

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, April 26, 1976 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS**Bill 39****The Occupational Health and Safety Act**

MR. CRAWFORD: Mr. Speaker, I beg leave to introduce Bill 39, The Occupational Health and Safety Act. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

Mr. Speaker, Bill 39 will bring far-reaching changes in the basic laws of the province having to do with safety and health of workers. The principles of the bill have been prepared following the recommendations of the Gale Commission, which are well known to hon. members. With one minor exception, it virtually goes all the way to the adoption of a single, unified, co-ordinated approach to occupational health and safety services on the part of government in the province. Of course, that is one of the central recommendations of the report.

The bill will promote the continuation of health and safety councils where they exist, and support, maintain, and expand those councils and their services. As well, the bill will enable government services to occupy areas where no health and safety services have existed in the past. The work is to be done by means of inspection, enforcement, research, and, in general, by a thrust covering the entire area. The bill provides for the use of an advisory council to the minister and introduces the novel and interesting concept of joint work site committees.

[Leave granted; Bill 39 introduced and read a first time]

head: INTRODUCTION OF VISITORS

MR. RUSSELL: Mr. Speaker, on behalf of the hon. Minister of Social Services and Community Health, who ordinarily occupies the vacant seat on my left, I would introduce to you today, and through you to the members of the Assembly, the Grade 9 class from the Caroline School in her constituency of Rocky Mountain House. They are visiting the Legislature today and are in the members gallery. I'd ask that they rise and receive the welcome of the members.

head: TABLING RETURNS AND REPORTS

MR. MOORE: Mr. Speaker, I would like to file three copies of the new *Alberta Farm Guide*. The first edition of the *Alberta Farm Guide* was printed in the 1950s, and a second edition in the centennial year, 1967. We will have 50,000 copies available of this third edition, which outlines all the physical production and management problems that might be encountered in the agricultural industry. It could be considered compulsory reading for all farmers. Copies will be available from my office for interested MLAs.

Mr. Speaker, I'd like to file as well three copies of a feasibility study on income-averaging trust accounts for farmers, which was prepared by a consulting firm for the Alberta Department of Agriculture.

MR. LEITCH: Mr. Speaker, I wish to table the annual report of all guarantees entered into by the Provincial Treasurer, pursuant to the provisions of The Co-operative Marketing Associations Guarantee Act, for the fiscal year ending March 31, 1976.

Mr. Speaker, I also wish to table the financial statements of the Alberta investment fund for the fiscal year ending December 31, 1975.

DR. HORNER: Mr. Speaker, I'd like to file with the Legislature two documents required by statute. The first is the [statement of] permits issued and revenue collected by the Motor Transport Board for the period April 1, 1974 to March 31, 1975. The second document is one required under The Surveys Act.

MR. FARRAN: Mr. Speaker, I'd like to table a reply to Motion for a Return No. 166.

head: ORAL QUESTION PERIOD**Dodds-Round Hill Project**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of the Environment. It flows from a meeting held in the Camrose area on the weekend.

The question is: will Calgary Power be required to test its reclamation procedures on the land from which it will be extracting the 25,000 tons of coal for the pilot project?

MR. RUSSELL: Mr. Speaker, the question tends to be a little hypothetical in a way. I'll try to answer with the procedures that would be followed, and which would apply to any industry in similar circumstances. Before getting the necessary permits to proceed, a proponent would be required to submit the appropriate environmental impact assessment studies and a proper and approved reclamation plan, as well as security to carry out the reclamation program.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. In light of the application being on its way to the ERCB, and recognizing that a great deal of research has to be done in this particular area, has the Department of the Environment designated any specific studies with regard to the water supply in the Dodds-Round Hill area and the possibility of mining in

the area having a detrimental effect on the water supply? Have any specific studies been set forward by the Department of the Environment?

MR. RUSSELL: No, Mr. Speaker, no specific studies that I'm aware of have been commissioned to date to deal with that special program. Of course, that is one of the facets that would be considered in the total environmental and reclamation program that I just spoke of.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. In light of the imminent application by Calgary Power and its associates, has the Department of the Environment commissioned any specific studies dealing with any aspect of the question of environmental safeguards in the Dodds-Round Hill area?

MR. RUSSELL: Well, Mr. Speaker, perhaps it would be better to explain briefly the way the system works. The application, as it's proposed to go to the ERCB, is first looked at, through the ERCB, by the interested agencies. Certainly, one of those would be the Department of the Environment. The application is examined for deficiencies. I understand that that has been done, and the application has been sent back to the proponents instructing them that their application is deficient in certain aspects, because various departments will be asking for this kind of information to be supplied by the proponents. In that case, a general list of environmental concerns is brought to the attention of the proponents. It's their responsibility to provide the substantiated information to the ERCB.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. What steps is the Department of the Environment taking to establish an environmental base line with which to judge future changes in the Dodds-Round Hill area environment, in light of the possibility — I admit it's a possibility — of this project going ahead?

MR. RUSSELL: Mr. Speaker, I'm not quite sure if I understand the question. But as to a base line, of course the three elements the department would be concerned with are air, water, and land. You can go through each of those elements and look at the criteria, qualifications, and standards the proponents would be expected to guarantee to sustain. Certainly, the existing status of the Camrose-Ryley region would be a very important factor to consider in establishing that base line.

MR. CLARK: Mr. Speaker, a further supplementary to the minister. Is it the position of the government that no more information is needed with regard to environmental problems in the Dodds-Round Hill area so that the Department of the Environment has a sufficient base line of information to compare future changes in the environment in that area?

MR. RUSSELL: No, Mr. Speaker. I don't want to leave a false impression in the House. I think everybody generally accepts that the scope and magnitude of this project are going to lay some very real environmental and reclamation problems on the

table.

Again, I go back to the fact that it's a responsibility of the proponents at the time of their application to put to the ERCB, and thence to the government, their methods of dealing with those [problems]. At that time, the judgment would be made whether the proposed techniques and methods are sufficient. I would expect that some special studies may have to be undertaken with respect to certain aspects of the application. But at this time, I'd only be guessing at what those might be.

German Reclamation Experts

MR. CLARK: Then I'd like to direct a question to the Premier, and ask if he's in a position to indicate to the Assembly if the experts or individuals from Germany will be coming to Alberta this summer, looking specifically at the Dodds-Round Hill situation, and then reporting to the Alberta government on reclamation procedures.

MR. LOUGHEED: Mr. Speaker, that visit is under the jurisdiction of the Minister of the Environment, who may wish to respond.

MR. RUSSELL: Yes, Mr. Speaker. The visitors are coming early in May and will be going to the area. I'll be accompanying them, as will some other members of the Legislature. They're also going to some other areas of the province to look at reclamation and mining techniques. We certainly expect to have a positive and productive follow-through as a result of the first contacts made during the European mission.

MR. CLARK: Mr. Speaker, a supplementary question, then, to the minister. Is the Government of Alberta bringing these officials and paying their way to Alberta, or are they coming on their own? Will they be involved in other business discussions while they're here?

MR. RUSSELL: Mr. Speaker, I'm not able to answer that question. As far as the formal arrangements for the visit itself are concerned, the Department of the Minister of Federal and Intergovernmental Affairs is handling those.

MR. CLARK: Is the Government of the Province of Alberta paying the way and looking after the expenses incurred by the officials who are coming here from Germany and who will be giving advice to the Government of Alberta on reclamation procedures in the Dodds-Round Hill area?

MR. HYNDMAN: Mr. Speaker, I'd have to check on that. But my understanding at the moment would be that certainly the Government of Alberta is not paying for all the arrangements of the RBW people coming to Alberta. Insofar as they will be in this province, I think the government certainly will be providing them with transportation to the Syncrude site, for example, which they're very interested in seeing.

I think it should also be remembered that when the European mission was in Germany we were very hospitably hosted by the RBW people at their open-pit coal-mining operation, also with regard to the environmental aspects of that. So in a way we're simply

repaying hospitality, but certainly we're not paying for the whole thing.

MR. CLARK: Mr. Speaker, then a supplementary question to either the Minister of Federal and Intergovernmental Affairs or the Minister of the Environment. Will the RBW people be giving the Government of Alberta a formal document on the question of reclamation after viewing the Dodds-Round Hill and tar sands ventures, and other areas in Alberta?

MR. RUSSELL: Mr. Speaker, with respect to the purpose of the visit, I believe there may be some misunderstanding on the part of some members. The company is very interested in the business opportunity it would have with respect to the activities now under way in Alberta. I'm talking about the resurgence of interest in the various kinds of open-pit mining and the reclamation problems.

We made a good contact with them on our European mission and, on their part, this is a follow-up to visit some of the oil sands and coal mining areas of Alberta to reflect upon mining and reclamation problems. I'd only be assuming that they might be getting work on a commercial basis as a result of that visit.

MR. CLARK: Mr. Speaker, just one last supplementary question to the Minister of the Environment. Is it fair then for members of the Assembly to assume that this question of reclamation will be one of a number of things the company will be looking at, and that they will be very much involved in trying to encourage industry in Alberta perhaps to make use of the kind of equipment they have used and the fact that they're involved in this area?

MR. RUSSELL: Yes, Mr. Speaker. They've had some excellent experience. I think some of their equipment has been in use for several years at GCOS. I know our Alberta members were very interested in meeting them and looking at their open-pit mining programs in the Cologne area of Germany. It's that kind of information that will be usefully exchanged.

Exorcism

DR. BUCK: Mr. Speaker, I'd like to address my question to the Solicitor General. It has to do with exorcism.

I'd like to know, Mr. Speaker, if it is the policy of the minister or the department to allow or encourage exorcism to be practised in provincial jails.

MR. FARRAN: Mr. Speaker, no. Exorcism is not a standard rehabilitation tool in the correctional institutions.

The hon. member refers to a story from Calgary where one prisoner did request a visit from an Anglican minister to carry out some sort of religious exercise. This request was granted.

As permanent chaplains in the institutions, we have one Salvation Army chaplain and one Roman Catholic chaplain. But if a prisoner requests the services of a priest or a minister from some other faith, under normal circumstances this will be provided.

Prison Psychiatric Services

DR. BUCK: A supplementary to the minister, Mr. Speaker. Can the minister indicate, or does the minister know, if there was any consultation with the prison psychiatrist or if any other psychiatric services were available before this man was given the treatment of exorcism or deliverance?

MR. FARRAN: Mr. Speaker, I believe in this case there was some consultation. But it would be improper for management to interfere with the freedom of religion of a prisoner. For instance, if a correction officer were found guilty of eavesdropping on a confessional, I think he would be dismissed.

I might add, Mr. Speaker, that the chief devil we have to contend with is John Barleycorn, and he comes in a bottle.

DR. BUCK: Mr. Speaker, I do want to know from the hon. minister if this man had had a psychiatric consultation prior to his so-called treatment.

MR. FARRAN: Mr. Speaker, this I don't know. But I understand the inmate concerned is presently at Oliver.

MR. TAYLOR: Mr. Speaker, a supplementary to the hon. minister. If a prisoner and his pastor wanted to practise exorcism, what business would it be of the government?

MR. FARRAN: Mr. Speaker, that's the point. Prayer may well be a tool for rehabilitation, although, as I say, exorcism is not a standard part of our armory.

MR. CLARK: A supplementary question to the minister. Has the minister had an investigation carried out with regard to the circumstances surrounding this situation in Calgary? Is he in a position to indicate whether, according to the court records, the individual involved was suffering from brain damage as a result of alcohol?

MR. FARRAN: Yes, Mr. Speaker.

MR. CLARK: A supplementary question. Is the minister in a position to indicate why a prisoner or an individual suffering from brain damage would be at Spy Hill?

MR. FARRAN: Mr. Speaker, I don't know about the degree of brain damage. Alcoholics all suffer from some degree of brain damage, according to the experts. I think one must take it as likely that a very large number of the inmates of correctional institutions are not completely free of mental problems.

DR. BUCK: Mr. Speaker, a supplementary to the minister. Is the minister aware why the man was transferred from the correctional institute to the mental institute?

MR. FARRAN: Mr. Speaker, the answer to that question is pretty obvious. He was transferred for psychiatric treatment.

MR. CLARK: A further supplementary. Is the minister carrying out an investigation to see how many other inmates at Spy Hill or Fort Saskatchewan are suffering from the same kind of situation, and I talk seriously about brain damage as a result of alcoholism.

What future plans does the minister have for facilities for these people? Or is he satisfied that they should simply be with the rest of the inmates at Spy Hill and Fort Saskatchewan?

MR. FARRAN: Mr. Speaker, in discussion of my estimates I think it was made clear to the House that there are provisions for more psychiatric nurses in all the institutions. We do have visits from psychiatrists.

In the estimates of the hon. Minister for Social Services and Community Health there are provisions for forensic psychiatric facilities in both the remand centre and the Calgary General Hospital, and I understand there are ongoing plans for improvement of the Oliver facility. There is constant consultation with AADAC in regard to alcoholism treatment, and this will be expanded this year.

Computerized Check-outs

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Consumer and Corporate Affairs. In view of the concern about computerized supermarket check-out systems which was expressed at the recent convention of the Alberta Federation of Labour, has the government commissioned any study to determine the impact of computerized check-outs on comparative shopping?

MR. HARLE: No, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Does the department have any statistics at this stage on how widespread computerized check-outs are?

MR. HARLE: No, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Have there been any discussions with the supermarket chains concerning the introduction of computerized check-outs, in view of the fact that comparative shopping is rather important in a time of inflation?

MR. HARLE: I've had no meetings at all with anybody on the subject, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In light of the concern expressed by the Alberta Federation of Labour, is it the government's intention to seek meetings with the supermarkets concerning this matter, to see if there is a problem that might be remedied?

MR. HARLE: Mr. Speaker, if it developed that that type of check-out system was coming into Alberta, it might be useful to look at it.

Animal Transportation Regulations

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Agriculture. Has the hon. minister had an opportunity to check on the federal regulations for the transport of animals?

MR. MOORE: Yes, Mr. Speaker.

MR. TAYLOR: Is the government concerned that the federal regulations are now injecting themselves into interprovincial movement of animals?

MR. MOORE: Mr. Speaker, the Department of Agriculture has been working jointly with the Department of Transportation in a review of what has been referred to us as draft regulations by the federal government. The two departments will be making representations jointly to the federal health of animals branch with regard to those regulations. Mr. Speaker, there are a number of areas in which we do have concerns with respect to those draft regulations.

We're hopeful that with the proper type of approach to the federal government, showing possible alternatives to the concerns that have been expressed to them and, hence, resulted in these draft regulations, we might be able to effect changes that would be appropriate insofar as the province of Alberta is concerned.

Government Advertising

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Business Development and Tourism. Is the proposal by the *Financial Times* of England to publish several articles on Alberta contingent upon the Alberta government placing an advertisement in the paper?

MR. DOWLING: No, Mr. Speaker, it is not. From time to time foreign publications, particularly in financial centres such as London, do undertake to promote various parts of the world. During the last fiscal year, another London publication undertook a supplement. They chose three places. One was Wall Street, another was the Arab countries, and the third was Alberta. This year there is a proposal for a supplement by the *Financial Times*. They have asked us to commit a certain amount of money to advertising. The amount of space indicated in the article I recently read may not be true, but a commitment will be made.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Will more than one advertisement be run in the *Financial Times*?

MR. DOWLING: Mr. Speaker, my information is that it would probably be at least two ads, and could possibly be more.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Will the advertising be for small business or industry? What type of advertisements will be issued in the *Times*?

MR. DOWLING: Mr. Speaker, we will be . . . [inaudible] in support of the printed material in the supple-

ment, an indication of what Alberta is and why people involved in foreign capital markets should come to invest and participate in the progress that's obviously taking place here.

