Francis Xavier University offered extension courses in this field and effectively taught people how to go about setting up co-operatives, especially in the area of housing.

The co-op movements, of course, are well known across the west and in Alberta, although not in the housing area. For example, the first co-op in Alberta was a store in Lacombe in 1899. I think the advantage of co-operatives, certainly in the field of merchandising, is well known and well accepted.

There are basically two types of housing co-operatives. I'm sure a lot of members are familiar with them, but for the benefit of those who might not be, they're quite clearly different. There are the so-called building co-operatives and the ongoing or continuing co-operatives.

The concept of continuing co-operatives is relatively new in this country; the first project occurred in Winnipeg in 1964. Since then, the number has grown steadily. Continuing co-ops are a form of housing in which the members jointly own the housing and occupy units under a rental agreement. This actually is close to being a form of rental housing, except that the tenants are also the landlords.

These often, or commonly, comprise row or town houses or apartment development rather than single-family units. They normally have at least 50 units. I believe the one in Edmonton, called Keegano, has 50 units. One, also for 50, is proposed for Riverdale. Two more are proposed for the city of Edmonton. I'm not familiar with the one in Calgary, but I know there is a very large one there, Sarcee Meadows, which I understand has 350 units. That may well be the largest in the country, but I'm not sure.

Membership in a continuing co-op is based on the open membership principle and is available to anyone who prefers to undertake the co-operative approach. It's open to all income levels and to all segments of society. Again, in a way it can be described as a type of rental accommodation in which a tenant has the security of tenure, and his rent should be at cost. However, I have found that members often join on the basis of paying rent adjusted to income. So in effect the high income earners living in the co-op may be subsidizing the lower middle income earners. However, as incomes rise, there is often provision for adjusting the tenant's rent accordingly.

Most of the continuing co-ops are the so-called par value type, where there is no recognized increase in property value due to inflation, speculation, or mortgage contribution. If a member withdraws, he often only takes out his original capital contribution. I think this par value type is the most compatible with the co-operative ideal, as well as being the most simple to administer. It's socially motivated housing, designed for use and not for speculation.

The entire membership controls and operates the

project in a democratic way: one member, one vote, regardless of his or her investment in the project, because often these contain units of varying sizes and therefore basic cost. The member is part of the collective ownership of the co-op which manages the project. However, he's also a tenant and must live by the rules of occupancy. Experience has shown that this double role has a beneficial effect, because decisions are made from the standpoint of both the tenant and the landlord and therefore generally work out in a fair way.

As far as I know, all continuing co-ops are funded by Central Mortgage and Housing, which will also provide \$10,000 for start-up expenses in order to get the group organized and to the point where it can apply for a mortgage. Co-operatives are eligible for mortgages up to 100 per cent at 8 per cent interest today and for up to a 50-year period. The land is normally leased from the city or municipality. Co-ops are eligible for a 10 per cent capital grant which can be applied against the mortgage. This means that the group generally pays back only 90 per cent of the total original mortgage.

Under a continuing co-op, the co-op as a whole obtains the mortgage, not the individual member. The point of that, therefore, is that each member doesn't have to qualify. As I mentioned before, this enables the accommodation of a variety of incomes so the monthly payments may be scaled. I think the last I heard, the monthly payments in Keegano ranged anywhere from \$22 to \$236 a month. The maximum cost allowance by CMHC for continuing non-profit co-ops is \$40,000 per unit, which includes the building and the land. From the people I've talked to, I understand that so far this ceiling is adequate.

Mr. Speaker, it's my view that these co-operatives should be heartily encouraged by our government. I think they offer a much preferable alternative to public housing, really at little or no public expense. Furthermore, they combine low-cost accommodation with pride of ownership. Although funding is entirely available through CMHC, I think the provincial government can help by encouraging the cities to dedicate to co-operative housing a portion of the land turned over to them by AHC. I also think we could endeavor, through advertising, to make sure the public is aware of this type of housing approach and thereby encourage co-operative housing in every way possible.

Mr. Speaker, building co-operatives offer quite a different approach to co-operative housing. These usually involve a short-term co-op during the construction of the houses, after which each member takes over the ownership of his house, and the co-operative is dissolved. These usually consist of some five to 15 members who are willing and able to do a considerable amount of the construction work themselves — the so-called sweat equity principle. During 1975 two such co-operatives in Edmonton built 11 houses, all in the Mill Woods area.

Incidentally, a requirement to obtain financing is that members must take an evening building construction course — in Edmonton, that's at NAIT — or have recognized equivalent knowledge. Four building co-ops involving 14 houses are presently under way in Mill Woods. I understand 70 students, who will graduate in May, are presently taking the NAIT course. They will build 54 houses in Mill Woods this

summer. A further 70 students will be taking the NAIT course starting in August, and will begin another 86 houses. It's expected this year a total of 140 houses will be built through the building co-ops, which I think is a fairly substantial number.

CMHC financing in this area is no longer adequate, so in Alberta this field has been entirely taken over, as far as I can find out, by AHC, which provides mortgages of up to \$42,000. The co-op member must put up a 5 per cent down payment. For a \$40,000 mortgage, his down payment would be \$2,000. Mortgage terms are up to 40 years. These mortgages are available either through the direct lending group program, or through SHOP. Sweat equity is put into the construction of these houses, and can reduce the size of the mortgages and therefore the monthly payments of the member.

Incidentally, I'd like to commend the city of Edmonton for making the 140 lots in Mill Woods available this year at realistic prices. I understand these lots are going for between \$13,000 and \$16,000, which may well be one-half the going price in the private sector. I suspect they're not being sold at a loss either.

Mr. Speaker, what we're looking at here is good-quality, affordable housing available to those who are willing — and I'm talking about building co-ops again — to sacrifice evenings and weekends for a few months. To me, this approach is very compatible with the best of free-enterprise ideals, and should be encouraged in every way possible by the government. Again, I'd like to suggest that AHC ensure that an adequate percentage of the land they turn over to the city is earmarked for the building co-operatives. As in the case of continuing co-operatives, I think the government should advertise these programs to ensure that the general public is fully aware of them.

Mr. Speaker, the final point in my resolution concerns investment in innovative housing. It's probably bordering on a cliché to say that if we built cars the way we build houses, they'd probably cost many times what they do now. Nevertheless, I think it's true. Only through volume production and assembly line methods are automobiles sold at the price they actually are. Alberta has always been a pioneer in innovative housing. I guess you could go back to the natives' buffalo-hide teepees, the trappers' log cabins, the sod huts the first settlers built out here, and wood-frame construction, which of course is almost universally used here today. So I think housing in Alberta has been innovative, and adapted to the climate, the time, and the conditions.

I think the expansion of the trailer industry in Alberta into the portable home concept is a truly Albertan innovation. Alberta companies have literally pioneered in this field in providing industrial camps for worldwide distribution. For example, the Syncrude camp at Mildred Lake, which houses more than 4,000 persons — with a considerable degree of comfort, I might add — is all factory-built mobile homes.

This concept has been expanded into side-by-side units, as they're called, and modular built-together housing units. These can provide a house of up to 1,300 square feet almost overnight. They're factory-built, and may be — especially the trailer-type side-by-sides — completely furnished if the purchaser wishes. I've seen a number of these homes in oil

field towns. They are attractive and comfortable forms of housing. They're often put on full basements. I think one would be hard pressed to tell them from a conventional house. Yet they can be installed for appreciably less money.

As far as I know, the side-by-sides are actually built according to trailer standards; in other words, lightweight two-by-two framing and so forth. They probably offer an advantage in terms of weight and portability for moving over distances. The modular units employ essentially standard-sized components: the studs, joists, roof trusses, et cetera. When erected, they're very similar to a conventionally constructed frame house. They can be moved onto a full basement, a concrete pad, or foundation. Again, they normally come in two sections, as do the trailer-type side-by-sides. They're bolted together, the seams are plastered over, then they're painted. There's a variety of floor plans and sizes. Exterior trim is offered with these packages, so you can have several on a street and they can look somewhat different.

I think this concept could be expanded into a variety of modules which might be preassembled to create an even more varied type of housing. I think that area could be looked into.

One other area I meant to mention that members are aware of, of course, is the pre-cut type of houses offered by most of the lumber yards. They can appreciably lessen construction time, especially for someone who is doing the construction himself. I am aware that a friend of mine put one up on an acreage last summer. With the aid of one carpenter, he put it up in about three months. I think he calculated his total house cost was about half what it would have been had he contracted it from scratch. So I think a lot of different approaches could be used in this area.

With our climate, insulation should obviously be of major concern, especially to Alberta construction. Better forms of insulation have been and are being developed. For example, I know the spray-on types are often much more efficient, although they're considerably more expensive. Nevertheless, as the costs of energy go up, perhaps these more expensive types of insulation will come into their own. Again, there's probably room here for innovation and experimentation to come up with new and more efficient types of insulation. I think the whole area of heat loss and insulation needs much study, technological improvement, and development.

Mr. Speaker, while innovative housing concepts have in many instances been pioneered in Alberta, I still think we're only on the threshold. That's why I'm recommending that the government invest heritage savings moneys in a significant research effort to evolve experimental housing designs and programs. I wouldn't be at all surprised that a major technological breakthrough could be made in this area, which could dramatically reduce the cost of houses.

Incidentally, I'm aware of at least two companies in the city, and I know there are several across the province, that supply a modular type of home. A retail catalogue price I checked in Edmonton was \$20.50 a square foot. If you work that out for an 1,100 square foot house, and if you figure a lot at what I think should be a top price for an average lot, \$15,000, you work out \$20.50 a foot for the basic cost of the house, some money for site preparation and for moving, \$3,500 for a basement, I calculate

that to be \$44,000 for an 1,100 square foot house complete, I think what we're talking about here is getting back into the concept of affordable housing.

Mr. Speaker, in conclusion, I would again commend the government and the minister responsible for housing for their dramatic programs and the large [amount] of funds which the government has dedicated this year. I suggest that through, attacking the housing program in the broad area, using every practical approach, we can achieve an adequate housing supply probably within two years. I believe we will. The cost of land and houses will then come down. The law of supply and demand will prevail.

I am somewhat concerned about the kind of South Sea Bubble approach that was being sold to people over the last year or so, when some real estate people were saying, buy now, because prices are going up at the rate of \$1,000 a month. Actually, I suspect that the house prices, if anything, have levelled off now; and as supply catches up to demand, I wouldn't be surprised to see a significant drop in house prices. It's occurred before. If you recall, I think it was in the early 1960s, we had a glut on the market and houses often sat idle for months. I've seen attractive 1,200 square foot houses — and that would be only 10 or 12 years ago — available for somewhere in the order of \$14,000 to \$15,000, with about \$500 down payments. Right now in Florida, I understand, house prices have essentially collapsed and real estate and house prices are dropping appreciably.

I look at the price of raw land. If you figure \$5,000 an acre for raw land and five lots to the acre, you're talking about \$1,000 as the cost of a lot. Servicing, neighborhood extension, I understand, is in the order of \$150 to \$200 per frontage foot. So that would put servicing somewhere in the order of, say, about \$7,500 to \$10,000. So I still think it's possible to put good 50 foot lots on the market, taking into account modest profit, interest, carrying charges, and so forth, for about \$15,000. With co-operation between AHC and the municipalities, it should be possible to put enough of these lots on the market at realistic prices to provide affordable lots for all our citizens. If speculators should be left holding \$30,000 to \$50,000 lots which aren't really any better lots than are available for \$15,000 two years from now — well, too bad.

Mr. Speaker, I'm confident that with the priority this government has assigned to housing, we will once again achieve a complete range of affordable housing for Alberta citizens.

DR. PAPROSKI: Mr. Speaker, I wonder if I might ask a question?

MR. CHAMBERS: Certainly.

DR. PAPROSKI: Mr. Speaker, I wonder if the hon. member would indicate to the House whether the word "non-profit" is a misnomer, in that subsidization by taxpayers occurs [through] lower interest long-term loans, by way of grants, and by allowing only a 5 per cent down payment; and in fact the seller of the material also makes a profit?

The other question I would like to ask is: would the member indicate to the House whether the individual can in fact sell that house in the free market place and make a profit?

MR. CHAMBERS: In reply to your first question, Mr. Speaker, you know I think that any approach such as we're talking about which involves 50-year mortgages or 8 per cent mortgages is preferable to public housing.

I'm sorry, what was the second question?

DR. PAPROSKI: The second question is: can the individual sell the home in the free market place and make a profit?

MR. CHAMBERS: Right. In the case of the building co-operatives, of course, if there are seven people, say, in the co-op and they build seven houses, when the construction is completed the co-operative is dissolved. They own those houses the same as any other person owns a house and, of course, are free to sell them. Building or continuing co-operatives, no. The co-operative, as a whole, owns the development for eternity, presumably, and the individual has a tenancy there as long as he keeps his share.

DR. PAPROSKI: Mr. Speaker, just for clarification, because it's very important for the members to understand this. You're saying, then, that the building co-operatives will go ahead and get this low-interest, long-term loan, and have sweat equity built in and a 5 per cent down payment, finish the house, and then sell it in the free market place at any price available. Is that correct?

MR. CHAMBERS: Well, Mr. Speaker, if the hon. member will recall, I said that financing for building co-operatives is available in two ways, either through the direct lending program or through SHOP, as it is to anyone. Therefore, he should be as free to sell that house as anyone else.

MR. TESOLIN: Mr. Speaker, in rising to speak to this motion, I should like to draw members' attention away from the problems faced by house buyers in the major population centres and away from the spiralling costs of housing in Edmonton and Calgary. Rather I would call the attention of members to an area of this province where the cost of housing, the availability of affordable housing, is also a serious problem. I am, of course, referring to the northeast of this province.

In the past few weeks, we have heard members refer to the cost of new housing in our major urban centres. Some hon. members noted that the average house prices in Edmonton and Calgary have risen to \$57,700 and \$61,000 respectively. Mr. Speaker, the cost of a basic 1,000 square foot home in Fort McMurray today is likely to be \$70,000. We have heard hon. members refer to the cost of land in our major urban centres also. The basic cost of a serviced lot in Fort McMurray today is in the area of \$21,000 to \$22,000, and that barely represents the cost of servicing that lot.

Mr. Speaker, I'm not trying to play down the situation faced by Albertans in the major population centres today; rather, I am trying to draw members' attention to a problem we are facing in the town of Fort McMurray.

Mr. Speaker, the motion before us today calls on the government, among other things, to increase its efforts in regard to innovative housing with the intent

of making housing affordable by low- and middle-income families. Nowhere are innovative programs more needed than in Fort McMurray today. The current rate of growth in Fort McMurray is unique in Canada. Thompson, Manitoba, for instance, grew from 8,000 persons to 19,000 in a seven-year period. Grande Cache, here in Alberta: 4,200 persons in seven years. Kitimat, B.C., grew from 2,500 to 13,500 in 22 years.

Mr. Speaker, Fort McMurray will grow at a rate of 25 per cent per year over the next few years, virtually doubling its population by 1979, slightly more than three years from now. Growth of this magnitude represents an unprecedented challenge. By 1979, Mr. Speaker, the population of Fort McMurray will be in the area of 28,000 to 29,000 persons. It is projected that some 3,600 units of housing will have to be made available over the next few years and the vast majority of these by the end of next year, that is by December of '77.

In my remarks on the Speech from the Throne, I congratulated the Minister of Housing and Public Works, the hon. Mr. Yurko, and his department for their efforts over the past year in Fort McMurray. The challenge that lies before the minister and his department is formidable. Innovation, I suspect, will be the key word. Conventional solutions will, I suspect, be thwarted by the sheer magnitude of the situation. Co-ordination of all parties concerned will be crucial. Mr. Speaker, a delay, however brief, in bringing these units on stream would create a serious situation. Yet the simple provision of units will not be the only challenge. Affordability will be a key as well.

I have already given members some idea of the situation as it is now. I am not talking now of those people who will be working for GCOS or Syncrude or other of the major economic interests in the town. Their employees are dealt with, by and large, through some sort of assistance scheme, through companies attached to the industries. Rather, I am talking of the 25 per cent or so who will be in the private service sector: the grocery store clerks, the gas station mechanics, and so on, whose employers will not be able to help them out. Housing at moderate cost must be available to these persons, or else we will be in a serious situation in Fort McMurray. Mr. Speaker, all hon. members must recognize that second or third generation moderate-cost housing does not exist in Fort McMurray. In a sense, new residents have no choice. New accommodation is the only option.

Yet, Mr. Speaker, Fort McMurray is not the only area in my constituency, in our northeast, where increased efforts in regard to innovative housing affordable by low- and middle-income families would be welcome. We have isolated communities — Fort Chip, Anzac, Fort MacKay, and so on — where housing remains a real problem. Programs such as the rural and native program, Metis housing programs, and so forth have had a significant impact. In '75, the rural and native program saw 12 units started; the Metis program, 54. Projections show a dramatic increase in starts in '76, especially in the rural and native program. These increases are welcomed and much needed.

What we are talking about here is not so much affordable new units for an increased population. Rather, we are talking of the provision of basic,

decent housing in our isolated, remote northern communities. We are speaking of increasing the basic housing standards in these areas.

Mr. Speaker, the innovative programs of the Alberta Housing Corporation, especially the greatly expanded rural and native program, point the way towards a solution of the situation in the northeast today. They should be commended, but at the same time urged on, as much remains to be done.

Mr. Speaker, members of the House must recognize that basic amenities are largely absent in many of our remote northern settlements. In Fort Chip, for example, 80 per cent of housing units have no indoor toilet facilities, no running water. In Anzac the situation is much the same. In fact, a similar situation is to be found across the northeast, save where current Alberta Housing programs have had some impact in recent years.

Mr. Speaker, as can be seen, much remains to be done in terms of basic, decent shelter for these remote, isolated communities. The rural and native, and Metis housing programs have had an impact. The rural and native program has been greatly expanded. Yet, there remains a great challenge.

In the Lac La Biche region, we find little information on future requirements, few assessment studies on the quality of Metis housing off colonies and housing within the town. Clearly, such an assessment is needed. Needs must be identified before program requirements can be assessed. In the town of Lac La Biche there is a lack of housing units and, indeed, serviced lots. Here too, as in McMurray, though on a much lesser scale, supply of housing, affordable housing, is becoming a problem. An increased effort must be made in regard to innovative solutions to the problems of housing affordable by the low- and middle-income families.

Mr. Speaker, the extent of the confusion regarding the implications of past experience with conventional public housing is reflected in academic and other writings. The reasons offered for the inadequacy of the conventional public housing program are as varied as the interests of the authors. The evidence and arguments used to provide support for or opposition to public housing are rarely sufficient for making or criticizing policies. The most common weakness in such discussions is the surprising absence of detailed information about specific public developments, the tendency to rely overwhelmingly on aggregate data. While data relating to the whole nation or to a number of large metropolitan areas are useful for locating problem areas and suggesting their magnitudes, they are of little use for solving the problems. Unless the patterns of relations justified by the aggregate data can be assumed to hold for the local area, they cannot be applied. No matter how sophisticated the techniques employed to test the pattern against the aggregate data, the assumption of isomorphism between the aggregate and particular subsets of the aggregate is extremely dangerous where human affairs are concerned.

All this suggests very strongly, Mr. Speaker, the need to attend to particular cases, beginning with a clear statement of the operation of the program in a well-defined site. The enterprise has great human significance. Public housing has a high potential impact on a segment of the population that is peculiarly vulnerable to the capriciousness of the open

market, especially dependent upon support and assistance by public authority. The impact of the housing programs on the population to which they are directed has differed greatly from region to region and person to person.

Mr. Speaker, new, innovative solutions are to be sought; existing successful programs expanded where possible. As has been noted in the Speech from the Throne and Budget Address, housing must be one of our highest priorities. New solutions must be sought. Affordable housing for our low- and middle-income earners must be a key goal for the future. Basic shelter must be available to all Albertans.