Grande Prairie Annexation

MR. BATIUK: Mr. Speaker, earlier I posed a question to the Minister of Municipal Affairs, asking how much land was approved for annexation to the city of Grande Prairie. You suggested, sir, that I put it on the Order Paper.

I already have that information, so I would like to put a supplementary question to the minister today to see if the minister could advise whether the 34 sections of land approved for annexation are prime agricultural land, and whether there has been any significant opposition to the annexation.

MR. JOHNSTON: Mr. Speaker, certainly the land in reference around the city of Grande Prairie was partly prime agricultural land. But weighing it merely in terms of that one aspect is certainly trying to review what the Local Authorities Board has already done. There was some very minor opposition from the county of Grande Prairie, but nothing very substantial.

Summer Farm Labor

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Advanced Education and Manpower. From the demand on his department, could he indicate if there are any indications of a shortage of farm labor this summer?

DR. HOHOL: It's difficult to say, though generally from trends over the last decade I would guess there would be [in] geographic areas during periods of time and in particular kinds of farming, probably with special reference to the growing of sugar beets and potatoes in southern Alberta, and certain shortages of heavy equipment help in the northern part of the province.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Is there an indication that farm labor from outside Canada will be brought into Alberta from such places as Mexico and other areas on the list of priorities of the federal government?

DR. HOHOL: No, there is not. Mr. Speaker, since 1971 this is an area in which we have worked with the federal government to make certain that whatever program of farm or other kinds of help — for example, for restaurants or large hotels in federal parks in Alberta — comes to Alberta is affected and influenced on behalf of Albertans by the views of this government.

At this point it is not my information, and as recently as two weeks ago I was in touch with my colleague in Ottawa, the Hon. Robert Andras, Minister of Immigration and Manpower. There was no indication from him that he would be making a request like this for us to consider.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Minister of Agriculture. What is the present status of the potential 1,150 student applications under the summer farm employment program?

MR. MOORE: Mr. Speaker, we will be employing approximately 1,200 students during the two months of July and August. Individuals presently are putting in their applications to district agriculturalists' offices throughout the province. I believe that about the end of May we will be making decisions with regard to who may or may not be able to have a student this year.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. On the assumption that there will be over 1,200 applications, has the minister a set of guidelines he could table in the Legislature with regard to how he will pick the priority of employment?

MR. MOORE: Mr. Speaker, those were contained in a news release issued some weeks ago with respect to the summer farm employment program. I have no hesitation in providing a copy of that to the Legislature.

Basically, the first criterion was that an individual who had a student in the last calendar year would be last on the list. In other words those who did not employ a student in 1975 would be given first opportunity. It's expected that we will be able to fill all, or almost all, the applications that come from farmers who did not employ a summer student in 1975.

In addition to that, we've allocated the student placements on a regional basis throughout the province. The six regions of the Department of Agriculture have each been allocated so many students. Within those regions, each district agriculturalist's office has been allocated so many students, to avoid the possibility that [residents of] one region of the province who might have been able to get to the DA's office a little quicker than those of some other one would not wind up with all the students. So we think they've been spread fairly equitably throughout the province.

Finally, Mr. Speaker, I'm not yet sure of the method that will be used, but at the end of May it may be possible that we would have some kind of draw system in the event there are more applications from farmers who did not employ a student last year than we have positions available.

Foreign Students

MR. CLARK: Mr. Speaker, I would like to direct my question to the Minister of Advanced Education and Manpower. Referring to the foreign student question, has he had discussions with the universities on the possibility of two levels of tuition fees, a lower level for Canadian students and a higher level for non-Canadian students?

DR. HOHOL: Mr. Speaker, if we were to look at *Hansard*, I would guess it was several weeks ago that the hon. Premier and I indicated to this Assembly and to the people of Alberta that there would be two sets of student fees for the fall session of 1977: one

for Canadian students and one for foreign students. That's a matter of record. I'm happy to state it again for the Assembly.

MR. CLARK: Mr. Speaker, a supplementary question, also for the record. Is the minister in a position now to indicate to the Assembly what percentage of non-Canadian students he considers acceptable in the university student body?

DR. HOHOL: No, Mr. Speaker, this process will mostly involve the study and response of the universities and colleges to the aspirations and the assessment of the situation as we find it across this province as we move through the villages, towns, and cities, and our informal and formal discussions on this subject and others.

There is no magic figure. I think it depends a great deal on circumstances. It depends a great deal on how Albertans feel about this. Space is available at the universities based on the resources available to them at any point in time, but in the context of a long-term policy which we hope to develop in a pretty open kind of relationship with the universities and the college system and, indeed, the secondary school system, where some foreign students begin their education in Alberta and across Canada.

MR. CLARK: One further supplementary question to the minister. Is the minister in a position to give a commitment to the Assembly on the target percentage the province is looking at? Are we looking at 5 per cent or 10 per cent of students in postsecondary educational institutions being non-Canadians?

DR. HOHOL: No, we would not, Mr. Speaker. On this subject, as on the matter of student fees, I think there should be a reasonable range that should have a minimum and a maximum; and somewhere in there [should be], depending on the circumstances, the economy, the number of students, the other costs, the costs of books, of board, of lodging, of a whole host of things. I don't think it's reasonable or acceptable to make a sort of deterministic conclusion about the exact number with respect to a percentage, no more than it is, in my view, with respect to student fees.

MR. CLARK: Then, Mr. Speaker, I wonder if I might ask the minister when we might expect some statement from the government on what this reasonable range will be.

DR. HOHOL: It's certainly of much concern to Albertans. As soon as we conclude some kinds of understandings on this matter with the institutions — I am certain all of the members of the Assembly have a clear view of their responsibility in this matter as well as ours and that of the people of Alberta — as soon as possible. In view of the fact that we have made a commitment, and I have made a commitment personally, to make certain the fees are in two tiers for the next fall term, then the time in which the information will come forward will not be that great, but it wouldn't be immediate in any case.

MR. CLARK: What happens now?

MR. SPEAKER: Might this supplementary be followed by the hon. Member for Edmonton Kingsway with the last supplementary on this topic.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. This is for clarification. I believe the hon. minister said that at this time there was not any specific percentage as to students. But I'm asking the question with respect to the fee structure itself.

What criteria is the department now discussing with the institutions to determine the difference between fees for Canadian students and foreign students?

DR. HOHOL: Well, it doesn't work quite that way. The universities are clear that we're moving into a two-fee structure. They are also clear that Albertans are not concerned with a token kind of difference. I say this because in some places in the United States and Canada there are differences, but they don't really matter. They are not significant. Ours is intended to be significant.

So it's a process rather than a particular point in time. It could differ from university to university. We hope it will not. But it's impossible to say that there's a specific set of criteria. This will depend a great deal, for example, on how old a particular university is in comparison to another which is new, like the University of Alberta and the University of Calgary. But we hope to even it off and have it within a range, if not exactly the same.

DR. PAPROSKI: Mr. Speaker, another supplementary on that topic. I wonder if the minister would indicate to the House whether, during his deliberation on establishing the range of the number of foreign students in our universities, he will be taking into account the number of Alberta students attending foreign universities.

DR. HOHOL: Only as a matter of record, and we have that information. The information as to the number of students from Alberta in foreign universities is readily available. In many cases it's for the undergraduate degree or, just as frequently, for the postgraduate or the doctoral degree. It would only be useful information, but it's certainly there for us to look at. It would not be a criterion, if that's what the hon. Member for Edmonton Kingsway is asking.

VS Services Contract

DR. BUCK: Mr. Speaker, in the absence of the hon. Miss Hunley, whatever department that is, I'd like to ask the Premier or any member of the Executive Council if the contract with Versafood and the provincial government has been signed.

MR. LOUGHEED: Mr. Speaker, I don't have that information. The Minister of Social Services and Community Health, the hon. Miss Hunley, is presently at a meeting in Ottawa. I'll take notice of the question. When she returns I'll alert her to the member's interest.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier. In light of the fact that May 1 is nigh

upon us, and that's when the agreement is to come into effect, if the minister is going to be away for some days, and I understand she is, would it be possible for the acting minister or the Minister of Labour to report to the Assembly tomorrow whether the contract has been signed? If it hasn't been signed, is May 1 still the government's target date?

MR. LOUGHEED: Mr. Speaker, I'll take that matter under advisement, and we will if it's possible to do so.

MR. SPEAKER: I believe the hon. Solicitor General has a number of answers to outstanding questions which hon. members may wish to receive. Perhaps we might have them now.

Restitution Program

MR. FARRAN: Thank you, Mr. Speaker. I took a number of questions under advisement and promised the House that I would give the information when it became available. The first question was asked on April 2 by the hon. Member for Drumheller. "Why is restitution confined to the amount of the deductible, where an insurance policy is in effect on the damaged premises?"

The answer is that where an insurance claim has been made, restitution is not confined to the amount of the deductible. In all cases but one where a restitution agreement has been signed through PARC, and where an insurance settlement has been made prior to the signing of a contract, the contract has been such that the amount of the deductible goes to the victim, and the amount of the insurance settlement goes to the insurance company. However, in one case where this didn't occur, there were a host of unusual circumstances including the financial status of the offender complicated by an extreme medical problem and a somewhat unusual victim-offender relationship.

In respect to the second question raised by the hon. Member for Drumheller, in cases where a victim has entered into a restitution contract with an offender and has not made a claim on his or her insurance, a waiver of claim is requested.

Royal Canadian Mounted Police

MR. FARRAN: On April 13, there was a series of questions from the hon. Leader of the Opposition concerning the RCMP report. The first one concerned a crime detection laboratory for southern Alberta. The answer is that the RCMP is considering the establishment in Calgary of a crime detection laboratory to serve southern Alberta, but its location has not yet been determined. Facilities available at Mount Royal College are still being considered, along with other alternative sites.

A further question from the hon. leader:

of the additional RCMP officers the province has requested . . . for 1976, how many will be investigating the area of criminals becoming involved in legitimate business in the area of commercial crime? What portion of the additional complement will be assigned to these areas this year?

As of March 31, 1976, an RCMP commercial fraud section in Alberta consisted of 39 members. Thirty-

seven of these were charged to the federal establishment, and only two were charged to the provincial contract. In 1976 the federal law enforcement establishment will be increased by nine men. Two will be assigned to the commercial fraud squad, making a total of 41. None of the increases in the provincial establishment will be assigned to commercial fraud.

A further question from the hon. Leader of the Opposition:

Is the minister in a position to indicate if a number of the 75 additional people made available last year were assigned to these two areas?

In 1974 the strength of the commercial fraud squad was 34 men. Two were charged to the provincial contract. The remaining 32 were charged to the federal law enforcement establishment. In 1975, the federal establishment was increased by 52 men. Five were assigned to the commercial fraud squad, increasing the total federal strength to 37, plus the two members from the provincial contract.

The fraud squad was originally established to deal with the federal government responsibilities under the Bankruptcy Act. The manpower involved was not part of the federal-provincial agreement. However, in the past few years there has been an increasing involvement in provincially related matters; hence the allotment of two provincial RCMP to the function.

A question on the same day from the hon. Member for Highwood:

In view of the fact that they're under contract to the federal government, would the hon. minister have information as to how many [RCMP there] are . . . at the Calgary airport, and how many are for traffic?

The RCMP security detail at the Calgary International Airport is strictly a federal government responsibility. It consists of one staff sergeant in charge, two corporals who serve as shift supervisors, one public servant, and 39 special constables.

The federal government has taken the route of putting its special constables into RCMP uniform, but they're not really fullfledged members of the RCMP. Security service is provided on a 24-hour basis, with each shift responsible for internal security and enforcement of the federal government traffic regulations. Only the staff sergeant in charge and the two corporals are regular members of the RCMP. The others are special constables, both men and women, but are still in RCMP uniform. Their training consists of only six weeks, and their salary is considerably less than regular RCMP members.

Thank you, Mr. Speaker.

Foreign Students

(continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Advanced Education and Manpower. It's really to clarify an answer he gave the Leader of the Opposition. The question relates to the difference between the two tiers of tuition. If I understood him correctly, the minister said that the people of Alberta did not want a token difference.

Mr. Speaker, in the light of the importance of this subject, my question is to ask the minister whether the government has discussed a preliminary range in

percentage terms, whether that's going to be a very substantial difference — 50 per cent, 100 per cent — or a somewhat more modest difference.

DR. HOHOL: Mr. Speaker, it becomes important to recall the procedure for the approval of tuition fees in Alberta. Those are done by ministerial discretion, judgment, and signature. It's not a matter for the Executive Council. Certainly, it's a matter I'll brief the council on, and seek its consensus and support for the position I intend to take.

I want to be clear, Mr. Speaker, that the responsibility and the accountability for good or ill, to paraphrase Shakespeare, is solely that of the minister responsible. So we have not discussed this. This is a matter on which I have spent considerable time. I'm doing this, and when I'm ready I'll certainly discuss it with cabinet and caucus and the House. But as the hon. Member for Spirit River-Fairview and certainly the hon. Leader of the Opposition can appreciate, this is a complex and difficult matter, and it will take more time than this to do a job which is reasonable and acceptable to all the constituents concerned: the students, universities, colleges, parents, Albertans generally, and indeed the Assembly.

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

MR. NOTLEY: Mr. Speaker, a supplementary question then. Perhaps I could really put two questions together here. The first is: in terms of announcing the difference, what timetable does the minister have?

Well, I'll leave it at just the first question. At this stage, what timetable are we looking at for the changes?

MR. SPEAKER: With respect to the hon. member, it would appear that selfsame question was answered when we had the first go around on this topic.

Career Counselling

DR. PAPROSKI: Mr. Speaker, a question to the Minister of Education. I wonder if the minister would indicate to the House whether the career information section of his department has a defined policy, or is it still in the planning stage.

MR. KOZIAK: Perhaps the hon. member could be more specific as to what particular policy he is concerned about. Of course, there's a defined policy for the branch, but I'm just wondering what he has in mind.

DR. PAPROSKI: Mr. Speaker, I'm referring to career information for students in the elementary, junior, presecondary, or secondary educational system — in other words, information funded by the government regarding a variety of types of careers.

MR. KOZIAK: Mr. Speaker, the particular directorate does provide information to school boards and to counsellors within school systems to assist those counsellors in providing the information that the students at various levels require to learn about various occupations or professions, and ultimately to

make a decision as to which of those occupations or professions is of greatest interest to them.

DR. PAPROSKI: Mr. Speaker, a supplementary. Is the minister indicating to the House that in fact there is a policy and a program now available to be funnelled down from the department to the various school systems regarding career information about various vocations? Or is this still in the planning stage?

MR. KOZIAK: Mr. Speaker, perhaps the import of the hon. member's question isn't reaching me. This is an ongoing process. It is a service provided by the Department of Education for school boards and for counsellors employed by these school boards. That is the purpose and the *raison d'être* of this particular section of the Department of Education. It's an ongoing program.

DR. PAPROSKI: Mr. Speaker, I want to be clear on what the minister is saying. There is defined career information on the variety of vocations available in our school systems so the children can clearly read about various careers. You have a defined program for a variety of vocations. I just want to be clear that there is such a thing.

MR. KOZIAK: Mr. Speaker, yes, there is this information. But the important thing to realize is that the information changes, and new information becomes available. There isn't a structured sheet that is written on stone. The purpose of this section is to provide additional information as it comes to the attention of the Department of Education. The counsellors employed by the various school boards, professionally capable individuals, use this new information as it appears and adapt the information to the level of student they expect that information is intended to reach.

DR. PAPROSKI: A supplementary question, Mr. Speaker.

MR. SPEAKER: We've run over our time and have covered this topic to some extent. Perhaps we could come back to it another day.