Mr. Speaker, nowhere is this more evident than in our north, where supply, costs of servicing, and the costs of construction are all areas of very serious concern.

MR. NOTLEY: A few comments on Resolution No. 1 on the Order Paper. I find myself in the unusual position of having to agree with the hon. Member for Edmonton Calder — something which I don't usually do when it comes to petroleum policy. But I must say, Mr. Speaker, that the resolution he has advanced today has a good deal of merit.

I want to deal somewhat with the question of co-operative housing a little later on. But dealing with clause (c) of the resolution:

- (c) the provincial government consider ways and means of using heritage savings trust funds for developing experimental housing designs and programs.

I don't think there's any question, Mr. Speaker, that this is indeed a reasonable request, and the type of expenditure of funds from the heritage trust fund which, in a sense, can be classified as an expenditure but really represents an investment, an investment dealing with housing in the future.

I would, however, differ from the Member for Edmonton Calder in looking at the outlook for housing in Alberta. The member suggested that we might in fact see a substantial drop in housing prices. That may occur. However, if one looks at the technical report on urban housing prepared by the Land Use Forum, the projection is that there will be a substantial increase in housing costs. I hope, frankly, that doesn't take place. Because there's no doubt that if housing costs even increase at a more moderate level than we've seen in the last four or five months, but the rather more moderate level projected in the technical report of the Land Use Forum, we're simply going to price housing out of the range of the vast majority of our people.

Mr. Speaker, turning to the question of co-op housing itself, I would refer members to page 739 of *Hansard*, where the hon. Minister of Housing and Public Works dealt with a question I had raised dealing with Section 44(1)(b). This is the section which authorizes provincial-federal agreement on subsidies for low-income people in non-profit housing.

Now, the minister, in his response, said that there really is no particular problem that we haven't signed this portion of the agreement, because all the money available is being used under public housing at the present time. That's true. But it seems to me, Mr. Speaker, that if we're going to get co-op housing off

the ground, the sooner the province signs 44(1)(b), so that part of this money can be made available for non-profit housing, whether it be co-op housing or what have you, the more incentive there is to undertake co-operative housing ventures in the province.

Now, Mr. Speaker, there are certainly advantages of co-op housing. It seems to me that it does provide an alternative to the single-member dwelling for that matter, and public housing on the other hand. Unlike the Member for Edmonton Calder, I see an important need for public housing in this province. But no housing program can just be one-sided. We have to have a mix. Clearly, in developing a mix of what you might call social housing, there is a very important role and an ever-increasing role, in my judgment anyway, for co-operative housing.

One of the advantages of co-operative housing, Mr. Speaker, is that it does provide security of tenure, similar in a sense to ownership, but at a much lower cost to the individual. Still another advantage, when one talks to the various people who have been working on organizing co-ops, whether it's the Keegano co-op in Mill Woods or the Sundance co-op, which is now in the process of being organized, is that it involves the people, as co-op members, in the designing of their own project. It provides a sense of involvement which, in my view, Mr. Speaker, is one of the more important aspects of co-op housing, not just a case of moving into a large public housing project that somebody else has designed. You have a sense of participation if you are in the instigation and the planning of an ongoing co-op housing project.

I think still another advantage of co-op housing, Mr. Speaker, is that it does provide a good way of increasing the density of housing. Obviously we're going to have to do that in many areas in our larger urban centres across North America, if we're going to stop the constant march of urban housing and sprawl over some of our best agricultural land. But at the same time as increasing the density of housing, it's done in an imaginative way with people participating in the process. Clearly, Mr. Speaker, one of the advantages, too, of co-op housing, as the Member for Edmonton Calder pointed out, is that it means substantially lower down payments. We're looking at a down payment of perhaps \$2,000 or 5 per cent, as opposed to some of the down payments necessary today to own a single-family dwelling.

Now, Mr. Speaker, as has already been outlined, there is a difference between the building co-op which dissolves once the buildings are completed and the ongoing co-op which is set up on the basis of co-operative principles. Those people who choose to live in ongoing co-ops really forego their right to become amateur speculators. Quite frankly, Mr. Speaker, that is consistent with the co-operative principle. Co-ops are not set up to facilitate speculation. So I have no difficulty with the proposition that if a person takes out a membership in an ongoing co-op and five or six years later wishes move, he gets back his initial investment, but he does not, in fact, have the opportunity of gaining a windfall, if one does exist, depending on the housing market at that particular time.

The purpose of the co-op is not only to provide for those people living in the co-op at a given particular time, but also to make it possible for people down the

road to enter at a reasonable cost.

Now, Mr. Speaker, there are several problems facing co-ops which, in my view, are important. The toughest one appears to be getting land. For volunteer people, assembling land in the first place is particularly difficult. As we all know, the cost of land is a very serious problem. At present this is up to the municipality involved. B.C. has a program that offers land leased to co-ops at 4 per cent of the market value per year. Edmonton, at this stage of the game, seems to be offering land at approximately 8 per cent per year. The question of the subsidies for low-income people, which I've already referred to, is one of the reasons I would recommend that the government move quickly to conclude an agreement under Section 44(1)(b) of the National Housing Act.

In general summary, then, Mr. Speaker, public housing is an area that does merit substantial encouragement by this government and by Albertans who find this particular approach an alternative to the private ownership of a house on the one hand or public housing on the other. The resolution we have before us is comprehensive, inasmuch as it deals with the co-op housing issue. It goes beyond that to look at the broader question of experimental designs and programs, and better use of our housing expertise in the future. Again, that seems to me to be a reasonable proposition.

Mr. Speaker, as I said when I rose to begin my remarks, it's not very often that I support resolutions proposed by backbenchers, but I think this one has a lot of merit and, indeed, merits the support of members in the House.

MR. TAYLOR: Mr. Speaker, I will not delay the House very long, but I do want to say a word or two on the resolution, which I certainly support.

In my precessional public meetings, both this year and previously, where the Alberta heritage trust fund was considered, a multitude of suggestions on how to use that fund were made by the people. These ranged very, very widely. Some were innovative; some were imaginative; and some were simply routine, such as using the money to offset routine expenditures of the present day, which is done through general revenue.

However, the matter of using Alberta heritage trust funds as an investment in housing was made at almost every meeting throughout the constituency. It's not too difficult to understand why, because food, clothing, and shelter are the basic requirements of man. Shelter is a very important item in our climate, even more so than in some other climates of the world.

One of the points raised is the fact that many people today are paying enough rent every month to buy a house. But this goes as straight rent, month after month, year after year. As one lady with several children told me, if we could get a house and then continue to pay the rent we're paying now, we could well afford to own a house. But the big problem with the vast majority of our low- and middle-income people is this matter of the down payment. They just can't seem to get enough money to make the down payment. If they could make the down payment, then what they're paying today for rent could more than look after the monthly instalments of many of the programs we have in Alberta today.

But how do you get around this matter of the down payment? When you come to a working family with a number of children, or even with one or two children, with the present cost of living today, the pay cheque is gone almost the minute it gets in the back door. Sometimes it's gone even before it gets back to the house. Inflation has hit everyone, the rich and the poor, but certainly inflation has hurt the workingman far more than anyone else.

This is one reason I find it difficult to understand the official views of labor in this province and elsewhere when they oppose programs aimed at reducing the inflationary effects in this country. When I listened to some of the people outside the Legislature a few weeks ago and even heard the comments of some of the members out there, I couldn't help but wonder who's kidding whom. When we lead working people to think there is no purpose in trying to control inflation, we're trying to kid the troops. Inflation hurts the workingman more than it hurts anybody else. He's the one who can least afford to have his dollar eroded. He needs every cent of that dollar, and having a 62 cent dollar today is hurting him far more than it's hurting those on good salaries or those who are in the upper income brackets. So I think we have to remember that the inflationary effect should be controlled. But it still brings us back to that question, where do we get the money for the down payment? This is an important item.

I'm not sure it wouldn't be wise to help with the down payment in genuine cases where a family has shown they are able to pay the rent month after month after month and sometimes year after year after year, and where they can show also that they haven't squandered their money, but they've had to be frugal in order to make both ends meet and to stay out of debt, to meet their monthly rental payments. I believe there is a place to help people help themselves. I think there is a place to help people with their down payment to a greater degree than we're doing today.

Now, I realize with some people there's a danger in a program like that. If you provided the entire down payment, who would refuse? What incentive would there be to try to make the total payment and get the title of the house? There would be less incentive than there is today. To hold the down payment to the least amount you can provide today in our housing programs — many of which are excellent — and federal housing programs — many of which are excellent — is simply holding out to the working people a carrot that they can't grasp because they haven't got the down payment. They have no way of getting it without borrowing it in some way, shape, or form. If they're able to borrow it from a bank, the interest rate is way beyond their means and then they're stuck with another debt. Another debt added to the one they have makes it the straw that breaks the camel's back.

Really, in supporting this resolution, I'm pleading with the hon. Minister of Housing and Public Works to take a second look at this matter of the down payment. I believe something can be done in that field. If we could just get to the place where the down payment could be reduced or given assistance under a reasonable government program, then the people could continue to pay the rent they're paying

today. There would be the incentive that by continuing to do that, they could get title to the home. That's a very important item.

I'm simply reflecting the wishes of many, many people in the Drumheller constituency — and I think province-wide — who would like to own their own home. But the one big obstacle is not the monthly instalment, not the monthly payment. The big obstacle is that down payment they're faced with today. If we can tackle that problem, many of our working people can get on the way towards owning their own home. This brings tremendous satisfaction. In our way of life, one of the important things is to have title to your own home and to your own property.

I'm not going to deal with the matter of land and serviced land. It's amazing when you look, even in the city of Edmonton, and see the number of serviced lots that are vacant. Sometimes I wonder why the city administration — instead of going way beyond, where there are going to be tremendous costs of producing services — isn't doing something towards having homes built on the large number of lots. I don't know how many, but a large number of serviced lots throughout this city are vacant. If the homes were built on those lots, every one of those would mean another home to reduce the shortage that we have today.

I support the resolution. I believe it should go a bit further in regard to the heritage savings trust funds, because I think some investment in homes for the present generation — particularly those with young children — is an investment for the future, an investment that will pay dividends as those children get older and eventually become mature citizens. It is an investment in the future. I believe a good argument could be provided to show why it would be wise to invest to the greatest possible degree in houses for our people with some of the money in the Alberta savings trust fund.

MR. DIACHUK: Mr. Speaker, I realize just a few minutes are left in this. I'd like to make a few comments and possibly adjourn the debate. First, I want to congratulate my colleague from Edmonton Calder on bringing forward this resolution. I'm pleased with the terminology he used in section (a): "whereby affordable housing can be built by prospective home-owners". To me, that is a key part of his resolution, meaning that we are looking at people owning their own home rather than at public housing, as is so often whipped around this province.

I still believe that Albertans in general like to own their own residence, whether it be part of a large complex or an independent home on a separate parcel of land. He covered co-operative housing very well in his presentation. I always refer to and consider a co-op as a group of people who are free enterprisers who get together and do something for themselves. They don't depend on somebody else to do it for them. Sometimes there's a bit of a misleading thought or a belief that a co-operative is not free enterprise. In my opinion, a co-op is a movement of free enterprisers doing something together.

I want to indicate that there are areas where we could be looking at new initiatives, new ideas, new approaches to housing. The mover made his points well. He indicated that through the experimental

approach, new designs and new installations can be brought out to possibly cut down the cost of housing.

I often think that some of our pioneers did, in their innovative way. I think of the pioneers who came from the Ukraine and brought an innovative approach. Many people wondered what it was. But it did serve well. These were the straw thatched roofs, a renewable resource. We have a lot of straw. Some farmers have to burn it off. History may repeat itself. There were times in this province when these straw thatched roofs were taken off and fed to the cattle before the snow melted. They served two purposes; they sheltered the home in the wintertime and fed the cattle in the spring.

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

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

HON. MEMBERS: Agreed.

head: **PUBLIC BILLS AND ORDERS**
OTHER THAN GOVERNMENT ORDERS
(Second Reading)

Bill No. 205
An Act to Amend the Alberta Government
Telephones Act

MR. TAYLOR: Mr. Speaker, I have great pleasure in moving Bill 205, An Act to Amend the Alberta Government Telephones Act. First of all, I would like to outline generally what the bill is designed to do. The purpose of the bill is to discourage unsolicited telephone calls during a person's free time. It makes it an offence for people to make unsolicited telephone calls before 9 a.m. and after 5 p.m. any day, and at any time during Sundays and holidays. The penalty for doing so is fines up to \$100 or imprisonment for up to six months. Section 31 of the Alberta Government Telephones Act, which is being amended, reads:

A person who uses profane, obscene or abusive language while talking on a telephone or over a telecommunication wire- or by [any] other means interferes with the use or enjoyment of the system is guilty of an offence and liable on summary conviction to a fine of not more than \$100 or to imprisonment for not more than six months.

This bill would keep that section in the act as (1) and would put another section in as (2), which would make an unsolicited telephone call for the purpose of selling a good or service before 9 a.m. and after 5 p.m. on any day, or at any time on Sunday or a public holiday, an offence.

Mr. Speaker, the first point that comes to mind is, how would the section be enforced if it was put into law? My answer to that is, how is the present section of the bill being enforced? It's difficult to catch a person who uses profane, obscene, or abusive language in such a way that you can place a charge against him in a court. There's generally no witness to a telephone communication where profane, obscene, or abusive language is used. But the police

have ways of enforcing this section, and while the enforcement is difficult, and I'm the first one to recognize that, it is not impossible. The very fact that there is a section in The Alberta Government Telephones Act that makes it an offence to use profane, obscene, or abusive language deters many people from doing that very thing, because they know that it is an offence and that they could be fined or jailed for so doing.

I think the same thing would apply to the section included in this amendment. Many, many people will stop making unsolicited telephone calls simply because there is a section in the law that makes it an offence to do so, and if they continue, there's a number of avenues of enforcement. A charge can be laid by the person who receives the call, if he's able to secure that person's name, address, company, et cetera. Many times this information is given. Many times it isn't, but many times it is. If it's a continuous thing, the would-be customer may use a device of keeping the person on the phone while somebody else goes to the other end of the phone and makes the arrest or makes the charge for hearing in a proper court of law.

There's a number of ways of enforcing it, and I don't think the enforcement is impossible, though difficult. Again, I really believe that the fact that it will be on the law books will be the best deterrent to people who do this type of thing.

Now, how extensive are these unsolicited telephone calls on your own free time? I believe the question from many people is: why did you just put it on free time? Why didn't you make it 24 hours a day and go the whole way, make it an offence for people to make unsolicited phone calls?

I think that suggestion has some merit, but I would like to start — after considering the matter very carefully and the number of requests that came to me in regard to this bill, I came to the conclusion that it would be better to walk before you run, and that we should start with doing this in the person's free time. I find it far more annoying when I sit down to dinner to have the phone suddenly ring and somebody is trying to sell me a cemetery plot. It doesn't spoil my dinner, except my dinner does get cold. I don't what a married man would do, because he'd probably get not only a cold dinner but some directives as well, according to the books that I read. But however that may go, it is annoying to have a phone call.

Another time I find this type of phone call very annoying is when I'm shaving in the morning at 7:30 and somebody phones up and wants to sell me a light bulb. I don't need a light at that particular time, and I'm in no mood to start buying light bulbs over the telephone. I find this very annoying.

I've had people phone me and want to sell me cards, magazines. One sweet young voice on the phone wanted to give me dancing lessons. I admit that I can stand some dancing lessons. She might have some sore feet when she got through teaching me, but it might be fun. But the time she phoned me, I was in no mood for dancing lessons, and I had to tell her so. I didn't even try to get her phone number for later on.

So the point I'm trying to make is that these phone calls come at the most inopportune time, when you're not wanting telephone calls and you're not wanting to deal with this type of thing.

A number of people have written to me, and I'm going to deal with one or two points from their letters, just to show that I'm not the only one who gets these telephone calls. I imagine all hon. members of the House get them. One letter, which came from Calgary, said:

Re: Curbing unsolicited telephone calls of certain companies that keep harassing the public. I'm expressing my support for this bill. Keep up the pressure wherever it is necessary so that eventually people who use the telephone for soliciting will be required to operate under some kind of guidelines.

I'm suggesting one guideline is that they don't phone before 9 in the morning and that they don't phone when you're having dinner at night or when you're listening to your favorite program or carrying out one of your hobbies in the evening.

This will not close the door completely. They can still phone during the business day. Maybe many people object to that, too, but at least you're there for the purpose of having phone calls during those hours, and I don't find that nearly as obnoxious as phone calls before 9 a.m. and after 5 p.m., or on Sundays or holidays.

Another letter, which also came from Calgary, said:

This is one of the most important bills of the session.

I'm ad-libbing now. I can't agree with that particularly, but in his mind it was one of the more important bills of the session. He goes on to say:

If the government really believes in the right of privacy for the individual, this bill should be passed.

A man kept a record of the time he had lost in answering this type of phone call. Sometimes I wish I had done that. He put a figure on his time of \$10 an hour and wanted to figure out just how much this was costing him, and then to indicate that if it's costing the other people even half as much over a month's time, it's taking people away from their business, wasting time, and wasting money.

I'm going to outline two or three of the instances this gentleman outlines for me, and how much these unsolicited phone calls cost him. I read the first case that was brought to my attention:

To dealing with telephone solicitation, and this happened on January 11, 1974, 11:15 a.m. in the morning. The person phoning asked for the woman of the house, identifying herself as a staffer of customer services for Eaton's. She tried to persuade me to take an Eaton's account card, which is simply a credit card. She admitted the card would remain the property of Eaton's, but that I would have custody of it. However, in my custody, if it became lost, I would be responsible for, say, \$600 if it was stolen while I was away from home for three weeks and unable to report to the Eaton's that the credit card had been stolen.

Further questioning drew from her an admission that she could well be invading my privacy to call and offer a deal like this. However, she informed me that I should not protest, as she was paid to carry out this invasion. She said she got my number out of the telephone book but did not know my name, nor could she identify me.

When I expressed surprise that a disembodied voice would have the temerity to make a call to me on this basis, she demanded to know if I wanted the card. I replied, yes, but I needed the answers to more questions. She became exceedingly angered at this point and hung up on me.

At this juncture, it being 11:30 a.m., I called the store manager for the T. Eaton Company in Calgary, who on April 27, 1973 had invited me to drop in for coffee as the result of contacting him regarding another telephone solicitation. I demanded he cancel his luncheon plans and I myself was inviting him to have lunch with me.

the man that's speaking

... a luncheon complete with wine, quail, truffles, and cherries jubilee. When he demurred on the grounds that I was invading his privacy, I reminded him that the lady had invaded mine. He said he was unaware of her identity. I suggested in that case he send a car around for her with an invitation for lunch too, so he could become acquainted. Furthermore, I would like to become acquainted with her and have her opinion as to why she hung up on me.

The manager said he proposed calling the lady and consulting her concerning her telephone communication. He said at any rate he had other plans for his lunch hour and he would call me next week.

I spent 10 minutes trying to persuade him that it would be best for the three of us to have lunch that day and to settle the mutual problems that began with the lady's unsolicited call to my number.

The manager finally agreed to call back "in a few minutes". I waited until 12:30, half an hour, but he didn't return the call. I call this a brazen act of poor sportsmanship by a leader of Calgary's business community.

Time elapsed dealing with this call: 1 hour, 15 minutes at \$10: \$12.50.

He figured he lost that through dealing with that particular call.

A second case he outlines is:

Dealing with telephone solicitation, April 23, 1973 at 10:15 a.m. from a person soliciting from her home re Eaton's charge card.