ORDERS OF THE DAY

MR. SPEAKER: May the hon. Provincial Treasurer revert to Introduction of Visitors?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF VISITORS (reversion)

MR. LEITCH: Thank you, Mr. Speaker. It's my pleasure today to introduce to you, and to the members of the Legislative Assembly, 15 students from Lord Beaverbrook High School in the Calgary Egmont constituency. They are accompanied by their teacher, Mr. Fred Ring, and are in the members

gallery. I ask that they rise and be welcomed by the House.

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

Bill No. 35
The Alberta Heritage
Savings Trust Fund Act

MR. APPLEBY: I'm well aware, Mr. Speaker, that many members of the Assembly want to enter the debate on this very memorable bill. I'm going to be brief this afternoon to be sure that everybody possible has that opportunity.

Over the weekend, Mr. Speaker, I could not help but reflect on the feeling I had here last Friday morning, which I am sure was shared by most members of the Assembly, that we had listened to one of the most outstanding, informative, factual, and inspiring addresses given by the Premier of this province. I also feel sure, Mr. Speaker, that this will go down in history as one of the most outstanding addresses ever given in this Assembly.

Since Friday, Mr. Speaker, I have also had occasion to talk with a great number of people, and I have been overwhelmingly impressed by their expressions of respect, admiration, and enthusiasm regarding this piece of legislation. They made such expressions as: this is a very bold type of legislation, it's a very responsible type of legislation. The enthusiasm I have heard has been most amazing, and I think that's significant too.

On Friday I indicated two essential areas that could be considered by this Assembly, under Section 6(1)(a), for development of the social and economic future of this province: agriculture and forestry. I also indicated, Mr. Speaker, the outstanding work that has been done by the Minister of Government Services and Culture, regarding historical heritage preservation in this province. I think that is very important too.

But there are many other aspects of heritage, Mr. Speaker, which we are building in this province today and which will be reflected upon by people of tomorrow and the tomorrows beyond that. To mention just a few of these, I might mention the plans we have developed for care of our senior citizens, including the assured income plan; the quality of health care in this province, which is unsurpassed in this nation; the investment we have made in education, which is also unsurpassed in the nation; our highways and transportation system, which is the envy of many other provinces; the parks and tourist facilities; and of course the lowest property and income taxes anywhere in this nation. Mr. Speaker, these are just a few of the things we are building today as heritage for coming generations. These are the sorts of things, Mr. Speaker, which I believe we want to preserve.

I don't believe people in Alberta are selfish, Mr. Speaker. I don't believe parents, grandparents, aunts, uncles, and all people in this province are willing to say, let's spend it all today. Let those who come in the future take care of themselves. I just don't believe that's so. I think we live well. We're well cared for, we're not suffering, we're fortunate to be

living the good life we have in Alberta today.

I'm sure all of us here and all the people of this province would be quite willing to say, all right, in order to preserve the way of life we have today, we can spend 70 per cent of the revenue from our non-renewable resources. But it's also fair and reasonable to set aside 30 per cent of that revenue from those non-renewable resources so the standards we have today can be preserved, perhaps even bettered, for people not yet with us in this province but who will be in the years to come. That is the heritage we are going to be leaving, Mr. Speaker, and we want to be sure it is a heritage equal to what we have in this province in this day and in this age.

Thank you, Mr. Speaker.

MR. PLANCHE: Mr. Speaker, I'm delighted to have an opportunity today to speak to Bill 35. Mr. Speaker, I'm pleased to be part of a government strong and prudent enough to take a stand and set aside funds for the future. There is no alternative to responsibility for the elected members. In my opinion, the investment committee is the best vehicle to make decisions on equity investing. They were elected to administer, and they must shoulder this onerous responsibility. Unfortunately, it may turn out to be a great deal less politically appealing than a massive social expenditure that finally we will not be able to afford.

I can understand why some members could be troubled by the delegation of responsibility to the executive committee. But all the advice and comment I've had lead me to the conclusion that I have no constructive alternative. It is analogous to business. Shareholders delegate their decision to corporate officers and directors, and display their assessment of the final results with a vote. In my view, the decision to invest in equities is impractical in a public forum, as any businessman will tell you. My problem then is not one of philosophy, Mr. Speaker, in a legislative sense, but of the two very real concerns in a practical sense.

First is the difficulty that may be encountered in upsetting present financial institutions and in an unwarranted intrusion in the private sector by the government. The Premier made reference to this concern in Red Deer on March 12, 1975, when he said:

The funds should be invested with a minimum of interference with private sector activity in the province.

The funds should be invested in such a way as not to unduly disrupt existing financial institutions which are operating in the Alberta public interest.

Understanding this risk, Mr. Speaker, the government obviously expects to answer to the people if they trespass too far in these areas.

Secondly, the terms of reference for the select standing committee on The Alberta Heritage Savings Trust Fund Act must include the authority and capacity to draw on whatever expertise is reasonably necessary to assist them in the report prior to the debate on subsequent advances from the general fund. Understanding, Mr. Speaker, that this is bold, innovative legislation, there still remains an avenue to amend the legislation in the future as experience dictates, providing the essential theme remains

intact.

I recommend that all members support this bill.

MR. MUSGREAVE: Mr. Speaker, to some Canadians the idea of thrift may seem rather quaint, or to put aside for a rainy day may seem old-fashioned. But in my view, few Albertans believe the future will truly take care of itself. Many of us may feel the development of our natural resources or the increasing output of our modern technology will naturally assume a rising standard of living with increasing leisure time. Some of us even feel that we should not concern ourselves with economics, but spend more time concerning ourselves with our material goals or a concept of quality of life.

I note the current leader of the provincial Liberal party is suggesting that the fund is really a sales tax in disguise. He conveniently overlooks the fact that hundreds of millions of dollars would flow to Ottawa if the oil and gas were sold at low prices as he has suggested. The accruing profits to the oil companies would naturally be taken off in profit taxes on corporations, and would naturally fall into the federal treasury.

One other aspect of his rather weak attack on the fund was his suggestion that after the investment in Syncrude is made, there would be nothing left in the fund. I know he's an engineer, and I know his arithmetic must be better than that. But it's my understanding that the fund is \$1.5 billion, with approximately \$200 million to Syncrude. I think he either doesn't understand how the fund operates and what moneys are being committed, or perhaps he's not aware that once the moneys are put in the fund they have to stay there. If any investments are sold or revenues are earned from the investments, they will accrue to the fund for future investment.

To return to my original outline of why we need the fund, Mr. Speaker, too many of us in our society assume that economic growth will be automatic, that it will happen no matter what we do. Mr. Speaker, the sad fact is that no such effortless, automatic growth is possible. Future prosperity depends upon present work, present actions, and present choices. The most important choice is, how much do we put into the heritage trust? In other words, how much will we invest for future growth?

Mr. Speaker, how can we convince the people of Alberta that we must save some of our revenues from the sale of fossil fuels? All societies must balance their needs and desires against their long-term priorities. Hundreds of years ago, Holland decided to sacrifice an extraordinary amount of immediate consumption so they could afford to build a system of dikes and water control. As a result, enormous tracts of land were reclaimed from the sea. By giving up goods and services in the short run, the Dutch helped ensure a better life for future generations.

There are examples of such resource development in our own heritage. Many a pioneering family, homesteading in wild country, started by pouring all their efforts into providing for their immediate needs: food, warmth, clothing, and shelter. In the first year, and as they gained more skill, made better tools, and perhaps ate a little less, they could put some food and fuel away for future use. Originally this was necessary just to survive the first winter. But the saving of food and fuel allowed them to invest more time and

effort in clearing land to produce more goods. As a result, their standard of living gradually improved. This wealth-creation process — production, consumption, saving, and investing — is what brought our province to its advanced state of development.

With a budget approaching \$3 billion, and with much of it being spent on consumption items such as social assistance, education, and health, as well as our other myriad expenditures, only a small part of our budget goes into capital resources such as roads, bridges and buildings — in other words, not enough in my view, Mr. Speaker.

Some members of the opposition are suggesting that the election in February 1975 was called to present a strong front to Ottawa. There is no question in the minds of many that the election was being called for that simple reason. However, public opinion polls, forums, et cetera, all pointed to strong support for the government's stand. The results of March 26 confirmed this.

Mr. Speaker, I would like to refresh the memory of the House by quoting from the hon. Premier's speech of February 14, 1975. He states:

We do need the endorsement of Albertans of the creation of such a heritage trust fund. During the forthcoming weeks and months we will further develop the parameters in relationship to terms of reference, the purposes and objectives of the fund, and the necessary legislative review.

In the same speech, Mr. Speaker, the Premier stated:

... does the public of Alberta endorse this Budget and specifically the Alberta heritage trust fund concept — a dramatic departure from customary provincial government budgeting.

Mr. Speaker, I suggest the results of the election indicated how the people of Alberta felt on this particular issue.

Following the same reasons the opposition advanced as to why the Premier called the election at that time, I think the government of the day obviously felt they needed endorsement of their oil policies. But they also wanted the endorsement of the concept of the fund. While we can now take a second, sober view of the situation, I would suggest the opposition is being rather naive when they suggest that the people of Alberta, when they supported the government, didn't realize the cabinet or the government was going to be spending the money, but rather the Legislative Assembly. I think the Premier, the government, and the cabinet are all in the same park as far as the man on the street is concerned. They were supporting the government and how it spends its money, just as the government of Mr. Manning had their support for over 35 years.

I appreciate the concern of the Leader of the Opposition and his reference to legislative control of the funds. The review by the Legislative Assembly, when the opposition is small, can be weak. When you have an aggressive team prepared to work under adverse conditions such as existed in 1967, you can see the government come alive. Fortunately for Albertans it was time for a change. Without a strong leader, even the Social Credit string had finally run out.

Mr. Speaker, to suggest that once this bill is passed there will be no opportunity for review is only to confirm in my mind that the members of Her

Majesty's Loyal Opposition, with several thousands of dollars at their disposal, are generally content to go through the motions of being on the attack of the government's position.

When I first attended meetings of the Public Accounts Committee, I was cautioned by one of my Conservative colleagues not to ask questions that would embarrass the government. Fortunately, the day I did this there were no press in the gallery, so it didn't hurt the government. Mr. Speaker, from my attendance at these meetings this year, if it were not for the questions of government MLAs, we might as well stay in our offices and attend to constituency business.

Likewise, Mr. Speaker, during the meetings of the Committee of Supply, during the review . . .

MR. SPEAKER: With respect to the hon. member, I hesitate to interrupt him, but it would seem to be rather doubtful whether the calibre of the performance of any members in any committee would have any relevance to the merits of this bill.

MR. MUSGREAVE: Mr. Speaker, I was trying to outline to the House that the position of the Legislative Assembly vis-a-vis the heritage fund and how it is spent has to be viewed by a newcomer in the total concept of government. The total concept of the Legislative Assembly is the various subcommittees set up by the House. I can only say that I think all of us have many opportunities to ask these kinds of questions. They may be difficult questions, but one can only view the performance of all members on the kinds of questions they ask of the cabinet, on how it spends its money and sets its priorities. That's the point I was trying to make, Mr. Speaker.

One of the members of the opposition suggested last week that if we look at how the Alberta opportunity fund and the Alberta agricultural development fund were set up, how they operate, these are the kinds of terms and conditions that should be set out for the investment of the heritage fund. I would take exception to that, Mr. Speaker, because these corporations are a specific government policy to move into the private sector in partnership with citizen groups to try to stimulate particular endeavors. They're an entirely different concept from the fund.

Mr. Speaker, I'd like to suggest to all members of the House that the major portion of this money has to be invested in the market place. It's a tough, worldwide league. All the money flows easily and rapidly, and in much greater sums than \$1.5 billion, when you look at the amount of money flowing to the OPEC countries.

One member of the opposition suggested that the Syncrude project was ready to be shelved if the government didn't come up with a billion dollars or quit. What alternative did they have? Money costs were rising. The long-term orders had to be placed. Jobs in Ontario and Alberta were at stake. OPEC prices were going out of control. We obviously had a need for gas and oil in our country. They had interest costs running at almost a million dollars a day, and we had the obvious fact that Atlantic Richfield had backed off, so there was a very critical situation. But to suggest, as some members of the House have, that the government bowed to Imperial — well, I think, with all due respect to Imperial, they have been in

business in our country for almost 100 years; they have thousands of employees; it's a company of integrity, a company concerned with its future and certainly with that of its employees, its customers, and its investment. Are they not to be believed, or are we to contrast with the social line of the former Premier of British Columbia, a frustrated, unemployed social worker?

Mr. Speaker, if the government is going to work in the business world, it's going to have to accept the discipline of the world or face bankruptcy. We have lots of examples of reckless spending of public moneys in Canada, and unfortunately by all governments. We only need to look at the auto insurance in Saskatchewan and British Columbia, or the pulp and paper fiasco in Manitoba, which was an engagement after spending millions of dollars on a study by the Conservative government. They were advised not to get into that venture. They had worldwide consultants who said it would be an uneconomic, disastrous project. But they went ahead anyway, and we know what the results were. I think the fact that some of the people they were dealing with were less than honest probably helped the situation come to a catastrophe in the end. Similarly, the Bricklin plant in New Brunswick and the Clairtone plant in Nova Scotia are examples of where governments have refused to look at the disciplines of the market place.

In the discussion of the heritage fund I was concerned that the opposition suggested the government has not helped to make the control of the fund more responsive to the House. The fact that the amount of money going into the fund each year would be controlled seems to have no bearing with them at all. But I would like to quote from an editorial, Mr. Speaker, in *The Calgary Herald* of April 21, 1976. It speaks of the concession, the change, and it says:

The legislature will be able to vote on the annual deposits made into the fund.

Mr. Speaker, I'd also like to mention this:

It must be conceded in the interests of fairness that the government is charting new ground with the heritage fund concept. The usual problem for governments is making ends meet, not overseeing the investment of substantial surpluses.

This is getting back to the opposition's concern about the Legislative Assembly being in charge of all the money. They hark back to the days of the hundreds of years of tradition. They conveniently overlook the fact that the lords wanted to control the king. They wanted to control the purse strings because they had to supply the men, the food, and the materials of war to fight the king's battles. If they were going to do that, they wanted some say in return. But the people didn't have any vote. They couldn't change the lords. They had no opportunity to do anything of that nature.

I suggest, Mr. Speaker, that I had my concerns about this fund, and I think many of my colleagues in the Conservative caucus did. But I think times are much different. We have a unique challenge facing us. We have hundreds of millions of dollars to invest for the future of our children and our children's children. Every four years we have the opportunity to throw out the government. I'm sure, Mr. Speaker, that if the government was making unwise invest-

ments, if there was any chicanery of any kind in how the fund was spent, we would soon see the people of Alberta take effective action.

Mr. Speaker, this brings me to the one reason why I support the fund in all honesty and sincerity. I think it's a new venture. It's a unique concept. It's going to be a difficult one. But the thing I find in the bill that makes it acceptable to me is the creation of the special committee of this House. As I understand it, 15 MLAs will be on it. Quoting from the Premier, the committee will have funds; it's

a select standing committee of the Legislature, which will have an opportunity to meet, have assistance [to do] research, peruse the annual audited report, and in the fall session bring to this Legislature recommendations and comment, and review the statement and operations of the fund.

Mr. Speaker, I suggest that my concept of this committee's work will be that if there are members of this House who do not agree with what has been carried out by the fund, they'll have ample opportunity to state their views, both to their caucus colleagues and to the committee. To those members of the opposition I suggest that this will be their opportunity to file minority reports. I feel quite confident, Mr. Speaker, that if the operation of the fund, the investments they make, are not in keeping with the existing market place and how people feel it should be handled, there will be lots of opportunity for the reports to be well published, well discussed, and well debated throughout our province.