This person passed out a great deal of misinformation and outright lies in an effort to sell her wares. One lie was that she was an employee of Eaton's, whereas she was an employee of a company contracting for Eaton's. She suggested that a credit card in my name is owned by me. This is not correct. Eaton's owns it. She said if it is stolen I am not obligated for the debts of anyone else using it. It took two hours to establish her statements incorrect. See copy of letter.

And he enclosed another letter.

Two hours' time at \$10 an hour: \$20.

A third case dealing with telephone solicitation from an unidentified woman representing a music studio:

When I pointed out my time is worth money and she was prying into my affairs concerning the status of my children, she hung up, saying she

was sorry to bother me.

Fifteen minutes at \$10 an hour is \$2.50 lost there.

To dealing with telephone solicitation on May 23 after 6 p.m. when an unidentified woman called and interrupted my wife in the middle of cooking dinner. She said to call another number. This disturbance resulted in burned food.

Cost of burned food: \$2.75.

To dealing with telephone solicitation on October 24, from a woman purporting to represent the Hudson's Bay Company:

During the course of the conversation the woman, who admitted she was calling from her home, revealed she knew the following information about me: my name, address, telephone number, my wife's name, that I had a credit rating, my employer's name and my specific job, the name of my bank, length of time I had rented my dwelling, and other sundry data.

She said this private information was issued to her by the Bay credit department, with which I purportedly had an account. This is not correct as I deal in cash with the Bay whenever I have occasion to deal there.

The lady passed herself off as a friend of my wife, and upon persistent questioning as to the purpose of her call, gave four stories:

- (1) that she was engaging in a contest,
- (2) that she was preparing an activation report on me,
- (3) that she was engaged in customer promotion activities,
- (4) that \$250 in merchandise could be credited to a non-existent account in my name at the Bay.

When I denied having a credit account at the Bay she quoted a number. It had later turned out a credit card had been issued in my name after an unsolicited call to my wife. The Bay picked up her name from a list supplied by the employer for whom she works.

This call necessitated spending one and a half hours to go personally to the credit department of the Bay and, under forcible pressure upon the credit manager, remove my records from this store.

The cost of dealing with that was one hour and 15 minutes at \$10 an hour: \$12.15.

Well, we go on and on. I'm not going to go through all of the story. But to deal with one or two more given:

To dealing with a telephone solicitation from a woman who refused to identify herself but said she was from a dance studio. As this company had called me at least five previous times to offer me spurious \$55 gift certificates, I was able to assist her with her spiel. This unidentified woman said she chose my number from a list supplied by AGT. She did not, as promised, call back to tell me if I had ever been offered a gift certificate previously.

Time again, 15 minutes at \$10 an hour: \$2.50. He did not check to see if the list had actually been provided by AGT.

And one more:

To four unsolicited calls from sundry nuisances received by my wife in the week ending July 18, including one from a rug shampoo

company.

One hour at \$10 an hour, and he puts down \$10. The total time he lost in dealing with these unsolicited phone calls, phone calls which he did not want and for which he did not ask, cost him \$87.74.

Now, I think that only goes to illustrate the peoples' time that is lost, if they have any value on their time at all. The section is designed to discourage this type of thing, people making unsolicited telephone calls before 9 a.m. and after 5 p.m. on weekdays, and at any time during Sundays and holidays.

I recently received a communication from the city of Edmonton. Interest was expressed in this bill. The statement was made that if the bill did pass, it would not be applicable to the Edmonton telephone system. They felt this was as big an offence in Edmonton as it was elsewhere in the province of Alberta. Consequently, I introduced a bill this afternoon that would do the same thing for the city of Edmonton telephone system that this would do for the Alberta Government Telephones system.

I would point out just one or two more points in connection with this bill. The bill is not interfering with telephone calls during the business day. It is not interfering with calls anybody wants in regard to anything. It's not interfering with calls from legitimate businesses during business hours. It is making it an offence for people to be calling about this, that, and the other thing — unsolicited — at times when people have a right to some privacy. It's an intrusion on free time, an intrusion on the privacy of an individual. In my view it's misusing the telephone system. I think it should be discouraged. I believe that if this bill were passed, it would discourage this practice in the province of Alberta.

DR. WEBBER: Mr. Speaker, I am very pleased to speak to the second reading of Bill 205 this afternoon for several reasons, one being that it's my maiden speech to a public bill. Secondly, as a member of the Legislature who is also a member of the Alberta Government Telephones Commission, I believe I can supply some relevant information pertaining to this bill. Thirdly, I am pleased to speak to this bill because the proponent of the bill is the hon. Member for Drumheller, and I have an opportunity to state before this Assembly that I have had a great deal of respect for the hon. member for many years. He has an enviable record of public service to the citizens of this province.

With respect to the bill itself, on first reading and thinking about it for just a few moments, the first emotional reaction would be that one would want to support this bill. However, on closer examination I see a number of weaknesses to the bill. I'd like to point out some of those.

Before getting into that, I'd like to go through several ways in which an unsolicited telephone call can actually be placed. An individual could go to a telephone and dial random numbers, or he could dial numbers in sequence. I believe *The Albertan* in Calgary uses the technique of dialling numbers in sequence in soliciting for subscriptions. A second method of placing an unsolicited call would be the use of the regular telephone directory.

A third method, in Calgary, would be the use of the Calgary numerical directory. Alberta Government Telephones publishes this numerical directory twice a

year for the city of Calgary. It is available on lease with a minimum contract of 12 months. Charges for the directory are \$6.85 per month, or \$82.20 per year. This directory has two sections: one listing subscribers in numerical sequence by telephone number, and the other by address. The numerical directory contains the name, address, and phone number of non-listed subscribers; that is, customers not in the regular directory but whose numbers are available from directory assistance. Approximately 1,100 copies of this numerical directory are leased each year. Users of this directory include the Salvation Army, the Canadian Cancer Society, United Way of Calgary, and the Alberta Heart Foundation. These numerical directories are not printed for other centres in the province because the market does not warrant their production.

A fourth method of placing an unsolicited phone call would be to phone the operator for a number. There are three types of numbers: the numbers listed in the telephone directory; the unlisted telephone numbers; and the unpublished telephone numbers.

Quite often, I think there is confusion in the public's mind about the difference between unlisted and unpublished telephone numbers. An unlisted number is not in the telephone book, but is in the Calgary numerical directory, as I have already mentioned. The directory assistance operators have the listing and do provide that number upon request. At the present time there is no charge by AGT for non-listed numbers. If a person didn't want his name to be in the telephone directory, or be bothered by unsolicited phone calls, he could ask for an unlisted telephone number. That's not going to prevent all the ways of unsolicited calls getting to you, but it may help.

I also mentioned the unpublished number. For this a customer pays 50 cents a month extra on his phone bill, and his name and number do not appear in any directory, the regular directory or the Calgary numerical directory. The directory assistance operators have the name and address, and an indication that the number is unpublished. But they do not have the number, and they will not give out that number. They won't even give out the address. The only way such numbers can be obtained would be in cases of emergency, through the police, and the police going to AGT's security department.

So an unsolicited call may be placed in four ways: random dialling; dialling the number in sequence; use of the regular directory and the Calgary numerical directory; and phoning the operator for the number. Another technique used to obtain numbers is for firms to get your name and number by holding a raffle or a draw for a prize. Then these numbers are often used for sales contact. So I think an individual should certainly be careful about putting his name and telephone numbers in for these if he suspects that's the purpose of the raffle or draw.

The hon. Member for Drumheller indicated he had had some complaints about the abuse of these unsolicited calls. I have checked with AGT personnel, and in their view there is no real, general problem with respect to unsolicited calls, as far as they can monitor. The directory department in Calgary receives approximately two questions per week asking how soliciting businesses got subscribers' names. AGT does not give out any lists of names other than

the regular directory or the numerical directory.

The Better Business Bureau of Edmonton receives some calls about unsolicited calls. However, most of these are inquiries about the status of the business originating the call. The Better Business Bureau of Calgary indicated few calls are received. When asked to write a letter, even fewer respond.

The AGT commercial department in Calgary receives few complaints spasmodically, but detailed records are not kept. The general operations manager of southern Alberta receives two or three inquiries per year about unsolicited calls. The security department receives approximately three to four calls per month asking if anything can be done about unsolicited calls on the basis that they're harassing.

The public relations department has received approximately 25 calls concerning unsolicited calls since January of this year. Many calls are from people with unpublished numbers wanting to know how someone got hold of their number. In many cases I think what happened was that their number was dialled in a random process, and they immediately jumped to the conclusion that AGT had given out their number.

As a resident of Calgary and also as an MLA — first of all, as an MLA I haven't received any calls or complaints regarding unsolicited calls. Personally, at times we do get annoying, bothersome phone calls regarding deals on magazines and free dancing lessons. I haven't received any free dancing lesson calls before 9 a.m.

AN HON. MEMBER: You could use them.

DR. WEBBER: Probably.

I haven't received any calls about light bulbs early in the morning either.

Personally, I see no real, general problem. In cases where specific problems do arise, I think we already have legislation which possibly can handle the situation. The hon. member indicated Section 31 of The Alberta Government Telephones Act, and he wanted to leave that as Part 1 and have a second part. However, the first part indicates:

A person who uses profane, obscene or abusive language while talking on a telephone or over a telecommunication wire or by [any] other means interferes with the use or enjoyment of the system is guilty. . . .

"By [any] other means interferes with the use or enjoyment of ..." It seems to me, not being a lawyer however, that this would certainly cover situations where people feel harassed or bothered by unsolicited calls. Also, obscene and threatening calls are covered in the Criminal Code.

In addition, Mr. Speaker, the amendment is restrictive to businesses in Alberta. Telephone soliciting is and has been a recognized sales, survey, and information-gathering system. I think it should be noted that any law restricting the use of the telephone by solicitors — I don't mean lawyers, I mean people soliciting calls — would undoubtedly provide restrictions for ordinary citizens as well, and that should be avoided.

The bill would, in fact, violate the rights of those who would desire such phone soliciting. Obviously, some customers want these calls; otherwise, the firms making these calls would find it unprofitable to

do so.

Some specific examples of legitimate uses that would be affected by the bill are as follows, and I'll name a few here. Number one, Alberta Government Telephones makes considerable use of numerical directories for soliciting Yellow Pages advertising. Some of this work is done after regular hours to reach some customers who normally travel. Secondly, various government agencies may conduct phone surveys for the good of communities. On occasion, AGT hires private firms to conduct surveys on telephone service. Now, I'm not sure what the category of surveys would be with regard to Bill 205.

What about political parties? They make use of directories and random calling from time to time. Such calls would only be effective after normal business hours, in many cases. Many businesses, Mr. Speaker, open at 8 o'clock in the morning and communicate with potential customers and consumers and business contacts before 9 a.m., and likewise after 5 p.m. In fact, the only times some of the potential customers can be contacted are either before 9 or after 5; for example, real estate people, cattle buyers, or farmers. For example, if this bill were in effect, the hon. Member for Wetaskiwin-Leduc would be making an illegal phone call if he were to phone his neighbor asking him whether he would be interested in buying some seed oats. If he made this call after 5 in the afternoon, it would be an illegal phone call.

Another reason for opposing this bill, Mr. Speaker, is that, as the Member for Drumheller has already indicated, it would be extremely difficult to enforce. In fact, the law would be broken every day, I would think. I don't like the idea of laws coming in which are going to be broken, and in many cases broken for a good reason. Even if the bill were passed, firms could still use techniques to get around making unsolicited calls by offering a prize or a gift and thus indirectly wanting to sell the person goods or services. Admittedly, customers may be disrupted when required to answer the telephone calls when they come in; but you're not obliged to talk or even to listen to these unsolicited phone calls. You can simply hang up. It seems to me that the bill might assume that a customer has lost all will to resist, to say no, or in fact to stop the practice by simply hanging up the phone and, if harassed, phoning the city police.

Often, Mr. Speaker, consumer activism can and does put additional costs to the consumer. Emotional demands too often are supported by legislation, I think, and too often politicians react too quickly to what they believe are their constituents' wishes. For example, some may ask or demand a special monthly telephone rate be made available to people living on fixed incomes or below a certain level of income. I've had a request from a constituent on this matter. These requests, I think, disregard the fact that other telephone users must subsidize the cost of this service. Likewise, Mr. Speaker, if Alberta Government Telephones or Edmonton Telephones were involved in any monitoring process as a result of this bill, who would pay for it? Some might say, well, the company pays for it. But who pays the company? The duped consumer who has contributed to higher costs of telephone service by jumping on the emotional bandwagon, that's who pays for it.

In conclusion, Mr. Speaker, I'm opposed to this bill for the reasons I've outlined, which are: one, no real general problem exists; secondly, it would interfere with the present good business practices which are carried out during the hours after 5 or before 9, and on certain days; thirdly, present laws do cover harassing or annoying phone calls; and fourthly, such a law would be difficult to enforce. The telephone, Mr. Speaker, is a marvellous medium of communication and its convenience should be enjoyed by the greatest number possible. I don't think a few over-zealous users of the instrument should cause inconvenience to the rest of society.

Thank you.

MR. PLANCHE: Mr. Speaker, I wonder if I could ask a question of the hon. Member for Calgary Bow.

Mr. Speaker, in that the Member for Calgary Bow is also a member of the AGT board, I wonder if he can answer a question as to why the telephone security in Calgary is only open from 8:30 Monday to 5 o'clock Friday, during normal business hours?

DR. WEBBER: It's a question I will have to find the answer for, because I don't know, Mr. Speaker. Maybe the minister would care to answer that one.

DR. WARRACK: I think the hon. Member for Calgary Bow ...

MR. SPEAKER: Perhaps we shouldn't be indulging in an irregular question period. The hon. Member for Calgary Glenmore might like to repeat the question during a question period.

MR. BATIUK: Mr. Speaker, I'd like to express a few words about this bill, Bill 205, that the hon. Member for Drumheller introduced and expressed concern. When he first introduced it, I looked favorably on this bill. However, after giving more thought to it, I wondered whether this bill is beneficial or detrimental, whether there's any merit. Somehow I am convinced that this bill would be meaningless.

The hon. member had mentioned that there should be no soliciting in a person's free time, that is before 9 o'clock in the morning or [after] 5 o'clock in the evening. I think that any such phone calls would be more appreciated when done after business hours. I know I myself would not want anybody to be pestering me during a busy time with trying to make a sale. However, as the hon. member had mentioned, there is provision already for abuse of the telephone. Many times I wonder whether there is much abuse by the telephone.

In my 22 years as a public servant, not very often did I get calls which bothered me. I think most were when I was a member of the county council. There was one time or a couple of times when the forecast was that there was a storm coming up in Grande Prairie, and somebody would phone down and say, well, gee, did the county sell out their snowploughs? They are not out on the road. However, these weren't many, and a person should expect some abuse and so forth; otherwise, he shouldn't be a public servant. Through all my time, through the 22 years, only once did I ever phone the business office of AGT. A drunk was pestering me, and I felt it was more than I wanted. So I think there isn't much abuse, and there

is provision for the little bit there is.

As the hon. member preceding me mentioned seed grain, I would like to dwell on that. Particularly in these last few years, when the value of grain has risen, the cost of cleaning seed grain has doubled and trebled, the cost of treating the grain has trebled, most farmers like to try to estimate the amount to be cleaned almost to the kernel. But this is impossible. There are times the odd farmer will have a few bushels over, somebody may be short by just a couple of bushels. The reason for this is that some time ago, if you had cleaned grain you could sell it, if there was any surplus. But nowadays, with mercurial treatment, this grain is poisonous, and the only choice you have is either to sell it or to destroy it, burn it or bury it, because I don't think any farmer would want to keep a bin just to hold a few bushels of grain for next year. So here, again, it would be an offence to phone your neighbor and ask, are you short of a few bushels of oats, or barley, or anything else.

Mr. Speaker, I've got a really good example here. It was during my time as a farmer. I got involved in the school board first of all, then the county council, a director of the seed cleaning plant, a member of the senior citizens' lodge, and the recreation board. My time was being taken up so much I felt I would have phase out a little of my farming, rather than hire somebody to work. It would be more economical. The first thing I felt I should reduce my farming with was hogs. For some reason, I never liked pigs on the farm. You put a good fence up; they'll chew it up. They'll chew your building. Maybe that's why they're called pigs.

However, I didn't want to get rid of my entire lot, so I decided to keep one sow. If she brought me two litters a year, that would be enough to get rid of the surplus skim milk, the slops, and the garbage. However, I also found that it would not be economical to keep the male pig for servicing the sow. As my neighbor kept a big number, I thought, well, it might be more advantageous and more economical to use my neighbor's pig.

AN HON. MEMBER: Very good thinking, John.

MR. BATIUK: One time in the spring, the time came when I had to take the pig. I phoned my neighbor. "Can I bring the sow for servicing?" He said, "All right." But at this time, I had a full load of grain on my truck that I was going to use for seeding. It would have caused me to unload that grain just to haul the pig a mile, and then load it back on the truck. So I decided to put the pig in a crate on the wheelbarrow, and [go] to my neighbor's.

AN HON. MEMBER: Heavy?

MR. BATIUK: However, several weeks later, on a Sunday morning when I got up — and that was a Sunday morning after a Saturday that I must have been at some celebration; I sort of slept in — I went to feed the chickens and the pigs, and do the usual chores. When I came to feed the pigs, all the pigs were there except the sow. I noticed a big hole in the fence. I thought maybe she was hungry and I couldn't blame her for crawling out. However, when I went through the yard to hunt for her, I found her sitting on the wheelbarrow.

[laughter]

Mr. Speaker, it may be amusing and entertaining to hon. members, but if this bill of the hon. Member for Drumheller had been law at that time, that poor sow would have had to sit on the wheelbarrow until Monday morning at 9 o'clock.

There was another example, Mr. Speaker, this winter. I got a phone call from a university student. The call was in the evening, because during the day he's in school. He said, I'd like to have a demonstration in your place. I'm selling vacuum cleaners for such-and-such a company. I said, well, you know, we have a vacuum cleaner. It may not be in tiptop shape, but we're not interested. He said, well, you know what, there's no obligation. I have to give so many demonstrations a month, or the company would not have me. So I said, there's nothing wrong, and he did come up. Then, you know, seeing what a good product it was, and so forth, we did purchase one. Now, when you realize that this student was making those few dollars by selling vacuum cleaners to see himself through school, when else was he going to do that? How many more students attending university are earning their livelihood in this way or some other? So I think it would be very unjust to many of these who are making a livelihood from this to cut them off.

I would even go even further — another example. When the hon. Member for Drumheller introduced Bill 201, An Act Respecting Body-Rub Parlours and Nude Parlours, he gave a number of addresses and phone numbers. Just phone and in a few minutes you'll have a beauty at your doorstep. Now, you wouldn't expect those phone calls to come during the daytime. The hon. member mentioned at that time that they are available from 9 p.m. to 3 a.m. So here again, one bill would contradict the other.

As I say, Mr. Speaker, this is my fifth year in the Legislature. I spent three months of it in the spring. I spent another month in the fall. I've never had a call from one of these beauties who would want to come and massage me. But Mr. Speaker, seeing that the hon. member is a bachelor, there is the possibility that solicitations to him could be more frequent than to anybody else. However, as the old saying goes, if you can't beat them, you should join them.

Mr. Speaker, in all fairness, I think I have to oppose this bill unless in closing debate the hon. member can convince me there is a necessity. This way, I feel it will be a detriment to many. I cannot see much abuse of it. As I say, I intend to oppose this bill.

Thank you, Mr. Speaker.

AN HON. MEMBER: Try to follow that.

MR. YOUNG: That's what's bothering me.

Mr. Speaker, I originally thought that when I stood up and made my first comment on this bill, I would reflect that the closest analogy I can think of, and my reaction to the bill and evaluation of it, is that it's an attempt to use a wrecking ball to kill a ladybug on a plate-glass window. After listening to the hon. Member for Vegreville, that's not appropriate any longer. However, Mr. Speaker, the remarks of the hon. Member for Vegreville have not changed my opinion of the significance of the bill.

Perhaps I could begin by making reference to some of the remarks the hon. Member for Drumheller made in outlining the difficulties and the incursions

upon time and cost to persons who reported to him. First of all, Mr. Speaker, it's my estimation that if I were somewhat slow in answering the telephone, it would take me a maximum of 45 seconds. It would take not more than one minute to find out what the call is about — that is, if he's going to talk to me it will take not longer than one minute — and it won't take more than 45 seconds to get from my telephone back to what I was doing in the first instance. I reckon that to be about two minutes and 30 seconds for a phone call I don't appreciate, or find of no value. So, Mr. Speaker, if the persons who have indicated their annoyance and their losses to the hon. Member for Drumheller were not indulging in some kind of self-flagellation or self-abuse, I don't think that they have a very major concern.

In short, Mr. Speaker, I think that the indication of annoyance has been vastly overrated and vastly overplayed. Since I have, in thinking about this bill, tried to recollect the number of times constituents have spoken to me about any action which would fall within the terms of reference, and find that in something over five years I have not once been approached, I cannot seriously think this is the kind of legislation we should consider.

Mr. Speaker, every time this Legislature passes a bill, it takes away some freedom from somebody to do something. It may, of course, authorize someone else in a different respect. Mr. Speaker, I think the hon. Member for Calgary Bow made some very telling points in speaking to the bill. I would like to reiterate one of two of those.

First of all, the bill deals only with unsolicited telephone calls for the purpose of selling goods or services. It deals only with those types of calls outside the hours of 9 and 5 on weekdays and all day Sunday. Mr. Speaker, anyone who has participated in political campaigning and anyone who has tried to solicit memberships for a political organization would know there's an extreme difficulty in doing any of those things unless they are done outside the hours of 9 to 5. Mr. Speaker, it would seem to me, looking at it from a purely selfish point of view, that being maintaining a political organization, this is a bill which I could not for one moment condone.

Secondly, Mr. Speaker, I have had phone calls soliciting sales which I have found useful. The last phone call I received that would fall, as I understand it, within the terms of reference of this bill arrived at about 9 at night. It was from someone in Toronto selling a financial paper. Since this was the second time they had phoned, the first being a couple of years earlier, and since as it happened I had been thinking of subscribing to the paper in any event, I used that opportunity to subscribe to the paper. It actually saved me the bother of locating the address from another newspaper which I would have had to buy. I was able to subscribe to the paper in a very easy manner, which didn't involve me in any exercise or work at all.

Mr. Speaker, I don't believe all the calls that would be banned under this legislation are nuisance calls by any stretch of the imagination. It's my view that if one were to total up the positive and the negative that would result from this bill, the negative would be far in the extreme.

Mr. Speaker, I would like to remind the hon. members of the Assembly that the hon. Member for

Calgary Bow identified several other ways by which persons who feel they are bothered by this type of phone call may have their names and phone numbers removed or not published. It seemed to me the statistics provided to us earlier this afternoon indicated we're not talking about more than a dozen a month in one of the major cities. If we multiply that by four, that's a maximum of 50 subscribers a month. That works out to 600 a year of all the telephones in Alberta. It doesn't seem to me that we should seriously consider this legislation for the satisfaction of 600 people over a thing as petty as this, which would have the consequence of creating so much disruption and inconvenience to other people.

As a matter of fact, Mr. Speaker, while we were being regaled with the financial cost to the person who wrote to the hon. Member for Drumheller, it was my calculation that if the House here were paid a minimum wage per person, and we had about 25 or 30 members in the Legislature for the full hour, taking into account the number of persons in association with the Legislature that I could see just sitting here, it was costing us considerably more than the hon. member's complainant, who as I mentioned earlier must have been indulging in some kind of self-abuse in order to be strung along even to the point he indicated in his letter.

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

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: This evening the Assembly will continue in Committee of Supply with the Department of Education and the Department of Business Development and Tourism.

I move we call it 5:30.

MR. SPEAKER: Does the Assembly agree that when the members reconvene this evening, they will be in Committee of Supply?

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until the Committee of Supply rises and reports.

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

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

head: **GOVERNMENT MOTIONS** (Committee of Supply)

[Dr. McCrimmon in the Chair]

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

Department of Education (continued)

Agreed to:	
Ref. No. 1.0.1	\$117,710
Ref. No. 1.0.2	\$233,600
Ref. No. 1.0.3	\$757,400

Ref. No. 1.0.4

MR. TESOLIN: Mr. Chairman, I wonder if I could get a description of what these agencies and educational organizations are.

MR. KOZIAK: Very briefly, Mr. Chairman, the largest one is the Council of Ministers of Education. It's through this vote that our provincial responsibilities to that council in providing for our representative portion of the budget are paid. Then there's The Canadian Education Association, organizations such as the Alberta Federation of Home & School Associations, and a number of others. But the largest one is the Council of Ministers of Education.

Agreed to:	
Ref. No. 1.0.4	\$198,000
Ref. No. 1.0.5	\$130,600

Ref. No. 1.0.6

MR. R. SPEAKER: Mr. Chairman, I wonder if the minister could explain. The estimate of 1974-75 isn't here, but the actual expenditure is over \$44,000. It's down to \$20,000, but the estimate was \$10,000. What is happening? Is the minister going to reduce the number of committees?

MR. KOZIAK: The main reason for the substantial reduction is the fact that the work of the minister's advisory committee on school finance has been completed. The '74-75 actual reflects the payment at that time.

Agreed to:	
Ref. No. 1.0.6	\$10,000
Ref. No. 1.0.7	\$296,100

Ref. No. 1.0.8

DR. BUCK: Mr. Chairman, I'd just like to ask the minister if the committees and groups looking at the new curriculum are included in this vote or in some other area. And can the minister indicate to us what progress is being made in the curriculum committee?

MR. KOZIAK: That is in another vote, Mr. Chairman. Perhaps we can deal with it when we get to it.

DR. BUCK: Mr. Chairman, can the minister then indicate to us why there's such a large increase here of almost 50 per cent? Can he indicate to us what that's all about?

MR. KOZIAK: Very briefly, Mr. Chairman, if one looks at the estimates for last year, they were \$735,000.

The estimates for this year are \$3,400 less than last year's estimates. Basically, what that means is this branch spent \$230,000 less last year than was voted by the Legislature, primarily for two reasons: it sometimes takes projects a lot longer to get on stream, and secondly, part of that is the 'annualization' aspect I spoke to earlier.

MR. R. SPEAKER: Mr. Minister, are these in-house projects or projects to involve private consulting groups?

MR. KOZIAK: It's both. Primarily it involves — in terms of some of the contracts we enter into — people outside the Department of Education, but at the same time it also involves the work of the department.

MR. R. SPEAKER: Could the minister elaborate? Have you a large in-house research and planning staff at the present time?

MR. KOZIAK: There are 11. The manpower, I guess, would be 16. That includes the salary, the wage, and the contract.

MR. R. SPEAKER: What would be the total salary bill for those 16 people?

MR. KOZIAK: The total manpower control group for that would be \$310,000.

Agreed to:

Ref. No. 1.0.8	\$731,600
Ref. No. 1.0.9	\$106,500
Ref. No. 1.0.10	\$2,000

Ref. No. 1.0.11

MR. TAYLOR: Mr. Chairman, I'd like to say a word or two in connection with student evaluation. I find there's a growing concern among parents about the lack of bench marks in various grades from 1 to 12. Now that we've done away with Grade 9 and Grade 12 examinations, there don't appear to be any bench mark requirements for the various grades. I understand that even some locals of the ATA are very concerned about this and are fighting to have at least the bench marks of Grades 9 and 12 reinstated so people know where they're supposed to be in the fundamentals at a certain time in their school careers.

The way it is today, almost every teacher in every school has his own particular bench marks, and a student moving from one school to another can be completely at odds with the whole system. I think definite bench mark requirements should be set out by the Department of Education in order that a child, a boy or girl, will know that when he reaches them he can go into the next division. I would like to see bench marks in every grade, but certainly definite bench marks should be established at the end of division 1, division 2, division 3, and at the end of high school. Unless those are set out, teachers just pass students year after year because they've gone through the routine of that grade. Their spelling may not be up to par, even of students three grades below;

their arithmetic may not, their reading may not, but they're passed anyway. It catches up to these students when they get into Grade 10 or 11 and becomes a real problem not only for the teachers but for the students themselves.

I would like to see some definite work done by the Department of Education in establishing bench marks for every grade and certainly for every division. Unless we do that, in the next 10 years we're going to have real chaos in our educational system, because every teacher has his or her own idea about where a child should be at the end of Grade 3, Grade 6, Grade 9, and so on. I believe it is only proper and sensible to have a bench mark requirement, certainly at the end of every division.

As I've said before, I find many parents are becoming very concerned, many students are becoming concerned, and even some locals of the ATA are becoming so concerned they're now putting up quite a fight to have at least Grade 9 and 12 examinations reinstated. I make these representations because I believe in them sincerely and because the people in my riding are becoming very concerned about the lack of bench marks to [show] where the students should be at the end of certain periods of their school life.

DR. BUCK: Mr. Chairman, I would also like to voice my concern to the minister about the removal of Grade 12 examinations. I would like to have the minister give us a complete run-down on why the Grade 12 examinations were taken away. I can certainly see the removal of examinations and not wanting to fail a little gaffer in Grade 1, Grade 2, Grade 3, on up into 8, 9, and so on. But when you start getting into Grades 10, 11, and 12, I agree with the hon. Member for Drumheller that there have to be bench marks.

I think all members in the Legislature who have received university training know that because you have to pass those final examinations, you do an awful lot of homework you would not do otherwise. Let's be very candid and very factual about that. I'm sure the minister had a great supply of ivory tower staff who, in their "wisdom", possibly said they should get rid of the Grade 12 examinations.

But I would like to have the minister indicate to us just exactly why the Grade 12 examinations were removed, what it accomplished, and what are the advantages and disadvantages. As the hon. Member for Drumheller said, many people are concerned that maybe our standards are going down because we've removed these Grade 12 examinations.

MR. APPLEBY: Mr. Chairman, I share the concern that's just been expressed by the two hon. members. However, I would like to remind the members of the Assembly that we have a resolution on the Order Paper, introduced by the hon. Member for Lac La Biche-McMurray, which deals with this very subject. I would think that possibly there will be another opportunity to debate and discuss that resolution during this sitting and again in the fall. Personally, I would think we shouldn't be going into a great deal of detail on that matter at this time, but rather we should wait until this resolution comes up again and discuss it at that time.

DR. BUCK: Mr. Chairman, the hon. Member for Athabasca can feel that the government side can be rubber-stamped, but we're not going to be rubber-stamped, [interjections]

Don't give me that jazz, Don. Go on home if you don't want to sit here then. If the government members just want a rubber stamp, let us know. We'll pick up our cheques and go home. But that's not what we're here for. I want to educate the hon. Member for Athabasca that just because there's a resolution . . .

DR. HORNER: Well, maybe you should get here then.

MR. CLARK: Oh, look who's waking up over there.

DR. BUCK: You've taken too long a supper break.

Mr. Chairman, we are here to pass the budget of the Department of Education. The hon. Member for Drumheller has asked a very legitimate question [on] a very legitimate concern. I think it's incumbent upon the minister to indicate to us — we can debate this further on, but right now we want to know why the Grade 12 examinations were taken away. That's what we're here for in the estimates, and this is where it should be done, not in the resolution.

MR. APPLEBY: Well, Mr. Chairman, the hon. Member for Clover Bar said he would like to educate me. I think he would have a big task with what he has available for facilities there. However, I think that what I said previously still goes. This is strictly a matter for debate. He's asking for opinions. That is something that really does not apply in this case. We're just looking at an estimate here. The reason for the disposal of the Grade 12 examinations is a subject that was up before this House in estimates last year. They didn't bring this question up before. I can't see why they're starting a big hurrah about it at this time. I'm sure the Member for Clover Bar is trying to make himself a few brownie points. But his brownies are not in the galleries tonight, so I can't really see what he's working on.

MR. TAYLOR: Mr. Chairman, I don't want to delay the proceedings with outside debate, but I would suggest to hon. members that there's a proper place for resolutions and a proper place for study of the estimates. In the resolution referred to by the hon. Member for Athabasca, there is a proper place for people to express their views so the majority of the Legislature can then so direct the government. But there is no place there for questions and answers. The hon. Speaker has time and time again said these questions and answers should be done during the estimates of the department. I don't think it's going to hold up proceedings very long. But I do think the hon. minister would have some comments on this matter of bench marks.

In addition to that, the resolution deals with examinations in Grade 12 and possibly Grade 9. What I'm talking about is bench marks at the end of each division and, if possible, at the end of each grade. At one time, in the course of studies in this province, you could look at the end of Grade 1 and see exactly what students were supposed to know in arithmetic, reading, spelling, and other subjects, and the same with the end of Grade 2 and Grade 3. I

don't know of a teacher in those days who didn't try to come up to that. The student who didn't reach that point didn't pass.

But now there's a tendency that everybody passes every year. This is not good for the child, and it's not good for the province. So I would ask the hon. minister to deal with this problem. He may have logical answers, but certainly the people are entitled to know if we're going to have definite bench marks or otherwise.

MR. R. SPEAKER: Mr. Chairman, I'd like to make some remarks too with regard to the lack of concern of the Member for Athabasca and the Deputy Premier about the problem of education and evaluation systems. I'd think we'd be more concerned about that. We're talking about money here. The resolution is talking about maybe ideals, maybe reality — I don't know — and maybe some practical steps. Possibly the Member for Lac La Biche-McMurray has that kind of suggestion. But we'll wait and see, and then evaluate, of course, at that time.

But the fact is, Mr. Chairman, that if we examine these estimates with regard to student evaluation and data processing, the amount of money we are spending as a government has continued to increase. At the same time, we've done away with Grade 12 examinations; earlier, Grade 9 examinations. What we as members of the Legislature have to know is, exactly why a million dollars? Maybe the second-in-command, who isn't here this evening, the deputy Deputy Premier who says, what's a million, doesn't really care about it. Maybe he doesn't, but we do.

The fact is, if the intelligence of the Department of Education, the great men of wisdom who are going to evaluate our students and give them direction, have come up with some new plan, and are spending all of this money, then we've got to know about it. To this point, we haven't heard anything from the Minister of Education as to what they're really going to do with that money, and what new plan is going to be pressed upon our children here in the province of Alberta. That's what we're here for, Mr. Chairman, to hear that kind of thing. I think the statements of the Member for Athabasca are totally out of line.

MR. APPLEBY: Mr. Chairman, I don't want to hold up the proceedings. I know we're going to hear from the minister. I'm sure of that. But just to keep the record straight [on] the reference the Member for Little Bow has made to my lack of concern in the matter of education — he also referred to the Deputy Premier in the same manner — I would like to draw his attention to the fact that the next motion on the Order Paper is one I introduced dealing with the basic goals of education. I hope he'll be in the House at the time we're discussing that one. He'll get my views at that time.

MR. KOZIAK: Mr. Chairman, I should point out to hon. members of the committee that there are no funds in this vote for the abolition of any examinations. I don't want to prejudge the decision of this Legislature with respect to the feelings that will be discussed during the course of the motion placed on the Order Paper by the hon. Member for Lac La Biche-McMurray.

I should point out what the funds in this particular

vote will be doing over the course of the next year. Number one, students in Grade 12 are entitled to write a few examinations, either because they are unsatisfied with the marks provided in their own school system, or because they would like to write for achievement on the basis of possibilities for obtaining scholarships and awards and [things of] that nature. In this vote the provision is made to handle those appeal examinations.

Provision is also made to administer high school achievement examinations. This gets to the subject of the norms in Grades 10, 11, and 12 that the hon. Member for Drumheller was speaking of. The development of those examinations falls in a further vote, but we do have examinations in biology, chemistry, mathematics, and physics now. These are administered to students in Grades 10, 11, and 12 with the idea of establishing provincial norms teachers can use in determining how well their class might be doing relative to the provincial norm. Much more has to be done in this area, but progress is being made.

It also provides for a student registry, the issuance of diplomas, and transcripts of marks. It provides for the teacher records and the maintenance of those, and information in that regard, monitoring student achievement relative to what marks are assigned to students in the system — those who are dropping out, and things of that nature.

The hon. Member for Drumheller would be interested in another one that provides for the machine scoring of examinations, particularly at elementary levels. Last year 500,000 such tests were scored. These are for jurisdictions that do not have their own machine-scoring abilities. The larger urban areas machine score their own examinations. However, we provide for the boards that are unable to provide this service for themselves. So there is provision in this vote for monitoring of that nature and a few other items which perhaps are too numerous to mention. Basically, that is the direction the funds in this vote would be applied in the next year.

DR. BUCK: Can the minister indicate what percentage of Grade 12 students asks to write the so-called formal departmental examinations?

MR. KOZIAK: I don't have that information at hand, Mr. Chairman. Perhaps I can get it for the hon. member, if not this evening, at the earliest possibility.

DR. BUCK: Mr. Chairman, I remember that at one time the minister indicated the pupils had the opportunity to write these exams if they wanted to. They're in the library. I'm sure the minister remembers what we did at university. You went back and looked at the second, third, fourth, and fifth years' final examinations. You had those all canned and managed to get through most of your courses. Are the Grade 12 exams updated every year? Are there new ones especially for the Grade 12 students who request to write them? What's the status of them?

MR. KOZIAK: I'm sure the students would enjoy the same exam administered every year, year after year. But no, a new examination is available each year.

DR. BUCK: When the minister said he can give us the information on how many students write the exam,

does he have any indication — is it 25 per cent, 50 per cent? I don't want an exact figure, just an approximate figure. Does he have that available?

MR. KOZIAK: I don't have that information at hand, but I'm sure it is considerably less than the lowest figure the hon. member posed, 25 per cent.

Agreed to:

Ref. No. 1.0.11

\$908,900

Ref. No. 1.0.12

MR. YOUNG: Mr. Chairman, with respect to communications, I wonder if the minister could indicate the relationship between this particular aspect of the vote and the Alberta Communications Network? I'm sorry, not the Communications Network, but the Bureau of Public Affairs.

MR. KOZIAK: Well, the primary purpose of this vote is to permit the department to keep in contact with the boards and educational institutions and organizations in the province with respect to developments that take place. The communications branch of the Department of Education does that. As the hon. member appreciates, with the large number of schools, superintendents, boards, teachers, students in the province, this is necessary in order to provide that type of service.

MR. YOUNG: Just one more question then. On release No. 17 that came out last April 14, I noted Mr. Chamchuk's name on the bottom of it as Director of Communications. When I was questioning the Bureau of Public Affairs, they indicated that in most departments there was a staff member assigned to that department. Is Mr. Chamchuk assigned from the Bureau of Public Affairs?

MR. KOZIAK: We do have a member of that branch who is assigned from the Bureau of Public Affairs, but Mr. Chamchuk is not that member.

Agreed to:

Ref. No. 1.0.12

\$127,500

Ref. No. 1.0.13

\$93,100

Vote 1 Total Program

\$3,713,010

Ref. No. 2.1.1

MR. MANDEVILLE: Mr. Chairman, could the minister break down approximately what the increase is? Is it the per pupil grant, or the increase in pupils for the province? Just [as] a very broad figure, what is the increase for?

MR. KOZIAK: Mr. Chairman, first of all I should refer hon. members to page 97. That gives a greater breakdown of the grants provided to school boards in the area as to the different types of grants. The hon. members will notice that the largest of those are the per pupil grants, which are \$391,171,000, showing a 12.3 per cent increase over the 1975-76 forecast. That is primarily due to the increased grants for the 1976-77 budget year, and provides for the increased

enrolment I mentioned at the beginning of my presentation on the estimates. But predominantly, that increase is because of the increased grants.