In closing, Mr. Speaker, I think the House should support this bill, bearing in mind that perhaps it is a departure from our traditional way of accounting for public moneys. But I think if the opposition and all members of the House became very conscious of being first-class stewards of the money of the people of Alberta, this fund would work to the benefit not only of future generations but also of ourselves as Canadians participating in the confederation of Canada.

DR. PAPROSKI: Mr. Speaker, to enter the discussion of the Alberta heritage savings trust fund, Bill 35, is an honor and a privilege of a special dimension. Mr. Speaker, you will note that I said discussion and not debate; because the importance and significance of this bill for our future, for our quality of life, for the strengthening and diversification of our industry to provide jobs in the future, is so great that who in this Legislature can dispute or debate that importance of and need for such a bill? Mr. Speaker, that need is obvious, as the Premier has indicated, to assure the security of the future for our children and our province, and in this way to help Canada; and as a matter of fact I would extend that thought and [say,] help the global village.

Mr. Speaker, there are those who will debate; and I, like members on the government side I am sure, will also debate with all the vigor that is necessary to help place this bill into action. However, what is needed in this House at this time, I feel, adding to what the Premier has indicated, [is] a discussion, an amplification, a clarification, to be sure that such a fund, a first in parliamentary democracy, will indeed be clearly understood by all to serve the purpose that it is intended to serve. So from the outset I would like

to indicate that important purpose the way I see it.

Mr. Speaker, two main purposes come to mind; some have already been cited by other members in the House on the government side, and certainly by the hon. the Premier. First, Mr. Speaker, in my opinion it is to assure that 30 per cent of the dollars flowing from our depleting natural resources — that is, \$1.5 billion now and 30 per cent each year of that natural resource revenue, always with the consent of the Legislature — will be put aside to secure a position of a have province for our future generations.

Secondly, Mr. Speaker, the funds will not lie dormant but will be actively used to provide significant and substantive security for that future. Mr. Speaker, it will be used to provide a secure foundation. When? Mr. Speaker, start that foundation now so that when the revenue from the natural resources decreases or is not available to the same degree, there will be a foundation to work on.

So I mention those two items, Mr. Speaker, and then I add a caution. It's been brought up already. Certainly the Progressive Conservative convention indicated that caution. There should be a caution not to upset the market place by direct government involvement where government is not needed. I emphasize that last point, Mr. Speaker: where government is not needed. Dollars flowing on a short-run or long-run basis may and could upset the market place. Mr. Speaker, it should be an adjunct to fill a gap, to assure prosperity and security for the future.

Mr. Speaker, Alberta is already a haven with respect to opportunities and benefits which, as we in the Legislature all know, require constant effort and work by citizens, by government, and by us all. If such vast sums of money are quickly returned to each citizen by some suggestions made by either vested interest groups or some opposition members — for example, by eliminating all provincial personal income tax, which could be done, or by getting government involved in taking over and providing all — Mr. Speaker, I suggest that caution. There is a risk of no participation, no citizen involvement. That risk is real. I'm sure all government members would agree that dependency on government would be disastrous if it did occur and dependency on the state increased. There would, of course, be loss of initiative by the individual. Mr. Speaker, this type of loss of initiative can occur if those dollars are not properly placed in the economy. [It] would result in quick degeneration of our society and the obvious problems that would be difficult to turn around.

Mr. Speaker, I repeat, the Progressive Conservative government will not and has not followed that direction. It tries to fill a gap and assist where necessary, but never only to have government involvement for government involvement's sake. I do know — and I think hon. members on the government side would agree — the socialist party would do this, inadvertently or not, and cause the problems I indicated earlier.

So, Mr. Speaker, when we talk of the fund, I hope we always keep the purposes in mind. We must constantly keep in mind and review those purposes. If we lose the central objective to provide for the future generations of our society, nothing will be gained except on a short-run basis and the problems I've indicated already. Mr. Speaker, it bears repetition. This province has no sales tax, no inheritance

tax, the lowest property tax in Canada, the highest number of dollars spent per individual in education and health, the highest senior citizen support, the top workmen's compensation benefits, the lowest unemployment rate in Canada, the highest agriculture and small business support, and the lowest provincial income tax in Canada. Mr. Speaker, I could go on and on.

Yes, Mr. Speaker, 70 per cent of the natural resources, plus tax dollars that come from the federal government, in part go into day to day operation to provide the usual things, the current needs: food, clothing, shelter, health, education, recreation, security, jobs, freedom. Surely, Mr. Speaker, the House can allocate, via such a concept and such a bill, 30 per cent to be set aside and invested for the future to diversify, to provide future jobs, to assure a quality of life for future generations and all those things I've mentioned in standard of living, to be sure we have adequate amounts of funds when the depleting resource revenue decreases.

Mr. Speaker, I've indicated we are spending more per citizen than any other province. During this session, we are reallocating our dollar budgets to other priority needs within an 11 per cent framework. Still, it is an 11 per cent increase, to the extent that, as the Member for Calgary McKnight has indicated, our budget has approached the \$3 billion mark. Mr. Speaker, we are adding priority programs in needed areas of housing, early childhood education, and assistance for senior citizens — within 11 per cent guidelines and beyond them for those priority needs. We are now streamlining these services in all departments so that the benefits, the services, and support will get to each citizen quickly, efficiently, and well. Administration is cut down with respect to bureaucracy. Constant surveillance and effort is put in by the governmental officials, whether elected officials or administrators, and the citizens at large with their input. So, Mr. Speaker, this is an important area we are carrying on on a day to day basis — 70 per cent of our natural resources, plus our tax dollar now.

In contrast, Mr. Speaker, today we are speaking of 30 per cent of the natural resources revenue of the Alberta heritage savings trust fund to help future generations. Here again, we need constant surveillance by elected members. We need citizen input. We need cautious application of this investment dollar for the future. We need that cautious application by citizens at large, the cabinet, the select committee indicated in the bill, and the Legislature at large.

Mr. Speaker, to simplify for the opposition member exactly what we mean when we talk about 30 per cent of the natural resources revenue, let me give you this example. The government and all the people of Alberta are not unlike a family which has need to spend dollars day to day. We're spending 70 per cent of our natural resources revenue day to day. That family — an individual family in a home, as an example — must invest a certain amount of dollars for the future; for that rainy day, if you wish, Mr. Speaker. The Premier is suggesting, in his bill, 30 per cent should be invested for that rainy day. Why? Because these dollars may not necessarily be coming in at that same rate, or in the same quantity, and that rainy day may indeed come. So we have to look at

what we're going to do with those dollars. I'm confident areas like housing, irrigation, loans to various provincial governments, and research in various areas may well add a considerable amount of security for that rainy day.

Mr. Speaker, I would like to discuss and reinforce two other items. One, the investment of the funds and the mechanism of control by the elected members of the Legislature, so there will be no misunderstanding. On Friday last, when the opposition members rose to speak and debate on this topic, there obviously had to be a considerable amount of confusion and uncertainty in their minds because they hadn't reviewed the bill carefully. The investment of these funds, as noted in the bill, is in three divisions — well, I'll go on to the three divisions in a minute, Mr. Speaker.

It is to be noted that each year a special act of the Legislature will allocate the 30 per cent from natural resources. Mr. Speaker, I think it's important to emphasize this, because there's been a lot of discussion about not having control of this 30 per cent. Do I have to remind the opposition members that the Legislature may agree, may disagree, may modify this 30 per cent, up, down, or sideways? I ask the question: what better control is there than the Legislature controlling 30 per cent by a special act? I challenge the opposition members to amplify what else they could possibly want. This is democracy in action, in the first rank and file.

Mr. Speaker, there are three divisions. The capital projects division, not to exceed 20 per cent of that 30 per cent, will be used. There will not necessarily be any immediate dollar return, but it will always have a return by way of social improvements of our quality of life. Here again we have a capital project divisions act which will have to be passed by the Legislature. Again, the Legislature has complete control. As I understand it for the five years I've been here, the Legislature has the power to agree, disagree, refuse, and modify, up, down or sideways. Mr. Speaker, this is democracy in action. The Legislature is the ruler. So I can't understand their concern.

Mr. Speaker, we have the Canada investment division. We can talk about loans to provincial governments. Who can debate the need for loans to other governments in our province to carry out their short- and long-term projects and services? Mr. Speaker, the province is one of the sources of revenue for these municipalities and other governments, and is certainly concerned about an equitable distribution where funds are needed, keeping in mind the total province and the quality of life.

Here again, Mr. Speaker, the capital investment division shall not exceed 15 per cent of the 30 per cent. Again the Legislature has control, because it can just turn off the tap, quoting the Premier. If the 30 per cent is turned off, the 15 per cent will be turned off. The investment committee, which is the cabinet, is elected by the citizens of Alberta, Mr. Speaker. They're accountable to the citizens of Alberta by being accountable here and, indeed, out in the street. They can be voted out.

Then we have the select committee, Mr. Speaker, and we have the audit. So again, I can't understand what they're talking about when they say the Legislature doesn't have control.

Mr. Speaker, we have the Alberta investment divi-

sion. Again, a very important division, because here it's not to exceed 65 per cent of the 30 per cent. I understand that such items as medical research, job creation, research into new energy, and other items for citizens at large, Mr. Speaker, are to be considered. Of course, they could be cited or brought up in the Legislature at any time by written letters or notes. Of course, being a medical doctor and oriented in that direction to some degree — although a politician to some other degree — I hope the medical research aspect is indeed emphasized as part of this division. Why, Mr. Speaker? Because, as I understand it, General Foods of Canada, for example, spends more money on advertising than the entire Canadian government spends on medical research. There are many items there to concentrate on; for example, cancer research, alcoholism, accidents, and cardiovascular problems. I think we could be leaders in this area.

Let's talk about the control, Mr. Speaker. The opposition members are obviously not interested in where this money is going, but the citizens are, and the government members are. As I understand it, the control here is clearly enunciated or documented in the bill, and is in accordance with any resolution of the Legislative Assembly which may come and shall be made, of course, with the approval of the investment committee. "Shall be made with the approval of the investment committee." Mr. Speaker, the investment committee is the cabinet. The cabinet is elected by people. And the Legislature has control again.

Mr. Speaker, I can't possibly ask for more control. There's a three-pronged control: the Legislature, the cabinet, the select committee — and even an annual audit, Mr. Speaker, which would give everybody an opportunity to review this. Surrounding all of this are the quarterly reports from the Provincial Treasurer or whoever is in charge of it — the auditor. There will be an audited report annually. I mean an audited report, according to the bill. I certainly am happy that this will happen.

Mr. Speaker, the select committee is made up of government members and opposition members. I wonder whether the opposition members will want to sit on the select committee. As a matter of fact, last time we set up such committees, they refused to sit on some of these committees, which will demonstrate their irresponsibility if they do.

Mr. Speaker, this select committee will review, report and recommend to the Assembly, and can, in fact, disagree. Debate can occur, Mr. Speaker, on the special act and on the capital projects act, and any resolution. If the members are still wondering and are concerned, maybe I should remind them there are six opposition members. All we need is another 32 or 33 — 31 — government members and we can scrap the act. That's democracy in action. Mr. Speaker, that won't happen. [interjections] But if they get out of line it could happen. It has happened in other legislatures. I am sure, Mr. Speaker, that they will not get out of line. Because I am confident this government will spend or invest the money appropriately.

Mr. Speaker, I do not see any significant difference between an appropriation of funds in a department and the appropriation of funds in the Alberta heritage savings trust fund. As a matter of fact, Mr. Speaker,

I think the control and scrutiny is even higher. There is a balance between flexibility that is needed, because it is an ongoing investment for the future and requires constant surveillance by the select committee, the cabinet and the Legislature. Mr. Speaker, when the opposition members are complaining, I'd suggest they're barking up a pole. It's unfortunate, because such a bill, to assure a good life in the future, should be supported unanimously. It should be supported because the Legislature, Mr. Speaker, will in fact have control of the investment and allocation as it does in all government activities.

Mr. Speaker, if there were a criticism of this bill — and I can't think of any — but if there were, it could be that the 30 per cent should be fixed, and not subject to the whims of individual members in the Legislature who, from time to time, from year to year, may decide, well, we better cut the 30 per cent and spend this money now.

Mr. Speaker, I can understand the opposition members going this route, deluding the intent for the future generations, because they obviously have a narrow perspective, thinking of the situation now and not of future generations. They may not have to answer to it. We will. Mr. Speaker, I am confident the Legislature will act with wisdom year to year, always keeping in mind the purpose, as I have indicated.

At this juncture, I would like to make reference to the Leader of the Opposition and the member of that socialist party who has repeatedly stated outside the House that he will not, and they will not, support this bill in second reading, implying that they will not support this bill unless something changes. Mr. Speaker, the Progressive Conservative MLAs received an overwhelming mandate in 1975. This overwhelming mandate was for good government, sound government, sound management, and the Alberta heritage savings trust fund concept. Mr. Speaker, it's difficult to understand why they can't get the message, in spite of the fact the citizens have voted in that overwhelming way. Are they implying, Mr. Speaker, that the citizens were wrong? If they are implying that, maybe they are asking for self-destruction.

Mr. Speaker, the hon. Leader of the Opposition and the hon. member of that socialist party, instead of criticizing the bill, should, in my humble opinion, suggest ways and means of investing these dollars for the future; suggest priorities they would offer future generations by way of medical research, by way of delivering health care in a co-ordinated way, Mr. Speaker, for new housing, new forms of energy, and so on. No, Mr. Speaker. They choose to utter and mutter and make comments of despair and despondence. Mr. Speaker, we've heard nothing so far.

I will conclude by again drawing a [comparison] between the department and the Alberta heritage savings trust fund. A department is allocated funds. It sets down its needs. Funds are allocated for expenditures, for capital projects, and investment. The Alberta heritage savings trust fund states that there will be three divisions and there will be 30 per cent of natural resources revenue. Mr. Speaker, in both cases the Legislature must approve.

In a department, Public Accounts reviews this annually. Annually, Mr. Speaker. In the Alberta

heritage savings trust fund there will not only be quarterly reports, there will be audited annual reports. There will be a select committee. There will be a capital projects act. There will be a special act, Mr. Speaker, and a resolution of the Assembly for input from all citizens. And each MLA is also accountable himself, Mr. Speaker.

So, Mr. Speaker, I conclude my remarks by saying, in humbleness, I wish I had more time. I haven't got enough time. Mr. Speaker, it's an historical bill. It's a first, ranking with — and I say this in humbleness — the Alberta Bill of Rights, The Individual's Rights Protection Act, and the Canada Bill of Rights. Mr. Speaker, I would like to say it's a future rights bill for quality of life for our citizens of the future, and a bill which will start to do things now for the future and Alberta, and thus Canada, and, I hope, detach our Canadian government to do more for the world. Mr. Speaker, I hope that various thrusts into areas of medical research and into homes, energy, new sources of energy, and so forth, improving the quality of life, will in fact be realized.

Mr. Speaker, it's an honor to speak on this bill for the constituents of Edmonton Kingsway, and Alberta citizens everywhere. In humbleness, I congratulate the Premier again for bringing such a bill for action for future generations. Mr. Speaker, I urge unanimous support.

MR. RUSSELL: Mr. Speaker, the previous member who spoke was correct when he said this is rather an historic occasion. I think many of us in the House are eager to get up and reflect our constituency's viewpoints on this very important bill. I'd like to speak for a few minutes and cover mainly three topics: number one, the way the bill relates to my constituency; again related to that, the evolution of the mechanics of the bill; and then conclude by speaking of some of the opportunities contained in the legislation in the bill.

Mr. Speaker, I come from a very interesting, energetic, and vigorous part of the province. The constituency of Calgary Elbow has a lot of enterprising businessmen, a lot of publicly spirited citizens, and they watch very carefully what goes on in this building. As a matter of fact, I've got one of them watching me now.