DR. BUCK: Can the minister indicate how much the estimate is per pupil?

MR. KOZIAK: Last year's rates for elementary were \$739; for this year they will be \$838. For junior high, last year's rates were \$813; for this year they will be \$921. Last year's rates for high school were \$1,108, and the high school rate for this year will be \$1,172.

Agreed to:

Ref. No. 2.1.1	\$417,112,000
Ref. No. 2.1.2	\$11,000,000
Ref. No. 2.1.3	\$26,166,000
Vote 2.1 Total Program	\$454,278,000

Ref. No. 2.2

DR. BUCK: Mr. Chairman, can the minister indicate to us the philosophy of the government or the department towards private schools? Can he indicate if the number of private schools is increasing — just the general philosophy and the government's thinking on private schools?

MR. TAYLOR: Mr. Chairman, in connection with private schools, when the hon. minister is answering I wonder if he could give us the basis, if there is one, of the amount paid per student in private schools, and how much that varies [between] the public and the separate school system.

One other point I'd like to mention is that in my view the increase in grants to private schools is well worth while. I haven't been in every private school in the province, but I have been in some, and I have noted particularly the work done by a private school in this city, the Salesian junior high school, or St. Mary's Home, as it's often called. I've been amazed at what this school has been able to do with boys who would have been drop-outs in the public and separate school systems, the individual attention that has been given and the outstanding achievements of some of these boys — an entirely different attitude towards life. I commend the department for providing greater grants for private schools. They're doing a really worth-while job in this province.

MR. KOZIAK: I'd like to thank the hon. members for their comments with respect to this particular vote. The bases on which grants are provided to private schools are: last year the grant was one-third of the per pupil grants I just read out in answer to a question by the hon. Member for Clover Bar; this year the grants to private schools will be 40 per cent of the amounts the public and separate school systems receive under those per pupil grants I read out just a moment ago. They receive no further assistance other than that. In other words, they do not share in the other grants provided to school boards, such as the supplementary requisition equalization grants and the special education teaching position grants. It's strictly that 40 per cent, but that has increased the grants that will be available for the private schools. I must admit that they perform an

excellent service. There's a role for them to play in our society.

DR. BUCK: Mr. Chairman, to the minister. Can the minister indicate — I ask the question also — are we getting more and more private schools? Is the minister happy that this is happening? What is the government's philosophy on private schools?

MR. KOZIAK: In fact, Mr. Chairman, the number of schools would probably be decreasing because of the fact that some of the private schools are taking advantage of the umbrella concept provided for now in The School Act, which permits a private school to come under the umbrella of a public school system. In that fashion, full grants are paid to the public school system for distribution to the private school system in accordance with arrangements that are made, partial or what have you. The increase in grants here does alleviate to some extent the position in which certain private schools find themselves because they are unable to come under the umbrella concept due to circumstances in the jurisdiction in which they find themselves.

MR. R. SPEAKER: Mr. Chairman, to the minister, with regard to the umbrella concept. Each county or school division is able to make its own regulations or pass its own by-laws relative to that relationship between the private and public system. Is that correct?

MR. KOZIAK: Well, of course the provisions that apply to a public or separate school system under The School Act, with respect to the teachers employed and the curriculum used, would then apply to a large degree to those private schools that come in under the umbrella concept.

So first of all, there would be the regulatory provisions of The School Act which would have effect. Secondly, the arrangements that would be made with respect to such internal matters as administration would then be something that would be worked out between the private school and the local jurisdiction that would be assuming [responsibility for] that private school.

Perhaps in certain cases some of these conditions would prevent private schools from entering into such an undertaking, because it does in fact involve greater involvement of the public system in the operation of private schools' affairs. In other words, there is a shift over to the public school system of the local autonomy that a private school might have had.

MR. R. SPEAKER: Mr. Chairman, further to the minister. If special arrangements are made between the public or the separate system and that private school, do those by-laws as such have to be approved by the minister before they're in effect, or can the agreement be finalized between the private jurisdiction and the public jurisdiction?

Let me give you a specific example. I think you received a letter from one of my constituents within the last couple of weeks. One of the by-laws the county is establishing indicates that certain procedures and teacher assists could be used. The teacher has more freedom in the classroom than he or she had when it was a private school. This is what's

stated in the county by-law. Now, if the private school and the county can agree to that particular by-law, does it need the final approval of the minister in the final analysis?

MR. KOZIAK: Yes, it does.

While I'm on my feet, I might point out in answer to the hon. Member for Clover Bar that the information I now have would be that approximately — and I'm using this figure with some temerity — 1,300 students wrote appeal examinations last year.

MR. R. SPEAKER: Mr. Chairman, the minister answered that rather quickly. I don't want to mislead the minister or give him inadequate information, but in the policy that was stated — let me just read one of the recommendations. For example, this is No. 7 of the by-law:

That teachers in said schools will be free to exercise professional judgement in the use of techniques, materials and equipment to execute the objectives of the authorized course of studies.

That's one of nine parts of a by-law being passed by the county. One of the private jurisdictions this refers to is the Hutterian Brethren. That's one of the specific private schools negotiating with the county at the present time.

Now, the county has passed these nine [by-laws], accepted them in its jurisdiction. After passing them at the local level, does it have to forward them to the minister for approval? From your earlier answer, that's what I gathered. From my examination of the act, I wasn't sure that was the case. I think the minister may either want to consider that or reaffirm the answer he gave a little earlier.

MR. KOZIAK: No. Certain jurisdictions operate schools on Hutterian lands which are not private schools. They're part of the jurisdiction. I would hesitate to answer the hon. member just on the basis of that clause, without knowing the full background.

MR. R. SPEAKER: Mr. Chairman, specifically what I'm referring to is a Hutterian school that is a private school. It has met the requirements of the Department of Education — building standards, space requirements, enrolment requirements, et cetera — and at the present time they would like to come under this umbrella clause you are referring to. The county has attempted to make an arrangement or bring about an agreement, and they have set up a nine-point by-law, which they have passed at the present time.

My question is: does that by-law require the minister's approval in the final analysis? My own understanding was that your approval was not required for that, but your approval is required if that jurisdiction or group of students makes the arrangement with the county. As the minister, you would approve a public school that was considered a private school. That's under The School Act, Section 92, I believe.

MR. KOZIAK: No, the by-laws themselves don't have to be approved by the minister.

Agreed to:

Ref. No. 2.2	\$1,419,000
Ref. No. 2.3	\$15,510,000
Ref. No. 2.4	\$7,049,000

Ref. No. 2.5

DR. BUCK: Mr. Chairman, can the minister indicate just what position special assistance to school boards has placed many of the school boards in? The government has decided, in its wisdom, not to help the school boards with UIC grants. Can the minister indicate what budgeting problems this has caused many of the school boards? Is the minister reconsidering giving that portion back to the school boards?

MR. KOZIAK: Mr. Chairman, this vote predominantly provides for the payments the provincial government makes on behalf of school boards into the teachers' retirement fund and, I believe, for assistance with respect to readers. But the major portion of the vote is for payments on behalf of the boards into the teachers' retirement fund.

The other question, dealing with the unemployment insurance grant: the boards were advised on September 17, 1975, that the total grants available this fiscal year through the budget of the Department of Education would be 11 per cent greater than they were last year. In fact, as hon. members will notice by looking at the estimates, it's 11.1 per cent. Whether that grant comes in the form of \$838 for an elementary student or \$830 for an elementary student and \$8 for an unemployment insurance grant adds up to the same figure. So the 11.1 per cent is 11.1 per cent.

MR. CLARK: Mr. Chairman, I wonder if I might ask the minister to elaborate on that a bit. Do I understand that until this year the Department of Education picked up the unemployment insurance contributions, the employer's contribution?

MR. KOZIAK: A grant was provided to school boards for this purpose. I can't indicate whether the grant covered the entire portion. It was a grant paid to school boards. It wasn't funds paid to the Unemployment Insurance Commission.

MR. CLARK: Just so the record is clear, up until this year the Department of Education, by whatever means was used, assumed the responsibility of unemployment insurance employer contributions. If the minister recalls when the federal government moved into this area, the then Minister of Education indicated the government would pick up the employer's contribution. When we look up the grants this year and see 11.1 per cent, that's one of the reasons school boards are talking about 7 and 8 per cent grants. You've slid through the back door of the unemployment insurance contribution, because it was never involved in foundation allocation before.

MR. KOZIAK: No. As a matter of fact, Mr. Chairman, the Unemployment Insurance Commission Grants was a title used in the transmission of funds to school boards. There was no direction that those funds should be used by school boards in paying unem-

ployment insurance costs to the Unemployment Insurance Commission. It was a payment that recognized the boards had this responsibility. In no way were there any strings attached to the payment that required the flowthrough to the Unemployment Insurance Commission. Of course the boards, as employers, were required to do this by law. But that law was passed by the federal government, not by this government. Just to make it abundantly clear, in the area I've mentioned, we easily could have provided grants of \$830 in elementary, reduced the other figures I used by \$8 or \$8.50, and then provided the unemployment insurance grants in a special category. The end dollar figure school boards would receive would be exactly the same regardless of what you call it. The important factor is that 11 per cent is 11 per cent.

MR. CLARK: Go out and talk to the school boards.

MR. TAYLOR: Mr. Chairman, I'd like to say a word or two in connection with unemployment insurance for teachers. I understand it is federal law that requires school boards to pay this fund. It looks to me very much as if the teachers of Canada and Alberta — because I would imagine it goes right across the country — are being asked to subsidize the unemployment insurance fund. I don't know of any teachers who have ever been able to collect anything from unemployment insurance or [of] a situation where very many teachers would ever be able to collect. When I look at other people getting \$200 a week, they're being encouraged not to work many months of the year. They're simply abusing it, and teachers are being asked to subsidize that type of thing.

I'm wondering if the hon. minister has ever discussed this with the federal government or the teachers. Number one, is it the teachers' own desire to stay in the unemployment insurance field? If not, have representations been made to get them out? It looks to me like we're putting quite a sum of money into this fund, simply subsidizing workers and encouraging others — I don't mind subsidizing other workers if they can't find work, but I have every objection to subsidizing lazy workers who simply take the winter off and collect unemployment insurance. A lot of them are doing that today. The teachers shouldn't be asked to subsidize that type of thing.

MR. KOZIAK: No, Mr. Chairman, I haven't made any representations to the federal government in this regard. I probably should add a personal experience. The same deduction is made from my ministerial salary. There is very great unlikelihood I'll ever collect on that if I no longer occupy this position.

Agreed to:	
Ref. No. 2.5	\$18,085,000
Vote 2 Total Program	\$496,341,000
Vote 3 Total Program	\$6,413,000

Vote 4

MR. CLARK: Mr. Chairman, I'm not sure this is the exact place to raise it, but I'd like to get the minister's explanation of what's happened to the extended practicum. Also, what steps does the Department of

Education plan to take with regard to the recommendations on the report commissioned by the Department of Education on the question of teacher certification? What action is the department taking in that area? That's the question of teacher certification and the fiasco last fall of the extended practicum.

MR. KOZIAK: Mr. Chairman, there's no provision for either of those in this vote. However, in answer to the questions of hon. Leader of the Opposition: first of all, the report of Dr. Larson on teacher certification structures is in my hands. The report has been commented on by the interested groups. I've very recently received some additional comments in that regard from the Alberta Teachers' Association. It's a matter that's presently under consideration.

In regard to the practicum, of course, the agreement reached a couple of years back with the faculties of education and the departments of Education and Advanced Education, now Advanced Education and Manpower, provided for payment to the universities of a sum, I believe, in the vicinity of \$400 — I may be out a dollar or two on that — to enable the faculties of education at the universities to implement the extended practicum. This agreement was reached after receiving the recommendations of the Board of Teacher Education and Certification, on which all interested and referent groups have membership. It was reached on the recommendations of that committee.

Subsequent to reaching this agreement, and prior to the normal period in which the students from the University of Alberta would be entering the field for the purpose of their extended practicum experience, the Alberta Teachers' Association decided it would not participate in the extended practicum unless provision were made for release or relief time. Both of those phrases are used interchangeably when discussing this matter. First, the cost of providing that was substantially greater than the \$400 provided for in the agreement. Secondly, the matter of relief or release time involves the contract that's been entered into between the boards and the teachers.

Under those circumstances, of course, having regard to the fact that the teaching profession would not accept, at least indications received by us in correspondence were that the teaching profession would not receive in the classrooms students from the universities for this type of extended practicum, it was decided that the students would be relieved of the necessity of an extended practicum in order to be certified to teach in the province of Alberta. That information was passed on to the faculties and to the presidents of the universities. Subsequently, or almost concurrently, the universities made the same decision, that the extended practicum itself was not necessary for a student to graduate from the university with the degree of bachelor of education.

MR. CLARK: Just following up the minister's comments on the question of the extended practicum — which, candidly, is a move in the right direction — I'd like to ask the minister what kinds of discussions are going on at this particular time. Or does the minister, along with his colleague, the Minister of Advanced Education and Manpower, in fact consider it a closed issue? Is it no longer government policy that they are moving in the direction of the extended

practicum? Just exactly what kinds of discussions have been going on between the ATA, between the universities, and between the two departments on the question of extended practicum?

MR. KOZIAK: Mr. Chairman, by no means is the matter of additional classroom experience for students graduating who wish to become teachers a closed issue. No, as a matter of fact the Board of Teacher Education and Certification is presently looking at various alternatives which could provide graduates at the universities with practical experience in teaching. That doesn't necessarily have to include an extended practicum; it could include an internship. I'm sure there are many alternatives which the Board of Teacher Education and Certification will be looking at before they make their final recommendations.

MR. CLARK: We have a situation where really the Board of Teacher Education and Certification is up in the air as a result of the report of Dr. Larson and what's going to happen there. You said that's in the minister's hands. It's been there about a year now.

Then we get involved in this question of saying the Board of Teacher Education is looking at the question of alternatives to the extended practicum. The minister has talked about an internship. Would the minister like to open up a bit more and tell us some of the other alternatives the board is looking at, that he is looking at as minister, because ultimately it fits onto his shoulders. If we're not going to go the route of the extended practicum, is the only other alternative we're looking at an internship kind of program? What are some of the other alternatives?

MR. KOZIAK: Well, those candidates for teaching positions who presently graduate from our three universities do have practical experience incorporated in their program of studies during the course of their four years at the universities. Those vary, of course, from university to university. But those particular experiences can be looked at for variation, something other than the block approach of extended practicum. And there is the internship question.

Basically, you've got two alternatives: one, will that experience take place prior to the degree being awarded; or two, will that experience take place after the degree is awarded? Within those two main alternatives there could be many combinations, many alternatives in each.

MR. CLARK: Mr. Chairman, just following along. Can we assume that really the minister has virtually written off the extended practicum concept, and that we're now looking at an internship kind of approach to an extended period of in-classroom opportunity for teachers before they go out on their own? Is that a fair interpretation of the minister's position now that we're looking at an internship kind of thing? What period of time is the minister looking at? Are we looking at a year or at a semester? What are the parameters?

MR. KOZIAK: No, Mr. Chairman, that is not a fair interpretation of the remarks I made or our position. The matter of the additional practical experience is being looked at from both ends by the Board of

Teacher Education and Certification, and I expect to receive recommendations in that regard. At the moment, so long as we are faced with circumstances in which the Alberta Teachers' Association indicates it will not accept students from the university under the extended practicum approach, that approach won't be taken. Should the Alberta Teachers' Association reconsider its outlook in this area, perhaps that approach could be looked at again.

MR. CLARK: Mr. Chairman, I'd just like to follow along and ask the minister if we're not really in a chicken-or-egg situation here. We've got the Board of Teacher Education which is under review, and has been for some time. I guess I'm almost at the point where someone, hopefully the minister, is going to come forward and say, look, we're either going to restructure the Board of Teacher Education or we're not going to. I must say, I wonder how long we can continue to function the way we are now and say, it's in the minister's hands — or whoever's hands it's in. If there is going to be a change, what kind of time line are we looking at? On the other hand, if the minister is going to say, the report of Dr. Larson was not acceptable to all groups, we're not going to move on it, then it seems to me the minister should in fact say this so the board knows where it sits and so do the three most interested groups: the teachers, the trustees, and the department itself.

So I'm really getting around to the point, is it a matter of the question of the make-up and the responsibilities of the Board of Teacher Certification? Is that going to have to be solved before there is some finalization on the extended practicum? Or does the minister see the board continuing to function and dealing with the extended practicum or the internship, and then perhaps at some later time, is the board going to be restructured? It's almost the chicken-or-egg question.

MR. KOZIAK: Well, the responsibilities of the board exist as presently constituted. In the same sense, the responsibility of this Legislature exists as it is presently constituted, notwithstanding the fact that we have a commission that is studying electoral boundaries and will be making recommendations in that regard. So we have an ongoing process in which recommendations are being made as to the structure and the make-up of the Board of Teacher Education and Certification. But the fact that certain recommendations have been made — and I'm in the process of receiving others — should not prevent the board as presently constituted from fulfilling its functions.

Agreed to:	
Vote 4 Total Program	\$7,114,900

Department Total

MR. CHAIRMAN: Department total, \$513,582,510. Are you agreed?

MR. CLARK: Not quite. Mr. Chairman, I'd like to ask the minister: what's the status now of this new curriculum committee he's developing? There was such great haste, and the announcements were going

to be made in late February or early March. All the non-Conservatives in Alberta have held their bated breath for some time to find out who's going to be on the board. Would you like to make the announcement tonight? Because really — and I'm not being facetious about this — the way in which the department or the minister went about this was questionable, I think, to say the least. But the decision has been made. Now what's the holdup? Why haven't we made the announcement with regard to the people who are sitting on the committee? And pretty candidly, what does the minister expect the priorities of this committee to be in its first year of operation?

MR. KOZIAK: That's true, we did skip over Vote 3 very quickly. I had mentioned to the hon. Member for Clover Bar that the matter of the curriculum policies board fell in another vote, and we didn't have a chance to deal with it.

The curriculum policies board — and perhaps after I've finished my comments, the Leader of the Opposition could indicate why he terms the approach "objectionable", because that's a rather funny phrase. But I'll leave the opportunity to determine the answer to that question during the course of my remarks.

Of course, Mr. Chairman, this evening I can't advise who in fact will be sitting on the board, but I'm very pleased to advise the hon. members of the committee that the response to the advertisements that appeared in the news media across the province has been extremely gratifying. If my memory serves me correctly, the number of applicants and nominees for positions that were open for nomination on the curriculum policies board exceeded 400. The fact that such a large number indicated their interest to serve in this capacity has made the selection process somewhat more difficult.

MR. CLARK: What sorts of priorities would there be for the first year?

MR. KOZIAK: The curriculum policies board will be looking at the goals of education as we have set them for the province to see if they are current, to see if they need 'prioritization'. Many other aspects dealing with specific curriculum changes are being developed by all the *ad hoc* curriculum committees which, as they are developed, will move to the curriculum policies board for approval. We expect the board to make recommendations to me with respect to certain units of studies, now being developed by 13 different school boards in the province, that deal specifically with various aspects of Canadian studies. They will then be piloted in the local jurisdiction and brought to the curriculum policies board for recommendation as to whether all, some, or none of those units should be included as compulsory in the social studies program taught throughout Alberta.

MR. CLARK: Mr. Chairman, I wonder if the minister would enlighten us as to when he expects to make the announcements on the make-up of the board. You indicated it was difficult making the selections, but when do you expect your difficulty in that area to cease and the selections to be made?

MR. KOZIAK: I would hope to make the selections, and following the selections the announcement, prior to the expiration of the spring session.

MR. ASHTON: Mr. Chairman, I've listened to so much criticism of our educational system this evening and during the last few days in which we've been discussing the Department of Education estimates, I feel compelled to make a few remarks.