Seriously, Mr. Speaker, after the '71 election there were six members in this Legislature, on both sides of the House, who were constituents of Calgary Elbow, and Mr. Nick Taylor also presently resides there. So you can see there is a wide variety of opinions represented in that very ambitious part of the city of Calgary.

Mr. Speaker, when this bill was first proposed to the public and thereby to my constituents, there was a great level of public reaction, interest, and response. I must say I recalled the earlier concerns with respect to the evolutions in the oil and gas industry a couple of years ago, and the concern and genuine interest in the reasoning behind the purchase of Pacific Western Airlines.

I mention those two things, Mr. Speaker, because they're the kinds of things that are of direct and high-level interest to my constituents. I found that it was very good to get out to talk to them as much as possible on a one-to-one basis and thereby try to perhaps lead and assist in their understanding of the ideas of the proposed legislation.

In talking about the heritage savings trust fund, Mr. Speaker, I found that the constituents I spoke to were concerned about legislative responsibility. They understood what it was; it was an important thing to them. But as businessmen, they also appreciated how it's very often to delegate authority to those you have trust in and to those who can be removed from their place of trust if they don't carry out their responsibilities well.

In those kinds of discussions, Mr. Speaker, it was very interesting to learn that my constituents regarded me as their member of the Legislature and not just as a member of the Executive Council. I think that's very important, because that's something that seems to be overlooked in this discussion; that because the Executive Council is making decisions, somehow there is not elected responsibility.

I submit for your consideration that the elected responsibility the members of the Executive Council have is every bit as important as the responsibility of all other members of the House. We take it just as seriously, but it's something that perhaps sometimes tends to get overlooked. So my constituents were concerned, but they appreciated how the delegation of authority works.

It was interesting too, Mr. Speaker, that they also had very good recall. They recalled that a few years ago when a previous government had surplus funds it gave \$20 cheques to everybody. That was supposed to be a very imaginative idea of a way to spend or get rid of surplus funds that accrued from resource development. They didn't like that idea very much, but they were very intrigued with the idea of the heritage savings trust fund.

The second topic I wanted to cover was the evolution of the mechanics of the bill. I think by now the policies and principles involved in the bill are very well known. I had a very interesting time in the weeks, months in fact, since Bill 74 was introduced and [in] the discussion about the way the bill would work, the mechanical arrangement of the clauses for the delegation and setting up of the fund and for its investment.

Mr. Speaker, I think the response the government has made as a result of the public feedback we've had in the intervening months has been excellent. Certainly for me a very important addition to the bill has been the clause that deals with the turning on of the tap every year by the special act of the Legislature, because I think it's very important that there be this annual review and safeguard and check system, as well as the other arrangements that have been built into the bill.

My constituency did submit a resolution to our annual meeting, and I'd like to refer to that resolution. I won't talk about the preamble, but the important parts of the resolution were that there be full disclosure and full accountability to the Provincial Auditor — we've built that in — and full disclosure and full accountability to the provincial Legislature — and we've built that in.

So, Mr. Speaker, I feel I can now go back to my constituents and, although there may in some instances be disagreements on policies or principles, certainly I think we can prove without question that we've responded well to the concerns about accountability, good bookkeeping, and good stewardship.

So, I looked at the public discussion, the resolutions

the constituencies evolved. I gave you the gist of the resolution my own constituency submitted to our annual meeting.

Finally, today we have in front of us for debate the amended Bill 35, which I think is a very excellent example of an imaginative idea that was taken and put into legislation, given to the public to discuss for a few months, given back to the Legislature. Now the time of decision has come, and an important decision it is.

Mr. Speaker, I'd like to close by talking for just a couple of minutes about the opportunities in the bill, because I'm a little disappointed that perhaps there's been too much criticism against certain specific potential mechanical weaknesses. In looking at those kinds of things, you can't see the forest for the trees. So I'd like to share with the members in the House my excitement about the opportunities contained in the bill.

I think the three funds concept is really great because it provides good variety and flexibility. But the word I'd like to emphasize most of all, Mr. Speaker, is "opportunity". For example, I can look at the 20 per cent set aside for long-term economic and social benefits and relate it to the things I'm involved in today in environmental concerns for the citizens of Alberta.

There's so much opportunity there, Mr. Speaker, for example by way of the very special kinds of provincial parks my department's involved in; or important programs for acquisition of land which is being banked for future protective reasons and investment purposes for the next generation; for the installation of utilities in parts of the province where otherwise development and economic opportunity might not come as quickly as it is. So I look at just that one part in the bill, Mr. Speaker, and there's all sorts of chance for opportunity.

Certainly a group of men and women such as the legislators who make up this Alberta Legislature must be the envy of every other Legislature in Canada. Here we sit and perhaps are too hard on ourselves by way of criticism, but can you imagine what provincial Legislatures are thinking when they look at the opportunity and the wherewithal we have with this piece of legislation? They must be extremely envious.

Mr. Speaker, when I look at the opportunity for growth this young province has ahead of it, I think again of the opportunity we have to manage that growth and leave it in better shape than it might have been had we not used the opportunity that's here at this time.

A current example, one that's right in front of many MLAs in this House, is the study put out by the Calgary Regional Planning Commission dealing with future growth options for the city of Calgary. Mr. Speaker, there's a very current example of a document that has been a long time in the making, and presents some principles and some choices and opportunities for growth. You put something like that study together with the opportunities in this bill and the investment funds behind this bill, and we've probably got one of the most exciting situations in the making of any part of this continent. Unlike some persons who would automatically dismiss that study I've referred to as old-fashioned or not worthy of consideration, I'd submit on the contrary it's a very important document. To read that kind of document

in conjunction with this kind of legislation, and to look at the kinds of investment funds we perhaps have, is a very golden opportunity.

In conclusion, Mr. Speaker, when I talk about the heritage savings trust fund, I'd like to reflect for just a moment on the word "heritage", and ask members to consider what our heritage has been; that of a very vigorous, imaginative, pioneer kind of province. The early people who came here to build railroads through the Rockies, to break virgin farmland, who were involved in the early big cattle drives, who went out in the early searches for oil: I'm sure if they had been chicken-hearted, or unimaginative, or looked through their telescopes the wrong way, they would never have done those kinds of things. The same kind of heritage can apply to us. If we put the telescope up to our eyes the wrong way, we're going to be involved with commas and clauses and lose the broad vision and the golden opportunity in this bill. So I say, let's take a lesson from those who came ahead of us, and leave something good. The opportunity is here for those who are coming along below us.

DR. McCRIMMON: Mr. Speaker, I appreciate the opportunity to speak on Bill 35, The Alberta Heritage Savings Trust Fund Act. I think this is probably the most important bill by far that will be coming before this Legislature during 1976.

The fact that this province has built up \$1.5 billion over the past two years to put aside for a trust fund, when I hear those who carp on Bill 35 find fault with it — if the government was going to be so loose with its business planning and so on, surely it would have done so in the accumulation of this \$1.5 billion that has been accumulated so far, not after the confines of Bill 35 will definitely direct its thinking. I think this is the first time any government in Canada has laid aside money with saving for the future in mind. Instead of \$1.5 billion, I believe everybody in this Legislature feels that the sum should be a great deal more. Last year alone, \$2 billion was diverted from our natural resources to the Government of Canada. I think a great deal of this should have been added to the \$1.5 billion we now have.

Two things must be kept in mind, if this money were spent. If this \$1.5 billion were spent as it came in and the money that will go into this fund in the future were spent as it came into this province, a pattern of spending would be developed by Albertans that would be too high. It couldn't be maintained. I think everybody who has had anything to do with any type of government, whether on the local or the provincial level, realizes it's easy to give when you have the money and services, but to withdraw those services at a later date is almost impossible.

The second thing, of course, is the fact that if we spend this money, we create the inflationary concept. We create within the province inflation that the whole federal government and the provinces separately are trying to control. If the main portion of this were spent, it would naturally have to go into social services, education, health, those areas of high employment. When the money is not there anymore, when the revenues start dropping, this is when we're going to run into high unemployment and problems we cannot keep up with.

In the breakdown of the investment into three

divisions: capital projects, I haven't heard too much complaint from the opposition with respect to this, as far as irrigation, research and so on are concerned. Secondly, the 15 per cent, Canada investment division, I think shows the responsibility of Albertans as good Canadians to support other provinces which are prepared to underwrite loans and investments from Alberta. Thirdly, the general investment fund, which represents 65 per cent, is what I'd like to speak on for a moment.

The other day about 25 of us had the opportunity to meet with the executive of IPAC, which is the independent drilling association of Alberta and Canada. Quite a few things came to light during that meeting, [among them] the fact that there will be a minimum of 10 years full exploration in Canada. I also found out that Alberta, as yet, is only a very small portion of the exploration that's been done practically all over the United States. We have before us a minimum of 10 years further exploration in this country.

When the Leader of the Opposition said we should tie in and lock 30 per cent a year for the future, this seemed to me pretty short-sighted policy. With this exploration that has gone on and will be going on, we don't know what's going to happen. The Premier mentioned in his address the other day that it's been 9 or 10 years since a major oil find in Alberta. Yet tomorrow or next week, next month or next year, another major oil find could be brought in. They want the 30 per cent locked in. They say, next thing it will be 25 per cent and then 20 per cent. All we need is another good find, and it could be 35 per cent or 40 per cent. Who knows what the income is going to be in this type of situation? Who knows whether OPEC will create another situation like they did in the past where they refused to sell the oil? Who knows whether they'll flood the market with oil and bring the price down to \$3, \$4, or \$5 a barrel again?

When there's an element of flexibility in this fund, it makes sound business sense to me and to a great many other people in the province, because we don't know what the future will bring as far as oil and gas is concerned. I know that the last two years and probably the next two years will be the peak of the income for this fund unless something changes drastically, as I mentioned. We must prepare what we have now for when things may not be better. That's no guarantee things cannot improve in Alberta, even from what they are now.

With respect to how the 65 per cent in this fund should be invested, I have some ideas I'd like to bring up for the consideration of the government. With respect to major finances in Canada, over the last 50 years the west, particularly Alberta, has always been — it may be a harsh way of saying it — at the mercy of the financial interests of Bay Street and St. Catherine Street in the east. To me, banking in Canada always seems to project what is required in central Canada for the best interests. It seems to me that the business interests and so on of the west come second. I wonder if perhaps a portion of this fund shouldn't be directed into the financial institution we have in Alberta at present. I'm speaking of the treasury branches. I was just looking at the breakdown in the treasury branches for 1974: commercial and industrial, 58 per cent; personal, 6 per cent; agricultural, 26 per cent. The balance is

housing, home improvement, and municipal.

If you go back to the top of page 5 of the bill, this 65 per cent fund

will yield a reasonable return or profit to the Trust Fund, and
will tend to strengthen and diversify the economy of Alberta.

It seems to me that these two jibe, because basically the provincial treasury branches confine their interests, their loans, their business, and so on to Alberta itself.

Now the growth of that was from \$38 million in 1952 to \$500 million in 1974. If we put \$50 to \$100 million a year from the trust fund into that fund, built up our own integrity in Alberta as a financial state, I think we would perhaps receive a lot more recognition from eastern Canada than always being dependent on eastern Canada for our financial requirements and needs.

I know one of the difficult portions of this fund with this volume of money is to try not to interfere in the market place. It's difficult, I realize this. But I think this is one area in this financial picture where we are established. The province has the main interest in it, yet through our own financial institution we could diversify that which needs to be done within the province.

I urge all members to support this bill. I think it's the soundest, most practical way of developing this province. I think it has a great future unless something we don't expect goes drastically wrong. We can balance our future for our children and our grandchildren, in that they have security, opportunity, and some of the things a lot of people in this House didn't have when they were young.

Thank you very much.

DR. WEBBER: Mr. Speaker, it is with great pleasure that I rise this afternoon to say a few words about Bill 35, The Alberta Heritage Savings Trust Fund Act. I enjoyed the Premier's enthusiastic and clear explanation last Friday when he explained the concept of the fund, the four goals and objectives of the fund, the three divisions and, of course, the legislative framework. I have also enjoyed the reactions of the opposition and of government members.

I'm not going to go into detail on many aspects of this fund, Mr. Speaker. I want to direct my remarks primarily to the management and accountability of the fund and to the reaction of my constituents to those two items.

As we all know, the bill was introduced in the fall session and died on the Order Paper for the purpose of getting public reaction and feedback. As an MLA, I discussed this bill with my constituents. Along with other MLAs, we wrote articles in our community newspapers and held presessions before coming to these sittings of the Legislature. In fact, in my riding, we had presessions in several communities. We sent out notices to people that we would be having a meeting. In those notices we indicated there would be discussion on the Alberta heritage savings trust fund.

The reaction of the people who came to those meetings was that they didn't have that great a concern about the bill. In fact, there was little discussion. There was more discussion on such topics as cost of living, housing problems for senior

citizens, and how to get their \$1,000 senior citizen grant.

Two aspects of The Alberta Heritage Savings Trust Fund Act were discussed: the concept of the bill itself, and there was little disagreement on that; and secondly, the management of the fund, and there was some concern by a few constituents about the lack of legislative control at that time. But as a result of the feedback we as MLAs have brought back to our government, and as a result of the feedback from the public at large, our government has made changes in the management and control outlined in Bill 35.

This bill does reflect a strengthening of the Legislature's hand in controlling the trust fund. We will be able to vote on the revenues going into the fund each year, and we will have the opportunity in the Legislature to register opinions about how the fund should be invested, and to express our views on the administration and management of the fund during the previous year. Also, of course, with the select committee of the Legislature and its report to the Legislature, we'll be able to make recommendations on future operations of the fund, as well as amendments to the legislation. So really, Mr. Speaker, the Legislature does have control of the tap of this fund.

After Bill 35 was introduced on Wednesday, April 14, the media, I believe, very quickly recognized the changes in the bill. For example, the headline in *The Calgary Herald*, Thursday, April 15, said, "Heritage Fund Voice Given to Legislature". An *Albertan* story of that same day was headed, "Legislature to Control Alberta Trust Fund". So Mr. Speaker, I think our government has responded to the input from the public and from MLAs.

For reasons already presented, Mr. Speaker, I agree it is naive and impractical to expect total legislative control over every single investment of this fund. With this bill we are entering uncharted waters. We cannot expect the government to sail along a fixed and rigid course of total control set out by the Legislature. We need to have manoeuvrability and flexibility so as not to run aground, and I think that manoeuvrability and flexibility are reflected in Bill 35.

Mr. Speaker, after leaving the Legislature and going back to my riding last Friday, I decided that on Saturday I would find out the reaction of my constituents to Bill 35 and the Alberta heritage trust fund. Knocking on the doors of 45 homes on Saturday afternoon and talking for a few minutes, I asked one question: do you have any strong views or feelings with respect to the concept and management of the Alberta heritage trust fund?

With respect to the management of the fund, not one person indicated a concern that there's not enough legislative control. The hon. member is correct. One individual did say, what is the fund? But the general opinion of the people I talked to was, well, I'm not too up on the details of the bill, but I agree with the principle. As far as the management of the fund is concerned, we look to you, the elected people, to look after our interests, and we trust the Lougheed government to handle the fund in our best interests. However, we will be keeping an eye on you in the years to come.

If I may, Mr. Speaker, I would just like to read six quotes from constituents on Saturday afternoon. One

old fellow with a cane came to the door and said, "The Lougheed government is bright enough to get the money, then it should be bright enough to handle it. Just don't let those socialist guys get their hands on it."

Another one was: "We trust you to invest the money wisely." A third was: "Hang onto the money in the fund. Don't end up doling it out to the pressure groups you can expect to come to your door with a cup in their hand." Fourth: "Be careful about possible disruptions to the private business sector." Fifth, one person said, "My only concern is with regard to how future governments may handle the fund." Sixth: "Make sure the fund is for the benefit of Albertans."

Mr. Speaker, I also surveyed my executive over the weekend, resulting in overwhelming support for the new version of The Alberta Heritage Savings Trust Fund Act. Several weeks before the bill came out, Mr. Speaker, a young political science graduate in my riding, Mr. Jim Dawson, carried out personal interviews with some 70 constituents. One question related to whether the constituent had any major issues and concerns. It was interesting to note that only one respondent out of 70 referred to the Alberta heritage savings trust fund.

In my view, Mr. Speaker, the Alberta heritage trust fund is really not a problem issue or an issue of concern to my constituents. They are in favor of the concept, and they trust our government to manage the fund, but they will be watching or keeping an eye on how we manage it in the years to come. In fact, Mr. Speaker, I think the word "trust" in the name of the bill, The Alberta Heritage Savings Trust Fund Act, is very appropriate in several senses.

Mr. Speaker, I am pleased to support this bill on behalf of my constituents in Calgary Bow.

MR. GHITTER: Mr. Speaker, in rising to express some thoughts to this Legislature on the principle of the Alberta heritage savings trust fund, I do so with the feeling that in my experience there has never really been as much advice given a government, or more discussion or more debate allowed, with respect to a bill of this kind.

Mr. Speaker, with major instruments of legislation that come before this House, it is often the case that a number of principles in a bill warrant discussion. This is certainly the case in the matter of the bill presently under discussion. But there is one major, overriding principle in this bill that is of fundamental significance, Mr. Speaker. It is simple. It is alluded to in the preamble to the bill, and it basically says to Albertans: wake up, you have it better here than anywhere else in the country. You have the lowest taxes. You have the lowest gas prices. You don't have any sales tax. There's more per capita spending in education, health care, and social assistance in this province than anywhere else. You're getting those benefits not because you're any smarter or any better than anyone else but because of the God-given gift of the resources in our ground that are coming out and won't be returned. It's a one-shot deal, and when it's gone, it's gone. If you don't put something away for a rainy day, those who follow us will have good cause to criticize the selfishness and greed of Albertans and this Legislature in the '60s, '70s, and '80s.

A simple principle, Mr. Speaker: in my view, a

principle that is unquestionably correct, irrebuttably sound, and unquestionably accepted by all responsible Albertans; a major principle in this bill that I am sure is accepted by all members of this House, and if it's not, it should be.

There is little need to further review the concept of the bill, the need for its bill, or the objectives, as they were all very ably and adequately and exhaustively dealt with by the hon. Premier in his address on Friday. It is silly to worry or debate about whether the citizens of this province in March of '75 awarded this government an overwhelming mandate on the concept of the heritage fund, the concept of the continuance of our stand with the federal government, or just a simple concept that since 1971 the citizens of this province have been content with the responsible government and excellent leadership that was being provided by this administration.

Mr. Speaker, history will show us that mandates quickly come and go, as do politicians and for that matter even political parties. But the legislation created, the precedents established, and the commitments made by government generally remain. The commitment we are undertaking in this Legislature today is immense in magnitude; it is necessary and must be proceeded with; and I am sure it is supported by all thinking Albertans.

But, Mr. Speaker, the debate doesn't end there, for within this bill there are other principles, or lack of principles, that must be debated, discussed, and placed on the record. It is in this context that I particularly wish to direct my remarks this afternoon.

It has been said, and I agree, that by this legislation this government is embarking on a journey through uncharted waters, lacking precedent as a compass, and without the benefit of a guide. The traditional role of government in any democracy has been to tax its citizens to meet its needs and provide required services. Governments traditionally have not engaged in the investment of surplus funds for the purposes of yielding a reasonable return or profit to strengthen or diversify the economy of its citizens, other than investments of a short-term nature with the view that the funds would inevitably be required for the growing and hungry needs of its citizens in a direction of government services to them.

I simply do not agree with those who suggest there is parliamentary precedent relating to investments of the nature contemplated in The Alberta Heritage Savings Trust Fund Act. I respectfully submit there is a total lack of parliamentary precedent or authority which could be considered a guidepost for the determination of any procedures to be implemented in the investment of the heritage fund, other than the basic guidepost of parliamentary responsibility in a democratic society.

For the first time in British Commonwealth parliamentary history, circumstances have arisen where government is in the market place with incredible bounty, looking for long-term investments that will yield a reasonable return of profit and will tend to strengthen and diversify its economy. Mr. Speaker, [it is] a traumatic shift in the traditional role of government; albeit a necessary one, but a shift that is fraught with difficulty, dangers, and political hazards of immense consequence.

How much is \$1 billion, Mr. Speaker, let alone \$10 billion? Who in this House or in this province can tell

us? Where can it be invested? Who should it be invested by? Who should do it, and if done incorrectly, what will be the consequences in a traditional private enterprise economy? Staggering questions. Unanswerable questions at this time, but questions that I assure you will be debated time and time again by our citizens, both outside this building and within. Mr. Speaker, I predict that in the future governments in this province will continue, will rise, and will fall on the basis of their dealings with the heritage funds.

Against this backdrop that I have described, it becomes very fundamental to consider another principle in this bill, that being the manner in which the fund will be administered under this act. The basic principle, of which we are all aware, evolves about the question of who will have the authority to invest these funds and under what guidelines.

Bill 74, introduced in the second session of the 1975 Legislature, drafted the authority to the members of the Executive Council to invest the funds, subject to some reporting requirements and the scrutiny of a select committee of this Legislature. Bill 35, before us at the present time, added Section 5, that being — as we all know — the requirement of the special act.

In fairness, Mr. Speaker, I must say that that change in approach is laudable. It is a change that I believe came about as a reflection of this government's fundamental concern, and that of many Albertans, that the traditional role of the Legislature was being by-passed and that this Legislature was being placed in a position of merely rubber-stamping expenditures of public funds of immense proportions. I believe the amendment before us in Section 5 is one that is certainly well received and is one that should be there. I compliment the government in their endeavours in this respect.

The question is, however: do these amendments really go far enough? Should this Legislature give authority to the cabinet to invest these funds? Would prior authority of the Legislature hamstring the government and be impractical? What role should the Legislature really play in the investment of these funds? It is to these questions that I wish to direct a point of view, Mr. Speaker. Before I do so, I would like to make some very preliminary remarks, so that the position I am about to take will not be misconstrued or greater significance placed upon them than is intended.

It has always been my basic belief that those who are honored to sit in this House, Mr. Speaker, represent people. It has also been my continuing belief that the party system is of fundamental importance, and must be sustained within any parliamentary democracy. Sometimes we all face the situation where our responsibilities to [those] whom we regard as our electors and our people may take priority over those to party. In my view, this is healthy, Mr. Speaker. This is parliamentary democracy at work. This allows and ensures the open ability of each and every one of us, as individuals, to freely express his point of view when he may in a matter of basic principle be in disagreement. In a family of politicians, that is very common and very often.

Mr. Speaker, in this business, in caucus and elsewhere, you win some battles and you lose some, as they say; but we have the opportunity to express them and to stand forward and to state a point of

view. The comments I wish to make, Mr. Speaker, are not in any way designed to show any lack of confidence in this government, or in any way question the integrity or ability of my colleagues. My comments are made in the broad context of the responsibility of a Legislature in our political system.

Mr. Speaker, there is no supreme wisdom, no authorities or experts who can really assist us in what we are embarking upon. It may be that some of us who express other points of view with respect to this legislation may be naive. We may be impractical and we may, to some views, even be ridiculous; but those of us who have suggested the necessity for prior legislative approval of heritage fund investments do so honestly and in concern for what we are doing today. I make no apologies for that point of view.

Even though the nature of this legislation is unique, that is not argument enough to alter the authority of this Legislature, which is well established. The fundamental premise that expenditures and, for that matter, investments must be designated and not delegated by the elected body is fundamental. One need only go back in Canadian history to Lord Durham's report in 1839, where the suggestion was made that:

It is incumbent upon an elected body to have the right and the responsibility to deal with the allocation of the funds in public, so that there will be public scrutiny to avoid misapplication and misuse.

I suppose for further support for the basic proposition to which I am alluding, Mr. Speaker, one need only look at Section 53 of the British North America Act, which states that those who appropriate any part of the public revenue or impose any taxes or imposts shall originate in the House of Commons. The Standing Order of the House of Commons reads:

All aids and supplies granted to Her Majesty by the Parliament of Canada are the sole gift of the House of Commons, and all bills for granting such aids and supplies ought to begin with the House, as it is the undoubted right of the House to . . . limit and appoint in all such bills, the ends, purposes, considerations, conditions, limitations and qualifications of such grants, which are not alterable by the Senate.

Even more basically, Mr. Speaker, if one wants to go back far enough, Aristotle wrote in *The Politics*:

To protect the treasury from being defrauded, that all public money be issued openly in front of the whole city, and let copies of the accounts be deposited in the various wards.

I suppose, Mr. Speaker, it's the matter of both public accountability and public responsibility in dealing with public money that is at the root of my concern with respect to this bill. The hon. Member for Drumheller astounded me on Friday when he suggested it is not the Legislature that governs the province, but the cabinet. In this House, it's my understanding that we all have one vote, Mr. Speaker. In my view, it is the Legislature that is supreme and not the cabinet. It is this Legislature that bears the ultimate responsibility. It is this Legislature that governs. The cabinet is the servant of this Legislature, and so it must be. In some countries in the world, that is not the case. In some countries, the legislative body is merely token. In some countries, the cabinet tells the legislative body what to do. That

is not the way in Alberta or in this country, and I hope it never will be.

What then are the arguments, Mr. Speaker, which are relied upon to support the contention that prior legislative approval of heritage fund investments should not be contained within this bill? My understanding of these arguments is that they centre upon the declared and honorable desire of this government to be allowed a high degree of flexibility to enable it to respond quickly and properly to investment opportunities — a valid, sincere, and honorable argument. Examples have been stated to this Legislature supporting the argument that prior legislative approval would be impractical and would hamstring the government. Mr. Speaker, a number of examples were expressed, and I wish to deal with them briefly.

The first example was the situation where option moneys may be lost in the event that prior legislative approval would be required. In my experience from a number of years in this particular area, Mr. Speaker, I have never seen option moneys forfeited when the deal went through. It is only when the deal didn't. If upon examining an option for a possible purchase by the heritage fund this Legislature should determine that it is not an appropriate investment, I would suggest letting the option moneys be lost.

Mr. Speaker, the other suggestions were made as to the nature of the commitment towards investments, the commitment from the point of view that the investment would be lost if it became public or disclosed. It is true in the investment community that every transaction that is possibly arranged is dealt with on conditions: conditional to the approval of regulatory bodies; conditional to the approval of the stock exchange; conditional to the approval of the securities commission; conditional to the government issuing permits. I have yet to see a transaction, Mr. Speaker, that was not laden with conditions. One of the most common and one of the most important conditions is the very simple condition of the return to the shareholders by a corporation for their approval before the transaction occurs.

Many have alluded to the Syncrude transaction and the scenario in Winnipeg: whether or not that transaction would in fact ever have gone ahead had prior approval been required. Mr. Speaker, I would suggest that that transaction is not yet concluded. Yet that transaction and commitment was made prior to an election, when it was generally known there would be an election in Alberta, and when a commitment was still accepted and still fulfilled by this government. Be it you have a majority of 69 to 7, or a majority of 45 to 30, it makes little difference, Mr. Speaker. I don't believe that a premier or his government should ever be restricted in making commitments, but I do not believe that the condition of prior legislative approval would be that encumbering.

Mr. Speaker, I do not accept the argument of the hon. Member for Spirit River-Fairview when he suggests that the government should not make a commitment, or not be allowed to make a commitment with respect to the heritage funds. I think that is too encumbering. But I do suggest that if that commitment is made, from that point forward it can be made subject to the approval of this Legislature, which is our right.

Mr. Speaker, what then is the concern why one

should avoid prior legislative approval? Let us look at the transactions that are basically committed, initially from the fund, to see if prior legislative approval would have affected any of these investments. Certainly, the investment of \$400 million in mortgages would not have been impeded by prior legislative approval requirements. Certainly the investment of \$200 million in irrigation would not have been impeded by prior legislative approval. Certainly the investment in the Alberta Energy Company would not have been impeded by prior legislative approval. Certainly the investment in Syncrude, in my view, would not have been impeded by prior Legislative approval. What transaction, then, Mr. Speaker, would have been made impossible by prior Legislative approval?

Undoubtedly, many of you are thinking of the PWA transaction, but I am not. Had the heritage fund been in existence at that time, and had the government been of the view that there was a necessity to move on the PWA situation, it could have been done in any event, and then brought before this Legislature. Should the Legislature not have approved of the transaction as a proper heritage fund investment, then the government would have had an air line but the heritage fund wouldn't have. As a result, even in a situation of the closeness of market conditions, if it becomes incumbent on a government to make decisions to move they could do so with or without the prior legislative approval. The question is: should the heritage funds be applied in that area?

What type of investments, Mr. Speaker, are we in fact contemplating from this immense wealth of the heritage fund, and within the concept of the investments set out in this bill, where the government would be impeded by the requirement of prior legislative approval? I considered the nature of some of these potential investments, and I would like to review some of them.

Let us assume for the moment that the government wishes to accept the prior underwriting of stock from a company like Alberta Gas Trunk Line or some company of that nature. Would prior legislative approval stand in the way? I submit not, Mr. Speaker; for lots of approvals are required to do that, from securities commissions to stock exchanges to shareholders and the like. What if this government decided to invest substantial funds from the heritage moneys in the coal industry, which may very well — I don't know — be a satisfactory area of concern in the future? Should that type of investment not be debated in this House, Mr. Speaker? I would submit so. The same applies in the petrochemical type of investment and from there on in, Mr. Speaker.

Let us assume then, Mr. Speaker, and I submit it for the consideration of the members of this House, that the government would not be impeded by the requirement to come back to this Legislature to give the right of open scrutiny in this House. The only possible area I can see where government may be impeded is in investment on the stock market, moving on the stock market and acquiring equity shares with the immense amount of wealth that resides in this heritage fund. It is probably right that investments of that nature be dampened and that possible overzealous aspirations of this government or any government be inhibited by this very place of this Legislature; for that, I would submit, is our role.

Mr. Speaker, I've come to the conclusion in my brief experience in this Legislature that procedures in this House are tedious, often frustrating, time-consuming, and to many of us often uneventful. But the very existence of this Legislature, and the powers that reside in this Legislature and not in the cabinet or elsewhere, acts as an immense inhibitor and as a window to the province for those who communicate elsewhere what is being said. The very existence of a form of debate for matters of all natures acts in a system that has been tried and proven successful and has sustained long after politicians and political parties have moved down the pike.

It is my submission that that basic premise of democratic responsibility should not be devoid or removed from an act so vital and important as The Alberta Heritage Savings Trust Fund Act. This Legislature must not become a rubber stamp, Mr. Speaker. This Legislature must be seen to be an active, open place. This Legislature must be regarded by those on Main Street, Alberta, as being the place where basic decisions are made in the open.

Mr. Speaker, this is the age of political accountability. It is the age when our citizens demand political accountability, both within this Legislature and on Main Street. Frankly, I don't know why the government needs the powers granted by this bill or in fact even wants them. I think it would be better to debate here the immense responsibility the government is assuming by trying to deal, in a sense, and I'm sure in an honorable and sincere way, with these funds before proceeding on that basis. I do not accept the premise that this Legislature becomes an unwarranted encumbrance upon decision-making. In fact, I sometimes worry that it should ever be regarded as that type of body.