In some respects education is like a wife. You have to stop once in a while and remind yourself to tell her that you still love her. I think we should say something positive about education in this province, because it's my opinion the standard of education is higher than it has ever been, and we should acknowledge that.

The kids of today start learning as soon as they're old enough to see the TV set. They go through early childhood. By the time they get to the first grade, they're already on their way. We have programs to assist them through early childhood, to identify and help those who have special problems. When they get to the regular grades, the pressures to achieve in our educational system are really intense. I think those parents here will acknowledge that.

Our teachers today are better qualified than they have ever been. When I hear members talking about the good old days, the six-week wonders and what they could do, there's just no way you can compare those to today's teacher graduates with four years of university training. Not only do the teachers receive that training, but they were better qualified when they went into the university in the first place.

They have the facilities. The schools are there. The buildings just don't compare. The gymnasiums, the science rooms, the music rooms — everything there is contributing to quality education in this province. Yet I hear so much knocking of the system — that it's not producing results. I can tell you, Mr. Chairman, it is producing results.

For example, I look at my eldest daughter. She won't speak to me if she learns I'm talking about her tonight, but I'm assuming she or her classmates won't read *Hansard*. She's in a school that happens to have a four-day week. They concentrate the same number of minutes in the four days that some other schools do in five, and I won't debate the merits for or against that. As an example, yesterday she had some reports to do. When I left for work at 8 o'clock in the morning, she was already at the dining room table. She worked consistently almost all day until 11 o'clock when I came home that night, and then she left to help a friend. She came back about a quarter after 12 and announced to me she'd just found out that in one particular class she had come late to the week before, another assignment had been announced. She started on that and finished at 3:30 this morning.

I venture to suggest to the members here that the report she produced that day in Grade 12 was equal to that of any three-year university student in my day. It's all very well to talk about the good old days, but the hon. Member for Calgary Bow and I can remember when we were going to school in Craig-myle, and there were very few of us going through. We can think of perhaps a handful of all the students who were in that school who ever got through Grade 12. I was the only one in Grade 12. Of course, even

fewer went on to further education.

So there's just no comparison of the two systems. We've come a long way, and I think all this negative talk about our youth and the quality of education they are receiving and are participating in is just not justified. It's about time we acknowledged that we do have a first-class educational system. Now that doesn't mean to say there isn't need for improvement. But I believe this negative talk is contrary to the mood of Alberta today. The mood of Alberta today is to regard Alberta as the best place to live in, not only in Canada or North America, but in the world.

The attitude of Albertans, however, is not to sit back and say, that's good enough. The attitude is to say, let's get out there and hustle, and make it even better. So I think we should apply that same attitude to our approach to education when we're talking about it. Acknowledge that it's just a first-class system, that the teaching profession operating in that system has never been as highly qualified and a large number of them are highly professional and very dedicated, and that the students are motivated. I think we should give credit where credit is due.

Thank you, Mr. Chairman.

MR. NOTLEY: Mr. Chairman, after that pep talk on behalf of education by the member for Sherwood Park, I can only say that, first of all, I agree with some of the points he's made. Certainly we do have an excellent education system in this province. There's no question that we have a highly qualified group of teachers in Alberta, no question that the quality of education in 1976 is tremendously improved over 1956, '46, '36, '26, whatever the case may be.

But the member who talks about getting out there and hustling to make Alberta a better place to live in might well keep in mind that the major concern of people in education, whether it be the ATA or the Alberta School Trustees' Association, is whether this government is going to provide the wherewithal and the financial base to allow education to continue to improve — to quote the member for Sherwood Park, to get out there as a part of our community and hustle with the rest of us.

Well, Mr. Chairman, it seems to me what the people in education are saying is that this budget with its constraints is going to seriously jeopardize improving the quality of education in Alberta. There's at least some indication that in certain areas of the province and in certain programs there might even be a deterioration in the quality of education.

Mr. Chairman, I apologize for the fact that I was out. I understand the question of cutting off the UIC payments came up a few minutes ago. I also understand that the minister's explanation was that it wouldn't have made any difference, because if the UIC payments had been included as a separate appropriation, the grants to school divisions would have been less. Instead of an 11.1 per cent increase, it might have been 10.6 or 10.7, or whatever the case may be.

Mr. Chairman, I find that just a little difficult to understand, because as I read over the Provincial Treasurer's budget speech, the rhetoric throughout the speech is that we're going to put on the clamps, but we recognize the importance . . . As a matter of fact, the conclusion on page 16 says: ". . . but, with recognition [that] this Government's high priorities in

the social areas of housing, education, health, law enforcement, and justice for all."

Well, Mr. Chairman, under those circumstances, with the Provincial Treasurer telling us this when he read the budget, I wonder why it wouldn't be possible to increase the grants to school divisions by 11 per cent and still make allowance for the UIC payments to school boards, picking up the employer's portion of the UIC payments.

It seems to me, Mr. Chairman, what we're getting here from the government is a little bit of double talk. During the budget speech we get the rhetoric and the suggestion that education is going to have priority, yet the minister says, well, we can really only increase it by 11 per cent, so we had to kind of shuffle in the UIC payments. Otherwise we'd have to cut back the grants to school boards. Well, Mr. Minister, that simply isn't going to wash [with] the school boards, nor should it. As far as I'm concerned, in listening to the debate, no one argues the fact that we have a good education system in this province and one we're all proud of. The issue — and I say this to the member who just spoke — is not the kind of education system we have today, but what we as members of this House are going to do to facilitate the improvement and the continued improvement of that education system.

As I read over the budget, I see the constraints and listen to the concerns of the professional educators — not just the ATA, but the School Trustees' Association as well. There's a unison in the appeal for more financial commitment from this government. Mr. Chairman, it seems to me the task we in the House have is not just to slap ourselves on the backs and say, great education system. The task is whether or not this budget is going to provide for the improvement all Albertans desire.

MR. ASHTON: Mr. Chairman, I should probably comment that when I just heard the hon. member say we have an educational system we can be proud of, I think we should acknowledge a first. That's the first positive thing he's said in this Legislature in the four and a half years I've been here.

DR. BUCK: Mr. Speaker, I suppose the hon. Member for Edmonton Ottewell is smarting a little bit from some of the editorial comment in the ATA magazines, trying to make a few brownie points. I was accused of that, but that's part of being a politician.

MR. NOTLEY: There's no way he can make any brownie points. It's a lost cause.

DR. BUCK: Mr. Chairman, I'd like to ask the hon. minister a question or two. If I missed it, I apologize to the minister. One is the question of school boundaries and demarcation of jurisdictions. I'm sure all members, both rural and urban, have the problem of having a school jurisdiction boundary terminate here, and there's a school right across the road or right across the river. But the children have to take a school bus 10, 15, or 20 miles when they could go across the artificial boundary. That's where they want to go to school, but they're prevented from doing so because they're in another jurisdiction. I'd like the minister to indicate to me if he or the department is looking at this problem.

Another one is the uniformity of the school year. Our population is so mobile now that if you happen to move from one school jurisdiction to another, there could be a lapse of almost 10 days to two weeks, depending on whether you're going to a private or a public school that starts really early or one that starts late. Sometimes you wonder — when you talk about local autonomy, it seems about the only local autonomy school boards have left is to set the school year, which seems to me a mockery of what we mean when we talk about local autonomy. But I'd just ask the minister to brief me on these two areas, and see if there are any moves in either of them.

MR. KOZIAK: I appreciated the remarks of the hon. Member for Edmonton Ottewell because he expressed very eloquently views that I share, having as well five children in the school system, not of the same ages as his, and realizing the quality of the work being done by children at the junior high school level in terms of the reports they prepare and their understanding of concepts. As the hon. Member for Edmonton Ottewell has indicated, we have in this province — and I'd like to say this — one of the best educational systems in the world. Certain comments have been made to me by people from outside the country who support this.

I think the biggest challenge we face in education today is not the fact that we have a good system, but to convince some of the doubting Thomases that in fact we have a good system. That is one of the challenges I will have to look to over the course of my term in this office, and one I hope I can meet.

I dealt with the matter of the Unemployment Insurance Commission grants in earlier discussions. Perhaps the hon. Member for Spirit River-Fairview can read my comments in that regard in *Hansard*, as it's unnecessary for me to repeat those comments.

The hon. Member for Clover Bar raised concerns with respect to school boundaries. First of all, there is the municipal and school boundaries commission that is meeting and making recommendations. Most of the problems arising out of school boundaries are finding solutions, in the last year particularly, in the use of tuition agreements, whereby an agreement is reached with the receiving board for the education of a child resident in the sending board's district. The number of tuition agreements that have been coming into the department for approval has been growing astronomically. Hopefully, those agreements will provide a solution to the concerns that were raised by the hon. Member for Clover Bar.

In the area of local autonomy, I do not profess to be an expert on the school systems throughout the rest of Canada or the rest of the world. But my understanding of some of the information I have received would indicate to me, with the level of knowledge I now have in this area, that in terms of the provision of education for the students resident in their districts, the school boards in this province have a greater degree of autonomy than any other such mechanism throughout the world.

In certain provinces we have centralized bargaining, where the salaries of teachers are settled not by the local boards and teachers employed by those boards, but centrally. We have that to a certain degree in Saskatchewan, in the maritime provinces to a larger degree. So I think the school boards in this

province enjoy, and rightfully so — they've exercised their responsibilities, fulfilled their duties wisely, and have contributed too — a level of education in this province which I think is second to none in the world.

So I think any comments made with respect to local autonomy have to be taken in light of what in fact is happening throughout the world. In some countries the central authority decides how many pencils a school receives.

The question, though, flowed from a comment on mobility . . .

DR. BUCK: Uniformity.

MR. KOZIAK: . . . in that — well, uniformity, mobility of students, the uniformity of the school year. I suppose one of the areas we can zero in on is Farmers' Day and the difficulties we've had in developing a day that would be suitable for all boards, at the same time providing for flexibility by the boards in setting Farmers' Day. Each board jealously guards its autonomy and its own responsibilities in this area.

Although there is some disruption in movement between jurisdictions, that disruption can probably be greater, not in the area of the length of the school year, its positioning within the calendar year, the determination of the spring break holidays, and what have you, but because of change in environment, a new teacher, new associates, new locations.

I think those elements are probably, if we weigh the pros and the cons — and I'm sure parents weigh those pros and cons before they make their decision to move. Of course some choose to move after the completion of a year because of that. I think those are some of the areas that are probably of greater concern to parents than when the school year ends or where it's positioned in terms of the calendar year.

MR. CLARK: Perhaps just one last comment, Mr. Chairman. The minister doesn't even need to respond. I must say I'm alarmed when I hear the minister say his chief priority, or his major responsibility as he sees it, is in fact to convince people who are doubting Thomases about the education system in Alberta that we have a good education system. I think many people in the province would agree we have a good education system.

Let me say to the minister, though, that from speaking to school trustees, people at the universities, and members of the teaching profession themselves, I think most Albertans would feel the major responsibility this minister has, in fact, is to see that education continues to get its rightful hunk of the provincial budget. There's a great deal of concern right now as to whether it's getting it. From my standpoint, that should be the minister's first priority.

MR. JAMISON: Mr. Chairman, I was interested to hear the minister remark on tuition agreements. I was wondering if there were criteria for arriving at tuition prices that different school districts have with other school boards. I note that there's no high school in Sturgeon, so high school students from Sturgeon go to high schools in Edmonton, St. Albert, and so forth. The charge at Edmonton Public is \$280 per student per year; Edmonton Separate, \$170; Thibault, \$50 — that's Morinville; and St. Albert's two schools, \$145 each. There's no charge what-

soever in Fort Saskatchewan, Legal, Westlock, and Thorhild. I was wondering if they were getting a better education by paying \$280 or by paying nothing.

MR. KOZIAK: Mr. Chairman, first of all I should respond to the hon. Leader of the Opposition. I said the question of quality and leaving with Albertans the impression we do have a good educational system is one of the challenges. I didn't say that was one of my priorities, just so we are clear on that.

The question of the tuition fees is a decision the receiving board makes. Under The School Act, the receiving board can charge a tuition of the sending board for the students sent to that board. The receiving board can set that tuition at any rate it feels, provided the rate does not exceed the average cost of the receiving board in educating its own children within its own system. So if the average cost is over and above the grants received from the provincial government, if the average cost is \$200, the receiving board can charge up to \$200 but not in excess of \$200. It may choose any figure within that range.

Agreed to:

Department Total \$513,582,510

**Department of
Business Development and Tourism**

MR. CHAIRMAN: Mr. Minister, do you have any opening remarks?

MR. DOWLING: Mr. Chairman, earlier during the course of the budget debate I had an opportunity to make some preliminary remarks regarding the budget. Since I'm sure there will be some interesting questions during this part of the session, I would withhold any remarks and will answer any questions at the end of the appropriations.

MR. CLARK: Mr. Chairman, I'd like to start the question with a general statement, and then say to the minister that for the time we have left this evening we might focus on the gas situation here in Alberta.

As I look at the situation — and I don't pretend to be an expert — we have on one hand the position of the province that we should be moving to a world price as far as gasoline, petroleum products are concerned. I think most Albertans would agree. We're doing it from two standpoints. It's a non-renewable resource as far as Alberta is concerned, and I think Albertans can make a good case for saying we should be getting the world price or very close to the world price. On the other hand, the industry needs more money to do the kind of exploration that's needed. I think most Albertans would agree with that point of view.

We find ourselves in a rather strange situation at the other end. Those people who do, shall I say, the dispensing of the gasoline to the consumer are caught in it from the other end. We've got politicians of all stripes trying to go to bat for the consumer and trying to keep consumer prices down, which I think is laudable. On the other hand, we have to recognize — it seems to me anyway — there seems to be a group

really caught in the middle. I refer candidly to those garage operators who in most cases are independent businessmen.

I raise this question because I think it's pretty easy to say, aren't you in favor of the consumer getting the lowest price? Yes, everybody is in favor of the consumer getting the lowest price. But when we look at the kind of thing that happened here in Edmonton — I believe it was in Monday's *Journal* — when you have three or four pretty responsible operations folding up, I think one can't simply slough it off and say, well, the consumer is going to get the lowest price. He may get that now, but the question is what kind of service will the consumer get before going very far down the road. So I say to the minister, let's not get involved in saying, well, the minister is concerned about the consumer and we aren't. It isn't a matter of not being concerned about the consumer. It's a matter of also having some concern for those independent businessmen caught between the government and the oil companies on one hand, and the consumer on the other hand.

If I could just spend a moment more looking at what's going on in this area. I question whether anyone in this House knows all the ins and outs. I certainly don't, but I do recall that when I had the opportunity to be on the other side of the House, the former government got involved in the McKenzie report. We can argue about the quality of the report and so on, but regardless of that, I recall when the present government sat on this side of the House, it was amazing how enthusiastic they were about many of the recommendations in the report. In fact, I remember at that particular time the present Minister of Energy and Natural Resources and the present Premier going to bat at some length. I can't recall whether the present Minister of Business Development and Tourism did, but if he did he should not be smiling as much as he is right now. I would be very interested in knowing the reason for the kind of changed attitude as far as the government is concerned.

I raised the McKenzie report because it isn't something where there has been an interest just in Alberta. I should go back and say the former administration — I take part of the responsibility — perhaps erred in not dealing with the McKenzie report in the way it should have. It's fair ball, we may well have erred. Two wrongs don't make a right though. But one looks at the McKenzie report, and in British Columbia they have had a similar kind of investigation. I understand that in British Columbia there is now some possibility of the government taking steps on this question of the problems faced by smaller service station operators. The Dalhousie University people, I believe, have done a report down there.

I think it was two years ago in this province that one of the members from Calgary — I think the former Member for Calgary McKnight, Mr. Lee — looked at this question of the problems faced by small operators and made some recommendations. I understand Consumer Affairs has done some looking in this area. Then there is the report done by a Mr. Vant who is now looking after our interests, I hope, as far as Syncrude is concerned, but whose report one would assume carries some weight if he has taken on those kinds of responsibilities.

Then there was the work done by Mr. Werner

Wenzel when he was in the old Department of Industry and Commerce. In fact he, along with representatives from the government, went down to the northeastern United States and looked at some of the approaches being used there. Then, if my memory serves me correctly, it was in January, 1975, that the former minister, Mr. Peacock, sent a letter to the industry saying, you had better live with these guidelines or you're going to have to look at legislation.

The reason I raise all these various reports that have taken place across Canada is to point out that, really, the Isbister investigation now going on in Ontario doesn't seem to me a great deal different. They're really looking at some of the same problems. As I understand it, their second term of reference is to look at the question of the future of the small automotive retailer. It's my understanding that the same kind of thing happening there is happening in Alberta.

Then we come to this session. Early in this session — I just forget the date, but it was perhaps toward the middle of March — we asked the minister a number of questions on his dealings with the industry. He indicated that the government was waiting for the Isbister report in Ontario, that there had been a number of meetings between the automotive retailers and the minister, and with the industry itself. Then just yesterday, when questions were raised once again, the minister said all of a sudden: but we're not waiting for the Isbister report, we've got no one down there with a watching brief, we don't really plan to move at all. So I find myself very confused. In fact, the Minister of Agriculture agrees. It's good that he agrees. I hope his agreement means he's going to bat for these people, because . . .

AN HON. MEMBER: You're confused about it.

MR. CLARK: Well, when one looks at the action of this government in this area, "confused" is a gross understatement. It's a very conservative statement.

To get back to the matter at hand, I'm very surprised at the attitude this government has taken in this whole area. So perhaps to start the discussion, the minister might try to shed some light on exactly what's happened in the last two years in this area. Recognizing we've had an MLAs' task force report, we've had, I understand, a number of meetings with the minister and the industry people. You sent a delegation to the northern United States. There was an indication from Mr. Peacock prior to the last election that, yes, the government was pretty interested and pretty enthused about this area. They were going to make some waves. Then after the election, it seems they lost the tide or something. Where does the government stand on this question right now?

MR. NOTLEY: Just to follow up the comments made by the Leader of the Opposition, there really is little doubt, Mr. Chairman, particularly with the present gas war in our two major cities, that the service station operators are facing a pretty difficult situation.

I noticed yesterday when the minister was responding to certain questions I raised in the House, he talked about a dealer markup, and then quickly added the words, "except in a situation where a gas war is taking place". Well, as the minister well knows and

we all know, there's a gas war taking place. It's not being fought with the money of Imperial Oil, Gulf Oil, or Shell. There's a small subsidy program I'll come to in a moment.

But to a large extent, this gas war is being fought with the dealer margin, and that dealer margin is shrinking. When one looks at the ARA survey in this city, for example — 154 Edmonton retail outlets, one-half the total — the average dealer margin at that time was no more than 7.5 cents a gallon, and 63 per cent of the outlets surveyed were selling at dealer margins of 2 to 6 cents a gallon. Less than 21 per cent of the dealers were selling at margins of 12 cents a gallon or more.

Mr. Chairman, in listening to the minister in question period, I have yet to hear him outline what basis the government has for some of the conclusions it has reached on this matter. The obvious conclusion is that we can wait until the Isbister commission tables its report in Ontario. Mr. Chairman, when 63 per cent of the outlets surveyed by the ARA are selling gas at margins of 2 to 6 cents a gallon, it's obvious they're not going to be making any great amount of money.

I notice even Imperial Oil on October 24, 1974, prepared a submission to the Tory caucus. I don't know if this added to the confusion of the Minister of Agriculture. In any event, on page 5 of that report it says:

The pacesetters can earn satisfactory rates of return on capital employed at margins, the difference between the wholesale buying price and the retail price of 10 to 12 cents a gallon.

Well, Mr. Chairman, I think at this stage of the game a lot of service station operators in this city would be quite happy if they were getting 10 to 12 cents a gallon. When 63 per cent of them are having to work on a margin of 2 to 6 cents a gallon, it's pretty rough. The chances of them staying in business for any length of time are very remote indeed.