Mr. Speaker, historically governments that have endeavored to circumvent the Legislature in any way have been at times regarded by those who are uninitiated as authoritative, and have often been washed upon the rocky shores of electoral defeat. Mr. Speaker, I do not wish to see this happen to this government, for I believe this government has provided the citizens of this province with the finest leadership, many of the finest policies, and the finest and [most] dedicated individuals who have ever been involved in political life across this land. It would be unfortunate, Mr. Speaker, if all of this marvellous performance were to start becoming undone by legislation which directs authorities that are neither desirable nor needed.

In conclusion, Mr. Speaker, I would merely submit that it is unquestioned that each member of this Legislature should vote for the principle of this bill. The principle is innovative. The principle is laudable and imaginative and is something that shows tremendous responsibility from the point of view of this government. Anyone in this House who stands forward and doesn't vote on the principle of this bill, I would suggest, is not in fact coming forward and representing his constituents.

It may be, Mr. Speaker, that when we proceed to committee with respect to the bill and we get to the area of dealing with Clause 6 of the bill relative to prior legislative approval and the like, I will have further to say from the point of view of whether it would be advisable to vote on that particular clause. I stand up in full support of the principle of the bill, but

with the concerns I have expressed, which I will deal with further when we proceed to committee.

MR. TESOLIN: Mr. Speaker, in rising in support of the hon. Premier's motion, in support of Bill 35, The Alberta Heritage Savings and Trust Fund Act, I should like to re-emphasize the goals and objectives of this piece of legislation.

Mr. Speaker, all of us in this Assembly are in agreement that the revenues that accrue to the citizens of this province from the sale of their non-renewable resources will begin to decline in the future. None of us would dispute the fact that our oil reserves have been declining steadily for the past six years. All of us are aware that there have been no major finds of a conventional nature for more than a decade. Mr. Speaker, the hon. Premier summed it up all too clearly on Friday in noting that oil and gas both as a source of revenue and as a job-creating part of our economy in a conventional sense will have passed their peak for Alberta by the mid '80s, in but a decade. New opportunities for our young Albertans, our real heritage, will not come from the oil and gas industry as we know it today. They will have to come from other areas. Opportunities will, in a sense, have to be created for our most valuable resource, our youth.

Mr. Speaker, this fund will address itself to just this task. It looks to the future and sets aside a portion, a relatively small portion, of the resource revenue accruing to the province and its people against the inevitable decline of these revenues in the future. It provides a source of future capital for the citizens of this province. It seeks to improve the quality of life of this province; and, more important, to ensure that the quality of life we currently enjoy in Alberta may be enjoyed by generations to come. Finally, Mr. Speaker, it meets the challenge of economic diversification. It seeks to provide the opportunities that will be needed by future generations of Albertans. It seeks to take the steps now that will ensure the economic vitality of the province long after our conventional reserves have run dry.

Mr. Speaker, this is indeed a bold piece of legislation. It represents clearly the commitment of this government to our future generations of Albertans, to the province.

Mr. Speaker, I would like to draw the attention of members to one very important area of concern to me, an area with great potential benefit to the people of this province, to our future and its economic vitality. I refer to agricultural research. Based on many years of tradition, Agriculture Canada and universities have been responsible for research and Alberta Agriculture for extension work. There is no need to change this relationship now, but there is a need to recognize that no fine line separates the two activities. Anyone familiar with agriculture realizes that over the past years research funds have been cut to the point where it is almost impossible to conduct research off research stations or university farms. Money is no longer available to hire the necessary personnel and provide for other expenses.

Anyone knowing the locations of research institutions will realize that northeastern Alberta farmers will continue to suffer even more in the future, especially in the area of soil fertility and field crops. In the past, there has been very little research work

done in this area, including grain and oil seed and forage crops. Very few, if any, species and varieties have been developed for northern Alberta, especially for the grey wooded soils.

Mr. Speaker, little work has been done on fertilizer requirements, on the use of lime, on the seasonal utilization of forage species and varieties in the area, or problems of weather and climate, insect and disease control, and so forth. The northeast has great potential, but the necessary research work is weak and, in many cases, absent.

One positive aspect of the cutback in research funds has been that research people were forced to set priorities as to research needs. There has been a greater emphasis to hear producer needs and problems. We must realize that farmers are now benefiting from research that may have started 10 to 15 years ago. With the present cutbacks in research funds, we should all realize what will be happening 10 years ahead. The lack of research will be noticed not only in northeastern Alberta but all over Alberta. If we want Alberta farmers to continue to be efficient farmers in comparison with farmers in other parts of the world, there is a need for research funds to be provided soon.

Although what I have said indicates a need for research in the area of plant science, there are also needs in animal science, in economics, agricultural engineering, diseases. Research is often described as being either basic or applied. The basic research is needed before the applied research is started. Research projects should be designed to cover both the basic and the applied, and in a manner that will have input from producers and extension people. This, Mr. Speaker, is an example of the direction we must take with the heritage trust fund, an example of an area with great potential — potential which must be realized.

In conclusion, Mr. Speaker, Bill 35 is a landmark piece of legislation. It will, I am sure, be looked upon by future Albertans as a milestone in the history of the province. It is a bold move to meet the challenge of the future. The strengthening and diversification of the Alberta economy are not only goals we should be moving toward, they are needs we must meet, and begin meeting today. Agriculture, a key to our past and to our future, is but one area we must focus on and develop to the fullest. It is vitally important.

Thank you.

MR. DONNELLY: Mr. Speaker, after listening to the hon. members today, I feel I could give you another one of my short, scintillating speeches and say, me too. But after listening to the opposition last Friday, and reading the press on the weekend, I thought there were a few things I would like to say.

Number one is the concept and the reason. As has been said this afternoon, certainly the concept is new and bold. I'd say, what else do you expect from a progressive, exciting government? I'm for it.

The reason, Mr. Speaker, is my children and my grandchildren. I speak with some authority. I have five children. The hon. Member for Spirit River-Fairview claims the fund could run from \$2 to \$11 billion. I say, great. Number one, I'd like to say thank you to the cabinet. They've made some good investments. You haven't got started, but you've got it up to \$11 billion. What a great base for the future citizens

of the province. They've got a financial base. They know they're going to have that standard of living I am enjoying today.

The people in my constituency, and the ones I'd like to refer to, are the senior citizens. I think with some authority — in fact, I could tell you a story. My wife says she can hardly wait until she's 65, I get along so well with the little old ladies. But there are four times as many senior citizens in Calgary Millican as there are in any other constituency in Alberta. Mr. Speaker, these people are telling me that they wish the past and some present governments had the foresight to do what this government is doing with this bill. These are the people; and believe me, they spend time and they watch what this government is doing.

Secondly, in investments — I would like to get some of this scratched off. It's difficult to be the last one up, I guess. To answer the Member for Calgary Buffalo — and there's no doubt he's golden-tongued — I disagree with him. He tells us we could look for a number of disasters. Well, Mr. Speaker, I doubt that. I'm sure the cabinet has every intention of doing the things he's talking about. They have the ability to do them and I'm sure they will. So I have to tell the Member for Calgary Buffalo I disagree.

In the line of investments, Mr. Speaker: I've been in business 22 years. I would doubt if many in the opposition could say that. As far as investments are concerned, I just can't see how you can go public and debate an investment. This is ridiculous.

Mr. Speaker, if there's a problem and we make a mistake, when we debate the record of this government in 1978 or 1979 the people will tell us whether we made the right or the wrong choice.

I don't get up very often, Mr. Speaker, so I've got to take this opportunity to get in a couple of shots, the first one being at my old friend, the hon. Member for Spirit River-Fairview. The Member for Sedgewick-Coronation mentioned in the House one evening that it would have been a great thing if the Member for Spirit River-Fairview ever had to meet a payroll for a couple of weeks. Unfortunately he wasn't here to hear it; I hope he read it. Certainly I agreed with the hon. Member for Sedgewick-Coronation. I have no doubt the Member for Spirit River-Fairview could spend all this money, but I have a terrible amount of doubt if he could invest it.

The other one I want to shout at is my old friend from Clover Bar. He's been calling me a rubber stamp and a puppet. I've never been a rubber stamp or a puppet to anybody, nor do I intend to become one. If there are any rubber stamps they're right there in the opposition; and I might say they come from a pretty shabby mold.

To finish off the investment part of it, Mr. Speaker, there's a little story I'd like to tell you. In the past I've had the opportunity to travel to Halifax a number of times for my company. One time I decided I would bring some lobster home, because the family hadn't tried it and I kept telling them how great it was. So I went down to buy some lobster. I walked in and I said to the fellow, "How much a pound are your lobster?" He said, "Well, sir, I don't sell them by the pound." I said, "Oh? How do you sell them?" "Well," he said, "I sell them by the each." I said, "By the each? Then perhaps you can tell me, how much are they each?" He said, "\$1.85 a pound." Mr. Speaker, what I'm getting at is that the opposition is looking at

the each, rather than at the investment and the future of Alberta.

The last portion I'd like to touch on, Mr. Speaker, is the select committee. This has been said today once before, but I'd like to say it again. That is the majority and minority reports which will be tabled in this House. This means we can sit down and look at it. If you disagree, great. You can table it so everybody can see. Get it out here on the table, and we'll debate it. That's great. So I don't know what they're harping about over there, I really don't.

I would ask the Premier and the cabinet that when they name this select committee, they try to assure they have some people on there with some financial and investment background and ability. Unfortunately, the Member for Spirit River-Fairview would not get on the select committee.

In closing, Mr. Speaker, I just want to say I don't know what the opposition wants other than, I think, to waste the time of this House and to deprive the people of Alberta of sound and sensible government.

Thank you.

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

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, I move we call it 5:30.

MR. SPEAKER: Does the Assembly agree with the kind suggestion of the hon. Government House Leader?

HON. MEMBERS: Agreed.

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

[The House adjourned at 5:23 p.m.]

[The House met at 8 p.m.]

MR. HYNDMAN: Mr. Speaker, I ask leave of the House to revert to Introduction of Visitors.

HON. MEMBERS: Agreed.

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

MR. HYNDMAN: Mr. Speaker, it's my pleasure to introduce to you 33 young and enthusiastic scouts from the 128th Parkview Scout Troop. They are in the members gallery accompanied by Bill Fehr, Jim London, Ed van Veelen, and John McFarlane. They've been touring the building, and I ask that they stand and be recognized by the Assembly at this time.

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

Bill 35
The Alberta Heritage
Savings Trust Fund Act
(continued)

MR. TAYLOR: Mr. Speaker, I'm very happy to take part in the second reading of Bill 35, The Alberta Heritage Savings Trust Fund Act. I think I feel a bit like the fifth husband of Elizabeth Taylor. He knew what to do, but he didn't know how to make it interesting.

After listening to all the splendid addresses on this bill, it's difficult to say anything that might get anyone excited. I would like to commend the hon. Premier on an excellent, enthusiastic address; also all other members who have taken part, irrespective of their views. I think this debate is an example of the free speech on which we pride ourselves in this province and in this country. We've even seen some differences of views within the government party. That is good, because it indicates we do have freedom of speech and we put our thoughts, rather than our demands from a party, first.

I have to say while I respect the views of all hon. members who have spoken, I certainly don't agree with a number of them. I want to outline the reasons I'm supporting Bill 35. I will be reporting the same to the people who sent me here, whose voice I am honored to be.

In the first place, we have to remember that the second reading of a bill is the debate on the principle of that bill, not on the individual clauses. When the hon. Member for Olds-Didsbury said he and his party were going to vote against the principle of the bill because he disagreed with one or two clauses, I find it difficult to follow that point of view. A vote against this bill in second reading, irrespective of what you say beforehand, is a vote against the principle of the bill. There's just no other way to interpret parliamentary procedure in the British Empire. If the Social Credit group, the New Democratic Party, or any other member votes against this bill in second reading, then goes out to tell the people that we support this bill, they're certainly blowing hot and cold. They're speaking with forked tongues.

I support the principle of the bill. If I didn't support it, I don't think I could remain in the House. I stood for election in my constituency on the basis of supporting the Syncrude operation, which has been mentioned several times in this debate. I told the people not once, but several times, that if re-elected I would be supporting the Syncrude plan. I felt it was so important we have oil in the future that I would make every attempt to make this country self-sufficient in oil to the greatest possible degree. Those who don't support Syncrude and continually find fault with it are simply saying: sure, we'll pay millions of dollars a few years down the road for imported oil. Surely the Government of Alberta, the Ontario government, and the Canadian government should be commended, not criticized for joining partners with private industry in an effort to do everything possible to make sure we have self-sufficiency in oil, or as close to that as possible.

Mr. Speaker, I supported Syncrude and I supported

the Alberta heritage savings trust fund. I told the people if they wanted someone who didn't support these two, there was no use voting for me. Mr. Speaker, in the last election I outlined not once, but several times the basic principles of the Alberta heritage savings trust fund. The hon. Member for Spirit River-Fairview says he didn't see any signs or hear any comments about the Alberta heritage savings trust fund during the election campaign. Similarly, the hon. Leader of the Opposition has said that all the emphasis was put on something else.

I have to say I don't know where these people were. I heard the Alberta heritage savings trust fund discussed on television and radio. It was certainly done in my constituency by the Conservative candidate, by myself — I have to stop there. Perhaps the candidate for the NDP was in the same position as his leader: he didn't hear anything in Drumheller because he was never there. He came down, entered his nomination, and never showed his face in the constituency again. He didn't even come to the open forum where both the Conservative candidate and I discussed in detail the matter of the Alberta heritage savings trust fund. Of course the NDP didn't hear it, because he couldn't even be bothered to come down and listen to the people he was hoping he might be elected to represent.

Well, that was dishonesty in the first place. He simply came down and filed his nomination so Mr. Notley could tell the people of the province, we have candidates in every constituency, and we have a hope of forming a government. What a hope.

If that's the way the NDP candidates went around the province and listened, no wonder they didn't hear the Alberta heritage savings trust fund discussed during the last election. It was certainly discussed in my riding, and on several radio and TV programs.

I don't know where the hon. Member for Olds-Didsbury was, when he chimes in with Mr. Notley and says he didn't hear much of that either. Well, it was certainly discussed. As far as I'm concerned, I was elected to support the principle of The Alberta Heritage Savings Trust Fund Act. And that is exactly what I am going to do.

The next point I would like to make is that in dealing with this throughout the constituency — I outlined this briefly the other day — I went into some detail to tell the people how I felt about the money coming from non-renewable resources today and how some of it should be spent. There was general approval. As a matter of fact, if you take out the 500-odd people who voted for the NDP candidate, I would say 95 per cent of the constituency supported this bill through their vote in the last election.

After the people made their choice in regard to their candidate, and somehow or other chose me, during the pre-session meetings I went into the details of the previous bill that died on the Order Paper. I'm not going through that again, because I outlined the procedure the other day. Both over radio and in face-to-face meetings in various places in the constituency, there was vast approval for the principle of this bill as it was written.

As I've said before, only one person stood up and said, I don't agree with the principle of the bill. I said to him, you want to blow it all now, enjoy it while we're here, and leave nothing for your children, your grandchildren? He said, yes, that's exactly what I

want to do. Well, that was his view. I respect him for saying so. But I couldn't support that, and I told him so, because I'd been elected on the principle of supporting this bill.

Now I want to deal with one or two points that came up in connection with the bill. One is this matter of the definition of government, member of the Legislature, member of the opposition, et cetera. With all respect for the hon. Member for Calgary Buffalo, I can't support the view that every member of this Legislature is a member of the government. This doesn't make sense. It doesn't make any kind of sense. If every member of the Legislature were a member of the government, I ask you, why is the oath of office a minister takes different from that an MLA takes? We are in different capacities in this Legislature.