Now, as the Leader of the Opposition pointed out, the Isbister report is not something new. The former government commissioned the McKenzie report 10 years ago, and that report was tabled in 1969. That was, I think, a pretty strong statement on gasoline marketing in this province. I would accept many of the arguments in that report. I'm sure the government probably doesn't at this point in time, yet we really have never had any firm statement in the House as to where this government stands on the major recommendations of the McKenzie report.

I asked a question yesterday in the House about functional divorcement. The minister got up and said, well, that's not really a very good idea, because it would cost service station operators between \$250 and \$300 million. That might be true, Mr. Minister, if we were talking about complete divorcement. But there's a difference between that and functional divorcement, where the ownership still resides with the company but the lessee continues to operate; in other words, a distinction between ownership and leasing. I fail to understand how the minister can possibly come up with his figure of \$250 to \$300 million as a figure for functional divorcement. If we were talking about complete divorcement that would be a different thing, but that wasn't the question.

Now I noticed that the so-called subsidy program, or whatever you want to call it, the program where

the oil companies cushion the impact of lower prices — and I'm referring here specifically to the point the minister made yesterday. I believe he said oil companies are providing between 7.5 and 10 cents a gallon as a method of cushioning the impact of the gas war on their dealers. Yes, as a matter of fact, here it says: "... a margin of something like 7.5 to 10 cents a gallon for each of their dealers."

Mr. Chairman, that is an interesting observation, in view of the survey taken by the ARA. If the minister is right and this 7.5 to 10 cents cushion is there, why doesn't it show up on this survey? On what basis does the minister come up with the statement that we have this kind of margin? Has a survey been conducted by the Department of Business Development and Tourism? Has a survey been conducted by the Department of Consumer and Corporate Affairs? On what basis does the government come up with these figures?

The only basis I've been able to review as a member of the Legislature is information from a survey taken by the ARA. I've seen no reports prepared on this particular issue by the Government of Alberta. If there have been, I think it would be in the interests of the Legislature that the minister table that information in the House at this time.

Mr. Chairman, when I look at this so-called subsidy scheme, or however you want to refer to it, I don't see 7.5 or 10 cents. I see it starting out at 9.1 cents, but going down to a margin of 5.9 cents and, depending how far the price falls, how strong the gas war is, it disappears completely. So I have real difficulty understanding what basis the minister is arriving at, other than perhaps oil company statistics, to get this 7.5 to 10 cents a gallon, because it just doesn't appear to be here, Mr. Chairman.

Now, the other day as well I asked the minister what the government was doing about monitoring the hearings of the Isbister commission. At the beginning of this legislative session, when the matter was first raised, the minister made it pretty clear in the House that the government was watching the Isbister commission hearings and that no decision would be made, as I understand his answer. No decision would be made until the government had the opportunity to review the findings of the Isbister commission.

Well, Mr. Chairman, if that statement is correct, and I assume it is because the minister said it is, I find it a little difficult to understand why we are not keeping a watching brief, if you like, on the submissions presented to the Isbister commission. If suddenly this commission is of such importance that we're not going to be able to move until we obtain the report, one would think we would be watching every move, every submission.

Some interesting submissions have been made to the Isbister commission. One from the Canadian Consumers' Association says that consumers in this country have no vested interest in the cheapest price if that price means the elimination of the dealer in between; a pretty strong statement that the oil companies should be in the basis of producing and refining oil, but the independent businessmen, the dealers, should be in a position of retailing those gasoline products. That's the position taken by the Consumers' Association before the Isbister commission. I find it virtually incredible, Mr. Chairman, that the Government of Alberta, since it is placing as

much importance on the Isbister commission as the minister indicated a few weeks ago, is not in fact keeping a watching brief on what goes on.

The Leader of the Opposition also mentioned the fact-finding visit to Maryland where, several years ago, the state looked at the question of functional divorcement. When one reviews some of the reports on this situation in Maryland, it's pretty obvious that the same problems which existed in 1973 and '74 in Maryland exist now in our major cities. I repeat, the distinction between complete and functional divorcement, in my view, is one step we can take.

Now I know, Mr. Chairman, that none of us in this House are experts. I, least of all, claim any expertise in this area. But it doesn't take an expert to realize there are a lot of small businessmen who have been in the gasoline business and are now forced to sell out or get out, who are literally going broke. It seems to me, Mr. Chairman, it isn't good enough for us to sit back and say, well, this is a matter we can study. We can study it some more. It's a matter that has literally been studied to death — the McKenzie report, the Cal Lee report, the various other reports the Leader of the Opposition referred to, the visit to Maryland. Now we've got the Isbister commission in Ontario. How long are we going to wait? What commission are we going to commission, if you like, after the Isbister report has been compiled?

I think what the dealers are asking for, Mr. Chairman, is some kind of action. They're not asking for action for socialist reasons. Far from it. What they're saying is that in order to maintain free enterprise in the gasoline business, in order to stop vertical integration in the gasoline business so the major oil companies own the whole thing from square one, from production right through to the consumer, if you're going to maintain free enterprise in the retailing end of it, there has to be some kind of legislation to protect that sector of free enterprise while it still exists.

Many other points can be raised on this issue, Mr. Chairman, but we can hardly accuse the officials of the Automotive Retailers' Association or dealers generally. I have a number of service station operators in my riding who talk to me about being overly impatient, about being impetuous. They've waited. You know, they have the patience of Job. I think it was 1966, was it not, when the McKenzie commission was commissioned, 1969 when it reported — now over a decade. What have we got here? A 10-year plan, a 20-year plan, a half-century plan for action?

It seems to me, Mr. Chairman, it is not unreasonable to expect some answers at this time. So I would invite the minister to bring us up to date on this matter, to table whatever independent assessments the government has as to dealer markups, to give us some indication as to where we're going and how soon we're going to take action, so we at least have some independent retailers left.

MR. ZANDER: Mr. Chairman, I don't know where the Leader of the Opposition or the hon. Member for Spirit River-Fairview got their figures, but I think maybe the hon. Leader of the Opposition knows since he's living on the farm too. I'm talking about personal experience. Sure, I see the gas prices vary from 64.9 in the city of Edmonton to 69, 70, and 79.9.

If you wish, Mr. Chairman, I'll table my bill as of last week for 62.4 cents a gallon for amber gasoline, No. 2 gas, delivered to my bulk tank from a bulk dealer 75 miles west. He charges the farmer, or anybody who has a bulk tank, 2 cents over the wagonload price to the dealer.

Let's assume that's correct. Seventy-five miles west of the city of Edmonton, a little hamlet called Tomahawk, the bulk dealer on one side of the street and the BA service station on the other. Let's just take a look. If those figures are correct, the bulk dealer delivers the amber gas to the BA station across the street for 60.4 cents a gallon. But the gas on the other side of the street is 75.9. I ask you, gentlemen, what is the markup?

Now, I'll take the town of Westlock — I just happened to be in it last week — which is about the same distance as that little hamlet, in fact it's a little closer. On one side of the street, gasoline at 75.9; on the other side of the street, 78.9. I think we have to remember that the wagonload delivery from the refinery is the same price to everybody within.

MR. CLARK: No it isn't. That's the whole problem.

MR. ZANDER: It is.

MR. CLARK: It isn't.

MR. ZANDER: The BA dealer who picks up his gas in the city of Edmonton and has it delivered out there can sell that gas to me as an individual for 62.4 cents a gallon. Yet I can throw a baseball across the street from the tanks to the service station on the other side with a markup of 15.9 cents a gallon. How could you justify that?

Last year I did research, with the help of the research assistant, on gas pricing across Canada. If memory serves me correctly, the Alberta retailer markup was the highest in all Canada. It ranged from 13 to 19 cents a gallon. In all Canada, Quebec was the lowest. It had a markup of 7 to 8 cents; B.C., 10 cents; Saskatchewan, 8 cents. Driving through Saskatchewan, Mr. Chairman, I'd have to agree that if the markup is 50 per cent of what it is in Alberta — I'm not trying to pour hot water on the service stations. No. I'm trying to say, let's look at it realistically. If you go 20 miles further from where gas was purchased at 62.4 cents a gallon, you can get it delivered for 64.4 cents a gallon. But in the service station it's 78 cents a gallon. So you still have the 14 cents a gallon spread.

The hon. Leader of the Opposition shakes his head, but I will table the bill in this Legislature to prove the point.

MR. CLARK: It doesn't prove anything.

MR. ZANDER: If gas can be delivered 75 miles west of here and be delivered in my tank for 62.4 cents a gallon, put in the dealer's tank across the street for 60.4 cents a gallon, there has to be a markup of 15.9 cents a gallon. It's just that simple. I'm not saying all service stations. You know, you only have to go down 109 Street. I'd say just about eight months ago, the same service station was selling gas for 74.9 cents a gallon. Today as you drive down 109 Street it's 64.9 cents a gallon. I think if a dealer wishes to . . .

MR. NOTLEY: For how long?

MR. ZANDER: How long? I don't know how long. But surely, if the hon. Member for Spirit River-Fairview would only listen to reason, he would agree it costs more money to haul the gasoline 75 miles west from the refinery than to deliver it to the service station on 109 Street. It has to be.

MR. NOTLEY: We don't argue with that.

MR. ZANDER: So why are we arguing that some of them are closing their doors? Maybe they have to, I don't know. But I would certainly like to look at their operation before you close their doors and say, sure the price of gas is too low, they can't make a business out of it. I'm simply saying that I can purchase gas out there at 62.4 cents a gallon, which is cheaper than I can purchase it anywhere in the city of Edmonton.

AN HON. MEMBER: Agreed.

MR. DOWLING: Mr. Chairman, I'm keeping notes and will respond at the end of the appropriation.

MR. CLARK: Mr. Chairman, with all due respect to the minister, we've spent the best portion of half an hour on this particular matter. It's hardly good enough for the minister to say he's going to respond at the end of the appropriation, because there are going to be a number of other questions following his response. So we would like the minister to respond, give an indication of the government's position. Why has it changed as radically as it has over the past period of time? Then we'll go from there.

MR. DOWLING: Well, Mr. Chairman, what I'm trying to avoid is constantly popping up. I would prefer that they proceed with their questions, and I'll respond at the end.

MR. CLARK: We've finished our questions until we get some answers from you.

MR. NOTLEY: We're waiting for you, Bob.

MR. DOWLING: I'm recording it.

MR. CLARK: Come on, come on.

MR. CHAIRMAN: Vote 1, Ref. No. 1.0.1. Are you agreed?

MR. CLARK: Mr. Chairman, no. Absolutely not. If they think we're going to approve the minister's salary with that kind of performance from the minister, when we've asked him to respond . . .

DR. BUCK: He should get one dollar.

MR. CLARK: One dollar would be too much. We've asked him to respond to the initial statements that have been made. We've asked the minister to give us an indication why the government has changed its position. We've asked him to respond to the meetings he has held with the ARA, with the industry. So he sits here and isn't going to say anything. I

suppose he is going back to check with — I would be interested to know who he is even going to check with and come back and give us the word Monday. That's just the problem. This issue isn't being faced squarely. Surely to goodness the minister can give us an initial statement tonight.

DR. BUCK: Or resign, maybe.

MR. NOTLEY: Resign.

SOME HON. MEMBERS: Oh, oh.

MR. DOWLING: Well, Mr. Chairman, I would hate them to go home 'unplacated' and hanging their heads in sorrow. But I would like to read a brief from the April 1976 *Oilweek* which indicates the following things.

The tank wagon price in 1976 for the various provinces in Canada. Of those provinces, the lowest tank wagon price in Canada was 40.1 cents, which was Alberta. Paralleling that, in Regina they had that same price. The excise taxes were the same in all provinces, 13.9. The sales tax was 2.5 in Alberta. Lower than that was Toronto at 2.4. The markups across the Dominion were: the highest in Edmonton or in Alberta, 13.9; the lowest was 7.5, that's markup, in Montreal [This] really goes along with what our hon. friend for Drayton Valley said.

What we've done with regard to the ARA and the oil companies, as I've indicated earlier in the House many times, [is that] we've had a continuation of meetings with all the principal companies involved. We've had several meetings with the ARA, and most of them have been excellent. I've come to know these people very well over the course of the last several years. I knew many of them before that.

The situation has changed considerably since we first started to meet with them. At one point the ARA was demanding that the oil companies get out of self-service. They are not any longer demanding that. At one point they were asking, in fact, for divorce — period. They do claim that they are independent businessmen. That's hardly a totally true statement; they are lessees and not totally independent businessmen. They sign a contract which they agree to. They are grown businessmen, lessees who sign a contract and agree to that contract.

I'm aware, of course, as the hon. Leader of the Opposition has said, of the various reports that have been undertaken, some during my time with Consumer Affairs, some during the period when the former minister of Industry and Commerce had the responsibility for dealing with the ARA.

I really dislike the term "gas war". It can be used, but it is the market place functioning. It's a matter of a particular service station or group of service stations attempting to corner a larger percentage of the market. And the support price, as I indicated, as I understand the situation — and I don't know all the details of the gasoline marketing situation any more than anyone else in this House, but I do know that the companies do attempt to support the private entrepreneur, so that the markup is maintained at the level of 7.5 to 10 cents. They are unsuccessful in many cases, but they do attempt to do that.

I don't want to quote the statistics from any particular company, but I do know that as a general rule the

companies are attempting to get out of operations managed by the company. They are moving to a lessee situation in both the self-serve and regular type of stations. But I would like to remind the hon. members who have spoken — and I appreciate their comments because it's a matter of some concern to me, the ARA, as it is to you and its members — that those people who are successful — and some of them are the principals in the ARA — are successful not because they are simply selling gasoline, but because they've looked at the market place. And they've said, the market place requires this kind of service and is offering that kind of service. They're washing windows. When you go to their door, they say: you have a burnt-out headlight, I think maybe that should be replaced; you should have your windshield wipers looked after; we'll fill your window washer tank; we'll check your oil; we'll grease your car. These are the kinds of people who will survive in the market place, the people who are willing to give service and identify with the market place, understand it. That's really what's happening.

For us to move precipitously in a situation like this would just be sheer folly. Because we are in a situation... for example, I just happened to check today to see what was happening in company registrations: 8,000 new companies during the fiscal year 1975; 6,000 during the year before. That has to indicate something. It has to indicate a pretty stable economy. I think for us to move in and regulate, further involve ourselves in the private sector, would be sheer folly.

I have real difficulty with my honorable friend from Spirit River saying something like, we must maintain the free enterprise system by legislating against it. I can hardly believe that statement. I don't think I need to make any further comment.

I hope I've covered the topics. I've tried to keep extensive notes. The hon. Leader of the Opposition mentioned the B.C. survey. We know of that, of course. We are also very much aware of the one in Ontario, the Isbister commission. We are waiting to see what they are going to say. I'm aware of the submissions that are being made, but to make a commitment to have somebody on our staff in the east at these hearings is, I think, hardly necessary when the full proceedings will be forwarded to us the moment the commission has brought down its report. I really hope I've answered all the questions. If I haven't, please proceed.

MR. CLARK: I'd like to ask the minister one question, and that's really the information he led off with when he said the tank wagon price in Alberta was 40.1 cents. Then the excise tax, the sales tax, and [he] got to the point, if I have the minister's figures down correctly, that there is a 13.9-cent markup on the average in Alberta. Now, is that a fair assessment of the minister's statement? The reason I ask, you know, is that a report — it doesn't sound to me like it would be from the ARA — from *Oilweek* or the Department of Consumer Affairs, or have your officials checked this out? Do we assume from the minister giving us this information that the situation as the government sees it today is an average markup of 13.9 cents? Likely one of the difficulties in this whole field is that, if the minister could get the ARA and one of the companies and himself to sit down at

the same table, a heck of a lot of the problems could be solved.

The minister will recall we went around this a year ago. At that time when we asked you to have all the companies sit down with you and the ARA, the minister wouldn't dare do it because of the combines legislation and so on. One of the things I still believe should be done is for the minister and the ARA people — and if there is some strange combined reason you can't have all the companies in, then do it one at a time. To be very candid, I think most people get caught up in the fancy footwork and the figures. We've met with some of the people from the industry, and they can give you very convincing figures, but it seems to me that as far as the 13.9 average here, whose figure is that? Is that the government's?

MR. DOWLING: Mr. Chairman, just to respond briefly, the figures come from, as I said, the April 19, 1976 edition of *Oilweek*. It's found on page 15. It has regular gasoline prices, 1976 as compared to 1972. It lists all the excise taxes and so on, and they quote from Edmonton, Vancouver, Regina, Winnipeg, Toronto, Montreal, Halifax, Charlottetown, St. John's, and so on. These are the prices as indicated by *Oilweek*.

We have done our own surveys, and the Department of the Provincial Treasury does a monthly survey. It virtually tells the same story; perhaps the numbers vary slightly, but it tells the same story. Basically we have the lowest tank wagon price in all of Canada. We have the lowest provincial tax in all of Canada. On the average, we have maintained the highest markup in all of Canada on regular outlets on an average, and we have pretty well maintained the lowest retail price at those regular outlets in all of Canada. There has been some variation with that. As I said, at one time there was some market fluctuation in the province of Manitoba during a period. There has been a period in Regina and Saskatoon during which the price at the retail level dropped below the average selling price in Alberta.

MR. CLARK: Just following along the minister's comments, I wonder if, in light of all the confusion there seems to be in this area, the minister is in a position to make those surveys done by the Provincial Treasurer's Department available to the members of the Assembly.

MR. DOWLING: Mr. Chairman, I wouldn't be, but perhaps you might ask the Provincial Treasurer if he would be willing to table that kind of information.

MR. CLARK: I welcome the Provincial Treasurer back and ask the Provincial Treasurer — we're dealing with the question of the markup of the tank wagon price and so on. The minister indicates that the Treasury Department does the surveying or monitoring of prices in Alberta on an ongoing basis.

My question to the Treasurer is: would it be possible for the members of the Assembly to get copies of those surveys done by the Treasurer's Department? Because with all the information the minister has with regard to the average markup, the point of view you get from the companies, the point of view you get from the ARA — I think this kind of information from the government surveys would be very helpful.

MR. LEITCH: Mr. Chairman, I'll check on that.

MR. DOWLING: Mr. Chairman, one further response to the hon. Leader of the Opposition. He indicated that if we have not already stimulated meetings with all the companies, all the principals of all the companies in the marketing divisions, and the individual operators, he would like to know why. The companies themselves are rather nervous that they be accused, because of federal legislation, of acting in contravention of the Combines [Investigation] Act. We have suggested it, and they've said they will meet, but we just will not meet with all the companies present at the same time. They're a little concerned about federal legislation.

However, on many occasions, through the former Minister of Industry and Commerce and myself during my period as Minister of Consumer and Corporate Affairs, and during my period as minister responsible for this department, we have met with the companies, told them that we felt their major problem was not contacting their dealers. Their public relations were extremely bad. Their communication needed to be upgraded. As a result of that, whether or not we had any major part to play in it, each of the companies has had extensive meetings. I have no doubt they have. Some of those meetings have resulted in some considerable successes.

In addition to that, we have told the ARA principals that if they can identify any dealer who is having specific problems, [he] should bring those problems to us, and we will see what we can do relative to stimulating a solution by the company. In all cases we have been successful. For example, one chap claimed he was just not going to be able to make it. The company stepped in, assisted him to move into another branch of the same line of business, and he is now very successful. I should also say that he... well, I won't go into the deal.

MR. CLARK: Mr. Chairman, just to follow that along. I wonder if I might ask the minister if he's discussed with the industry people, the four or five major companies in the province, if they don't want to sit down collectively, to sit down individually with the minister and representatives of the ARA. It seems to me, by having that eyeball-to-eyeball kind of discussion under the minister's good auspices, many of these kinds of problems that you say are brought to your attention, or should be brought to your attention, could in fact be dealt with.

So my question very specifically to the minister is: has that attempt been tried by the minister, and why haven't those kinds of meetings come off to date?

MR. DOWLING: Well, Mr. Chairman, I think we've responded pretty well to the ARA in their requests for meetings, their requests for operation guidelines. The companies have been very quick to respond. They admitted in the first instance that they felt perhaps there was an area — that the McKenzie report in its recommendation was in fact correct. They worked very quickly to move into this area with the guidelines established by the former Minister of Industry and Commerce, and to make some major changes.

We feel we've accomplished considerably with stimulating the meetings we have had thus far. We

believe the companies themselves have acted very responsibly in moving out of areas where the ARA membership felt they shouldn't be. We feel that things are going along very well. We also believe we should not act in any manner precipitously until such time as we have the Isbister report in our hands.

MR. CLARK: Mr. Chairman, I just might follow along and say to the minister: is the minister's Department of Consumer Affairs, or any other department involved in monitoring, actually seeing how many private operations are in fact going out of business in Edmonton and Calgary? The *Edmonton Journal*, which I don't always agree with, pointed out four that had gone out of business during the last two weeks. I raised the question yesterday in the House with the minister as to this monitoring, and the minister really said, it's a very strange tale. We understand some of the dealers are making the choice not to continue to be involved in the retail of gas. They've chosen other lines of endeavor with the same company. I'd like the minister to elaborate on that if he would.

MR. DOWLING: Yes, Mr. Chairman, I can very briefly. What some of them have done is to remove themselves from the retailing of gasoline and move into the servicing area. They've developed a situation in their servicing bays and are finding it very successful. One operator in Edmonton, I understand, now has something of the order of four service stations which he runs in a service manner, serving his customers as a regular retail outlet with the regular retail price prevailing. He is very successful. For example, I don't frequent the self-service station. I prefer to have my car looked after rather than fill it with oil and gas. This fellow is very successful, because a great number of people feel the same way.

MR. CLARK: Mr. Chairman, with great respect to the minister, the minister says this happened on one occasion. Is this a general thing that's happening? Is your department involved in this kind of monitoring? It has been brought to my attention that in the last three weeks as many as eight or 10 service stations in Edmonton have gone out of business, or have indicated their intention to go out. There's a similar kind of thing in Calgary. It would seem to me that under normal circumstances that would be of some concern to the department. What kind of monitoring is going on?

MR. DOWLING: Well, as indicated earlier, we told the ARA principals that if they felt some service station operator believed himself to be badly treated by the company, they should identify him and we would act accordingly. If the hon. Leader of the Opposition knows of eight companies, I would appreciate his providing me with the names, addresses, and perhaps phone numbers of the principals involved, and I'll make sure we act.

MR. CLARK: Mr. Chairman, the minister is really saying he's doing nothing in that area as far as monitoring. Is that right?

MR. DOWLING: I'm saying the hon. Leader of the Opposition is doing nothing by not providing me with the information he says he has. [interjections]

MR. NOTLEY: Mr. Chairman, I'm wondering if we could get back to this question of the markup. The minister shows us the *Oilweek* report, which we've all read, that shows 13.9. However, it's my understanding that the dealer tank wagon price in Edmonton — that's the basic wholesale price in the various levels of taxation — is 64.9. I believe that's the tank wagon price in the city of Edmonton. If I add 13.9 to that, I come up with an average price of 78.8. Now, Mr. Minister, the average price of gasoline in the city of Edmonton is not 78.8 at this stage of the game.

MR. DOWLING: Mr. Chairman, if I might clarify that matter. The tank wagon price is the tank wagon price plus the federal excise tax and the sales tax. It comes to about the figure you say.

MR. NOTLEY: That is correct. And the final figure I come up with — the excise tax, the sales tax, what have you — is 64.9. To that you have to add 13.9, which would bring it up to 78.8. That's substantially higher than the average price of gasoline in the city of Edmonton. It would seem to me that when we look at the prices of No. 2 gas in this city, we're looking at a situation much closer to the ARA position, taken from their survey, of an average price of 6 or 7 cents markup rather than 13.9.

I'd just like to make one passing comment about the minister's bemusement at my concern for legislating free enterprise. If one looks back at the hotel industry, not so long ago the decision was made that breweries should get out of the hotel business. When people in the gasoline business simply say, you know, oil companies should be producing and refining gasoline but not selling, they're saying exactly the same thing in principle, Mr. Minister, as the hotel men did some years ago when they said to the breweries, get out of the hotel business. Let us run the hotels. You do the brewing; we'll do the selling, we'll do the retailing. So let's not talk as if this is a new idea suddenly pushed forward. It's something that has been accepted in another field.

Mr. Chairman, it seems to me we still don't have any real clarification on this business of what the markup is. In my judgment, clearly some kind of action has to be taken by the government. I can understand that there would be problems sitting down with the ARA and all the oil companies. When the minister says there may be difficulties under combines legislation, I can respect that. But there has to be some other alternative rather than just, you know, if you've got a problem, come to my office. That's not a policy. That may be an indication of a minister who is concerned about individual cases. That's laudable, Mr. Minister, but that's not a substitute for a policy. As I listen to your comments, the answer that comes through is, we're waiting. We're waiting until this Isbister report — we're waiting in an area where people have been waiting a long time, Mr. Minister.

It just isn't good enough to come out with statements that the average markup is the highest when in actual fact at the present time it isn't. They talk about these theoretical figures. They talk about how many fairies can dance on a pinhead. It's very interesting but it's not a practical reality at this stage of the game. The practical reality is that there's a gas war in our two major cities that to a large extent is

being fought with the dealers' margin. This so-called price support system, when I read it, is not a 7.5- to 10-cent price support at all. It ranges from substantially less than that to nothing at all. I fail to see how we can blindly say all is well in the service, station business and that the companies are taking the situation seriously. All they need, perhaps, is a little more public relations with their lessees.

Well, Mr. Chairman, it seems to me we need to do more than that. The point to be underscored is that a difference of 1 cent on the number of gallons of gasoline sold in this province is one heck of a lot of money. Something like 800 million gallons of gasoline are sold in Alberta every year. One cent is \$8 million, and if that 1 cent is squeezed out of the service station operator by a reduced margin, that is a very substantial loss across the province. That's the sort of situation we're getting from the concern, not only of the ARA people. But this isn't just a case of a few people in the executive of the ARA who are concerned; it's something one gets from all over the province. The service station operators I've talked to in my constituency — and it's certainly not as serious a situation in that part of the province as right here in Edmonton with the gas war that's taking place — are troubled and concerned about the present marketing of gasoline. As I say, Mr. Chairman, it seems to me that some action on the part of the government is long overdue.

MR. TAYLOR: Mr. Chairman, I'd like to say a word or two on this problem because I've been hearing lots of criticism from the hon. Member for Olds-Didsbury and the hon. Member for Spirit River-Fairview, but I don't hear any solutions and I don't hear any suggestions of what they want done. It's very easy to stand up here and criticize everything that's being done, but I'd like to hear what the hon. members want done. What is the solution?

I can say this thing was studied carefully and long by the previous government when the McKenzie report came in, and no action was taken because no decision could be made. The hon. Member for Olds-Didsbury knows that. There's a terrific difference of opinions and of the facts themselves in regard to this matter. Certainly there are some solutions, but I'm just going to run over a few of them and see which one the hon. members to my left want. I think if they are so critical of the way it is right now, let's find out what they want done. I don't think it's fair to be criticizing all the time without offering an alternative. I think it's utterly unfair.

In regard to the matter of the retailers' margin, are the hon. members who are so critical wanting the government to set the margin? I thought the Member for Olds-Didsbury wanted less government in business. I know the Member for Spirit River-Fairview wants more government in business. He wants to take it over completely. Even that surprises me tonight when he's pleading the cause of free enterprise. I don't know. I almost heard him — he was about to say a few minutes ago, socialism wouldn't work in the gas business. I could agree with that. But when he starts pleading the cause of free enterprise and crying crocodile tears, well it's just a little nauseating.

There are a number of solutions. The government could take over the whole industry and then what

would we have? There have been some suggestions that we compare this with what happened in the hotel situation a few years ago. Well, the government did insist on the breweries getting out of the hotels and gave them a specified time to do it. And they did it. It was a government order, so they did it. But I'd ask the hon. members: how much have the rooms come down since that time? The price of rooms hasn't come down at all. The price of rooms has gone up, if anything.

What are we trying to do? Charge the people more money? I'm suggesting if the government took over the industry and set the margin, it would be tantamount to a monopoly, which we're trying to avoid under federal legislation. That's exactly what we don't want done — at least those who believe in free enterprise don't want the government saying how much profit a dealer can or can't make. There's never been any assurance in free enterprise that you wouldn't go broke. You can make a lot of money — there's risk — or you can lose money. That's part of free enterprise. In a socialistic program where they guarantee nobody will go broke and nobody will get rich, everybody will be on starvation wages, that's fine. You can set the margin. I've never heard of a socialist government saying everybody is going to be rich. Oh no, not a bit. Everybody is going to share the poverty. That's what socialism says. That's one solution. I don't agree with it but it's one solution, if you want that kind of solution.

Now when we come to the McKenzie report and we say that the gas companies get out of the oil business, I'm inclined to agree with that. But I'm not sure that would be in the interest of the consumers of this province. I'm not sure that's going to keep the price the lowest possible to the consumer. Not at all. Because if it's going to be dealer-dominated, is the strong voice of dealers going to say to the dealers, you must all not go below a certain margin of profit? What if I want to operate on a 2-cent margin and another fellow wants to operate on a 15-cent margin? The consumer does the choosing, but if we're going to have a dealer-dominated monopoly, I can't see much difference from having an oil company-dominated monopoly. I don't agree with either of them. They are both subject to the same type of thing we're trying to avoid in our monopoly legislation in this country.

Another solution, of course, is to say we'll do away with all the self-serves. I wonder how the people outside would like that. Is that any answer? What you're saying is, we don't want the lowest price possible. We don't want the consumer to have a choice. Well, I thought one of the basic principles of the Social Credit movement particularly was for people to have a choice. Here we're saying they can't have a choice. We don't want the self-serves. Throw them out of business. Pass a law saying they can't operate. Well, I can understand a socialist government doing that, but the previous Social Credit government said we can't do that. It's contrary to the things we stand for. The hon. Member for Olds knows that. He was in the cabinet meeting where it was discussed, the same as I was. We had no easy solution. There is no easy solution to it.

I would suggest one of the best solutions is the market place, the free market place, and the more we can keep government out of these things, the sooner

we can find an even flow, based on the actual price, the actual margin and so on. I'm not at all satisfied that everybody has to make the same margin of profit. That's one of the things I object to in the insurance industry. When the board companies of this country set their premiums, they assume every company is going to have the same overhead. Every company doesn't have the same overhead. They don't have the same expenses. They don't have the same office rent. They don't have anything exactly the same. Yet their manuals say every board company must charge this premium. I disagree with that now, and I've always disagreed with it. Is that what we're wanting in the gas business?

I'm not going to say everything is perfect in the gas business. Certainly there are things that are wrong. But I haven't heard any solutions that are going to correct those things. It's very easy to be condemning the minister and tearing him apart, or endeavoring to tear him apart, without offering any solutions. I think that is utterly unfair, particularly by the hon. Member for Olds-Didsbury, who very well knows some of the problems and that there is no easy solution.

If we want the government to take it over, let's put a resolution on the Order Paper and see if we can carry the judgment of the members of this Legislature. If we want to do away with self-serves, let's put a resolution on the Order Paper and see if it will carry the judgment of the members of this Legislature. I know it won't carry the judgment of the people outside, because people are happy to get gas for a few cents less. If somebody is prepared to sell it a few cents less, well and good. Again, I'm not completely satisfied that the takeover by the government or the doing away with the oil companies would change the picture one bit. It didn't in the hotel business. The price of rooms hasn't gone down one iota since the day they became privately operated. As a matter of fact they went up, some of them an awful lot.

I'm not satisfied we might [not] have the gasoline price go up too if we had it completely dealer operated. Some dealers are money hungry the same as some oil companies are money hungry. But as long as we can keep a keen competition among oil companies and dealers, with fairness between oil companies and dealers, we have the best possible way of getting the best price for the consumer and of keeping the industry as stable as possible in an inflationary period.

MR. KROEGER: Mr. Chairman, you're working my side of the street. We're with Imperial Oil, retailing gasoline and buying it wholesale. We went through this price-war concept in 1970 with the farm equipment business.

Our suppliers came along and said, this piece of cast iron with rubber tires on it is going to cost you \$6,000. We tried to retail it for \$7,000. Then we retailed it for \$6,800, and then \$6,500. But the floor price always stayed the same. Then the suppliers moved in and said, boy, we're going to lose some dealers. We'll start putting the price down a little. That didn't solve anything, because we just went right down with it. If they gave us another \$200, we went down another \$200 and the war continued. In 1970 about 40 per cent of us went broke. Nobody said anything about moving in and supporting us,

because the farmers liked it. They just kept on buying short and putting us out of business.

The situation with the gasoline, and where you lose me on this one, is that we're saying we must maintain a margin. I don't know how you're going to do that if the dealers insist on dropping the price. If you follow that through far enough, you're going to wind up giving them the gasoline and they'll still make their 2 cents. So you sell 2 cent gasoline. I don't see that that follows. This is a temporary thing. As businessmen buying gasoline for 60 cents — if that's what they're paying for it, and I haven't looked at our invoices lately — if I want to buy it at 60 cents and sell it at 62, Imperial doesn't say anything to me. If I buy it at 62 and sell it at 78, they still don't say anything. Go ahead. Now if people start selling short and losing money, presumably that's their business.

I just can't see how we're going to legislate into anything what you have to charge. It just isn't workable. We've demonstrated it. So I can understand the worry of the independents around the city, and I know some of them are going to go out. As a matter of fact, I have some friends in the business who have approached me to talk about doing something for them to keep them there. Well, the thing boils down to economics, and if you can't survive while this flurry is on, of course you are going to go out. But we'd be ostracized if we attempted to hold this thing artificially while everybody comes back to their senses. If a cent a gallon is a lot of money at the retailers' level — the figure 800 million gallons was mentioned — then a 2 cent reduction I suppose is double that for the consumer. So that doesn't really hold water as far as I'm concerned.

But very simply, I think we should stop talking about maintaining a margin, that we're in a free enterprise system. Anyone who wants to sell for less, if he knows what his cost is, that's his business. I think we should not complicate this thing too much and worry about the margins. If you know what you're paying for the gasoline, the least that you can buy it for, figure out what you can sell it for. If you can't sell it for that, then go and wash windshields and go into the service business. You can do that. The oil companies don't want that part of it. And just as soon as you get into a straight service factor, stop where you have — I've seen this, and we've done it — a man who is doing a service job and a car drives up to the pumps, he drops his wrenches and goes out and sells the gasoline, and as soon as he does that, you start losing money. He's making more money on that car. If we have to go the service route, that's still the owner's choice.

I'm suggesting that we shouldn't mess around with this thing very much.

MR. NOTLEY: Mr. Chairman, in his remarks the Member for Sedgewick-Coronation really just makes the point made by the consumers' association in Ontario when they presented their submission to the Isbister commission, namely that the long-term position of the consumer is best protected by a large number of independents stuffed in the field.

The Member for Sedgewick-Coronation who talked about the situation in the machinery business and pointed out that 40 per cent of the dealers went broke, makes a good point. And farmers are now paying the price of 40 per cent of the machinery

dealers going broke. The operators of motor vehicles in this province are going to be paying a rather heavy toll down the road if we see one service station after another going out of business.

It seems to me, Mr. Chairman, that one of the options we can consider at this point in time is functional divorcement. That has been proposed by the consumers' association in Ontario. It's the legislation, or a variation of that presented in the state of Maryland. It's an option which in my view is quite consistent with what we're trying to get at here. It's fine to talk about free enterprise. It's fine to say, oh, one person wants to drop his price. Well, fine, I don't suppose the service station operators would worry about that if the oil companies had varying tank wagon prices. But what's the real variation in the tank wagon price between Shell, Gulf, or Imperial Oil? Do we see the tank wagon price vary by 8 or 10 cents a gallon? Not very likely. We see an administered price which the dealer has to pay. The only variation at all is in this price support system that comes in which doesn't anything like cover the problems faced by dealers in Edmonton and Calgary with the present gas war.

So we can talk all we like about free enterprise, but if we had free enterprise all the way along the road, if we had free enterprise at the service station level, if we had free enterprise at the refining level, if we had free enterprise right back to the production level, so be it. But when the service station operator has to buy that gasoline, he pays the administered price. It doesn't make any difference whether he's working for Shell or Gulf or Imperial Esso, whatever the case may be. So if we're going to talk about free enterprise, let's back up a little bit. Let's not just see price cutting at the dealer level.

I was interested in the comments of the Member for Drumheller, who talked about the separation of the breweries from operating hotels and said it didn't reduce the price of a room. Well quite frankly, I don't know of many other things that have gone down in the last number of years, and I would be rather surprised if the price of hotel rooms had gone down. But one of the consequences of that decision is that a lot of hotel men now in the hotel business might very well not have been in the hotel business if the breweries had been able to retain and expand their hold. That's really what the service station operators are saying. In order to stay in business, we are asking that the oil companies do the production and refining, but when it comes to the retail end of it, that there be, in fact, functional divorcement.

Now, the reason I rose was not to comment on some of the other speakers, but rather to ask the minister a direct question. In the course of his remarks yesterday, he indicated that functional divorcement would mean a \$250 to \$300 million investment by service station operators. Where does he come up with these figures? On what basis does he arrive at that estimate? First of all, there is a difference between complete divorcement and functional divorcement. But I would be interested in knowing, for the sake of discussion in this committee, where we arrive at this huge figure, on what basis, whose statistics we're using.

MR. DOWLING: Well, Mr. Chairman, first I'd like very briefly to thank the Member for Sedgewick-

Coronation for his contribution, and obviously the Member for Drumheller, who says it so much better than I. The only thing the hon. Member for Drumheller neglected to say — and he said almost everything else I would like to have said — was that in the hotel business now there is no ownership other than by hoteliers. That is not the situation that would exist if there were functional divorcement in the service station industry.

The figures that were arrived at and the figure I quoted the other day were based on an estimated cost of the individual stations now owned by the companies, multiplied by the number of stations now owned by the companies. It was strictly an estimate based on an average cost of some \$250,000 to \$300,000 to build the station, provide the pumps, provide the delivery service, and that kind of thing. It would be actually divorcement as opposed to functional divorcement.

MR. NOTLEY: So there is no misunderstanding then, the minister is talking about complete divorcement, and the minister would admit that functional divorcement as asked by the ARA for that matter, or as proposed by the consumers' association before the Isbister commission — we're not looking at that kind of horrendous figure.

Agreed to:	
Ref. No. 1.0.1	\$101,510
Ref. No. 1.0.2	\$85,900
Ref. No. 1.0.3	\$49,400
Ref. No. 1.0.4	\$94,250
Ref. No. 1.0.5	\$92,300
Ref. No. 1.0.6	\$49,550
Ref. No. 1.0.7	\$2,100
Vote 1 Total Program	\$475,010

DR. HORNER: Mr. Chairman, I move the committee rise and report.

[Motion carried]

[Dr. McCrimmon left the Chair]

[Mr. Speaker in the Chair]

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

Resolved that a sum not exceeding \$513,582,510 be granted to Her Majesty for the fiscal year ending March 31, 1977, for the Department of Education.

Mr. Speaker, the Committee of Supply has had under consideration a certain resolution, begs to report progress, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

DR. HORNER: Mr. Speaker, I move the House do now adjourn until tomorrow morning at 10 o'clock.

MR. SPEAKER: Having heard the motion by the hon. Deputy Premier, do you all agree?

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

HON. MEMBERS: Agreed.

[The House rose at 10:40 p.m.]