I will agree with him that every member of the cabinet is a member of the Legislature, and in that sense we're all members of the Legislature. But under our form of government, the leader of the party securing a majority forms a government. He chooses ministers of the Crown who then become ministers of Her Majesty the Queen, and they have separate and distinct responsibilities.

I'll also go on to say that the government or the cabinet is responsible to the Legislature. I agree with that one hundred per cent. But to say we're all members of the government is pretty naive coming from such a well-educated man as the hon. Member for Calgary Buffalo. I just can't follow his thinking at all. There are different oaths of office. There are different salaries. A minister of the Crown works full time; an MLA doesn't necessarily. He doesn't have to spend time in his office like the cabinet minister does.

Even our legislation sets out the difference. A minister of the Crown can introduce a money bill. But what would happen if a member of the opposition or a backbencher on the government side went to His Honour the Lieutenant-Governor and asked for permission to introduce a money bill? I think he would immediately have to say, "I can't recognize you, you're not a member of the government. You're a supporter of the government, but you're not a member. You're not a minister of the Crown." For many decades now, under our parliamentary procedure only a minister of the Crown can introduce a money bill. So there's a great deal of difference.

A member of the government, cabinet, Executive Council, or Lieutenant Governor in Council, whatever you want to call it, is the administrative arm, if you like, of the Legislature. But certainly we are not all members of that Executive Council. We are not members of the government, of the Lieutenant Governor in Council, or of the Executive Council. We are members of the Legislature.

Secondly, under parliamentary procedure and precedent, the members of the cabinet must work together. There should be solidarity within a cabinet, and necessarily so. It's sometimes necessary for members in the cabinet to change their thinking or go along with what the majority or the Premier of the province wants to say. That's again parliamentary tradition in the British Empire.

Again, every member of a cabinet must take the responsibility for decisions made by that government. But every member of the Legislature need not take responsibility for the decisions. When the hon.

members talk about being members of the government, I have to say that if we were members of the government, the Executive Council, or the Lieutenant Governor in Council, we would have to take the responsibility for government decisions. But I don't see the hon. leader of the New Democratic Party taking any responsibility for decisions of this government when he talks over TV or chases up to the press gallery to tell them what he thinks about it almost before a minister sits down. I don't see the Leader of the Opposition taking any responsibility. He is on the footsteps of the NDP leader up to the press gallery to make sure they know that he doesn't agree with the government. He can't waste any time to get there. Now, it just doesn't make sense that such members are taking the responsibility of decisions of the government. Again, that argument just doesn't make sense to me. It's completely naive.

Now I want to come to some legislation. Is this new and novel legislation that we have in Bill 35? Well, I wish I had several hours' free time to chase down more legislation, but I've looked up a few bills to find if anything approaches this type of thing. I've been amazed at how much there is — even amazed at some of the things we did along the same line when I was in government that certainly didn't come to the Legislature for prior approval. I say that again for the benefit of the hon. Member for Olds-Didsbury: that did not come to the Legislature for prior approval.

I'm going to take just two whacks, because that's all the time I have tonight. I'm taking The Alberta Investment Fund Act, which set up a corporation and handled public money. In that act, which the government is now going to ask the Legislature to rescind, the provincial auditor audited the books; and the provincial auditor is doing the auditing in this particular act. Under the Alberta Investment Fund Act, the provincial treasurer was required to lay a copy of the report before the Legislative Assembly after it was prepared. The provincial treasurer is required to table a report under The Heritage Savings Trust Fund Act.

Here's a very interesting section:

The Lieutenant Governor in Council may make regulations for carrying out this Act according to its intent and supplying any deficiency therein . . .

Supplying money without even telling us how much it's going to be — by the Lieutenant Governor in Council. There's certainly no prior approval of the Legislature there. The Legislature voted for the bill as we are now voting for this bill. But to say that prior approval is a parliamentary requirement is hogwash. It isn't done in this Legislature and isn't done in any other legislature in Canada or, I should say, the British Empire. Certainly we approved in principle the spending of money, and that's what this bill is doing. Even though it is an investment, it's brought here for legislative approval.

The next part of this bill that I want to bring to the attention of the ministers is in connection with temporary loans. "With the approval of the Lieutenant Governor in Council, the Provincial Treasurer may from time to time make temporary loans to the corporation" without asking the Legislature, and then bring the report back afterwards. Was this irregular when it was passed in the Alberta Legislature? Did the hon. members for Little Bow or Olds-Didsbury

speak up against this? No, they didn't. They supported the principle just fine. But suddenly from this side of the House the principle becomes wrong, and it's exactly the same principle.

There's another example where, even more so, we didn't have prior approval. I might say now that even cabinet ministers didn't get to know half of what was going on, let alone the Legislature. I refer to the Alberta Resources Railway Corporation Act. I want to read to the hon. members Section 14 which was passed by the Legislature:

With the approval of the Lieutenant Governor in Council the Provincial Treasurer may, upon the promissory note or other security of the Corporation, advance to the Corporation out of the General Revenue Fund such sums as are required from time to time by the Corporation for its purposes.

All sums so advanced shall be subject to repayment upon such terms and conditions . . .

Not as the Legislature says, but "such terms and conditions as may be prescribed by the Lieutenant Governor in Council".

Why was that put in? It was the practical thing to do. It wasn't logical, and this was discussed in the caucus of that time. It wasn't logical for the Legislature to be called every time they wanted to advance money to the Lieutenant Governor in Council or to the corporation.

Another item in the same act in connection with revenues of the corporation: "The Corporation may, from time to time, with the approval of the Lieutenant Governor in Council, invest all or any portion of the moneys so set aside and not presently required" without any approval of the Legislature. They had the authority to invest any amount of money they wished out of their revenues.

Then, of course, "When the report is prepared, the Provincial Treasurer shall lay a copy of it before the Legislative Assembly". So the Legislative Assembly was being advised after the fact, as the hon. Member for Olds-Didsbury said. I asked him why he supported the bill in the first place if he didn't think that was practical. Why did he support the principle then, and now think prior approval is so important?

The act also gave the Lieutenant Governor in Council and the corporation authority to construct any number of railways, not just one railway, without prior legislative approval. They didn't even come to tell the Legislature which railway we were talking about. It had the authority, and it said, "any legislative railway". I'd ask the hon. Social Credit members to read the bill we passed and then see if they are going to change their position entirely, as it appears from what the leader of the Social Credit group has implied.

I'm sorry the hon. member for Spirit River-Fairview isn't here, because he would say, oh sure, that was Alberta. I'm just going to bring to his attention something carried out by the NDP government of British Columbia. If I had time I could bring several acts from the Legislature of the Government of Saskatchewan, where in the guise of setting up a corporation, no report is made and no prior approval of the money is required by the Legislature. Well, I've searched the Automobile Insurance Act, introduced in the B. C. Legislature in 1973. I can't find one place where it requires approval of the Legislature. It

simply requires approval of the Lieutenant Governor in Council and — talk about public money — auditors have found in the first full year of operation \$36 million not invested, but lost by this corporation in British Columbia without prior legislative approval of that particular expenditure by the corporation.

So, Mr. Speaker, I want to say that in my view this matter of requiring a government to get prior approval for every item, every cent that is invested would be completely ridiculous and impractical. It just couldn't be done if a government wanted to do it. I don't know how they would ever do it. Today I understood the hon. Member for Calgary Buffalo to say that in the case of the investment in Winnipeg, the government could have spent it out of general revenue and then come back for approval to the Legislature for the expenditure from the Alberta Heritage Savings Trust Fund Act. What kind of garbage is that? General revenue is public money just as much as The Alberta Heritage Savings Trust Fund Act is public money. If we need prior approval for one, surely we need prior approval for the other.

I want to say to all the hon. members of the opposition — and to any members of the government who happen to be thinking about this matter of prior approval, and looking upon it kindly — I particularly want to tell the members of the opposition that for a number of years they've been voting estimates without prior approval. We're still doing it. It's a practical thing to do.

It would be almost impossible for every minister of every department to give us a detailed account of the expenditures that are going to be made of the various moneys we vote. So we vote Education \$513 million, a lot of money, and we have a general outline of how it is going to be spent. But we certainly have no prior approval of each individual expenditure. Or Hospitals and Medical Care, \$550 million, a lot of money. But we pass the vote, and it then becomes the responsibility of the minister and the government to spend that money and to be accountable to the Legislature for spending it. In my view, that is parliamentary procedure.

The same with every other one: Transportation, \$255 million. Again, if the minister is going to have to come to the Legislature and get prior approval for every road upon which any money is going to be spent, or every bridge, or every road allowance that's going to be bought, or every acre of land that has to be purchased for right of way, it would be the most nonsensical thing that ever happened, and almost impossible to achieve.

So they put the sum in, and the minister gives a general outline of how it's going to be spent. The opposition members have been voting in support of this type of thing for several years, ever since they've been in this Legislature. In every legislature in Canada it's the same thing.

It makes me laugh when I hear the press continually talk about prior approval. They haven't even thought the thing out. These newspapers, radios, and TVs have been reporting this type of thing for years. Because somebody happens to say "prior approval", they want to get in on the game and say, me too, me too. What is wrong there? How can you have prior approval to everything?

This bill sets out the details of the expenditure, how the money can be spent. The principle is that it's

going to be spent in the interests of present and particularly future young people: boys and girls, your children, your grandchildren, your grandchildren's children. It's going to be spent for the future of the province.

I said to the people of my constituency, is it right that we should spend all the money that's coming from a non-renewable resource? Was it by some act of God that He gave this all to us in this generation? Of course not. If we exploit the resources and [use] them up during our term of office — surely we have to leave something for the generations ahead. I've said to my people, what do you want when the oil, the gas, and perhaps even the coal is gone? What will we do then for jobs for our young people? What will we do for revenues for the government? Today a lot of it's coming from these non-renewable resources. The people support that.

So I can't follow the thinking of the press when they start this "prior approval". The other day I sat beside a chap on the plane. He said, "What's going on with the government? They're just spending money like wild sailors, without even asking the Legislature about it." I said, "Where did you get that idea?" He said, "Oh, I heard Mr. Clark." I said, "Well, don't believe everything you hear on TV, even if it's said by Mr. Clark, because that's a lot of malarkey." Pardon me, hon. Member from Olds-Didsbury — but we were talking on the plane and using names. He used it, so I used it. But that's a lot of malarkey, Mr. Speaker.

The estimates are coming before this Legislature, the same as they have in every government in this province, and the bill is similar to bills we passed ourselves. Nobody is kidding anybody about these investments. It's set out here for people to see, and set out clearly in the three classes of investments in this bill. I think they are very fairly set up.

Now, I can see in the future the various items the government has worked out in order to make sure they are accountable to the members of the Legislature, and I think they've gone the second mile in that regard. Not only are they tabling the report, as was required in the ARR act or in the investment act. In addition, they are setting up a special committee, a kind of public accounts committee, that's going to sit to review every transaction over and above public accounts, if they wish to. Then we have public accounts after that, if members want to look into the accountability.

A while ago the hon. leader of the Social Credit Party asked the Legislature to support a bill on the auditor general. He intimated to the Legislature that we haven't got time to look over every detail in this Legislature, so we appoint an auditor general to do it. He wasn't talking about prior approval then. He was talking about approval after the fact, and there's some merit in that. That's why we have a provincial auditor too.

So provisions to safeguard accountability are set out in this act, and the present government will be accountable to this Legislature. Let's not try to fool the people, making them think the government is trying to pull the wool over their eyes and do some vicious thing with the money in this Alberta Heritage Savings Trust Fund Act.

It's the government who brought in the bill. They could have left it in general revenue, and it would

have been in exactly the same category as every other cent in this book — without prior approval. Then they could have spent it the same as every government spends it, by wide general approval before and accountability afterwards. But they didn't do that. They set it out in a bill, set out the classes of investment.

There are one or two other points I want to mention, in particular the resolutions of members by which the government will accept direction on how the money in that section is to be invested. Now it may well be that the resolutions will far outnumber the amount of dollars available in that particular section, and I'm hoping they do.

Then, of course, who's going to have to make the decision? Will the Legislature give priority to each one, or will the government have to make the decision? The government will have to make the decision. But it may well be that when we run out of money in that particular class, the government will say, oh, here's another resolution passed by the Legislature that looks really good. It will give us a good return, help give us jobs for young people, and bring excitement and stability to our economy. So there's nothing to stop the government from investing in that particular item from class three in this Alberta heritage fund act.

Mr. Speaker, in conclusion I want to say that, number one, this bill is a democratic principle. It requires the government to be accountable. It sets out the general terms upon which it's going to act, the same as Alberta bills, the same as B.C. bills, the same as Saskatchewan bills too.

The members of the Legislature ask and are told what's going to happen, and they are given the amounts. Then it's the responsibility of the government to invest that money. If they make a mistake, they will have to take the lumps. It's a tremendous responsibility on the shoulders of the government — a tremendous responsibility because the investment field at its best is always difficult. But it's a tremendous responsibility that the government is undertaking, and they will be accountable to the Legislature and to the people of the province for the \$1.5 billion set out in this act.

Accountability is written all through this act. The principle is sound: to make sure that some of our non-renewable revenue goes to future generations in order that we may have revenues for the government — whatever government it may happen to be — we may have jobs for our young people, and we may continue to have a viable and stable economy in this province. I support the second reading of Bill 35.

MR. TRYNCHY: Mr. Speaker, it's an honor and a privilege to speak tonight on Bill 35, a bill that I and the people in my constituency fully endorse. I'd like to outline some of the reasons I will be supporting this bill.

Before I do that, I'd like to go over some of the speeches we've heard, in particular the speech of the Leader of the Opposition. When I look at this bill, the first thing that comes to my mind is that we will have jobs for future Albertans in the next number of years. I listened to the Leader of the Opposition. He talked about the kinds of things it wouldn't do. When we look at jobs — I listened to the Member for Clover Bar who said this bill will be a place where we can go out

and buy votes.

I could go back a few years and a couple of elections to the Social Credit government. I remember they were running all over the country saying, we've got \$3 billion added revenue from oil. We're going to spend it wisely. As a matter of fact, we're going to give it to you. So we did get some. The first cheque was for \$20. The next cheque a few years later was for \$17.50 and then they forgot all about it.

But the thing that bothers me [about] the days gone by is, where are our jobs? Why were our jobs sold to Sarnia? Why are young people looking for work now? I sit in the House and hear the question from the Leader of the Opposition. He talks to our ministers and says, where are we providing jobs for our nurses, engineers, university graduates, et cetera? You know, Mr. Speaker, it takes a while to provide jobs, and if the government of that day had looked after some of the programs we're doing in this bill, we would have had those jobs today. Even though we have the lowest unemployment, we could have done better.

Mr. Speaker, look at some of the things they've done. Our Provincial Treasurer is repealing Bill No. 22, an investment fund they had. What has it done for the people of Alberta, besides lose thousands of dollars? It lost thousands of dollars. I guess that's what you'd call a Social Credit heritage fund.

The Leader of the Opposition was concerned about two things. One was accountability, and number two, too much power for cabinet. Well, Mr. Speaker, accountability comes every four years, [through] the people of Alberta. They are well aware of what this government or any government does. For them accountability came in 1971. It might come for this government, but I'm sure not for quite a long time.

He mentioned that the power of cabinet was too great. Well, I'm not afraid of that. As a matter of fact, I place my job on cabinet. I know they can do the job of making sure this fund is used in the way it should be for the people of Alberta. Why should they worry if this government falls because it's got too much power. They should be praising it, yet they're going the other way.

He goes on to say that the heritage fund was not our idea, it was theirs. As a matter of fact, he talked about it in 1973. I don't know what he really meant by that, but when they had the surplus of \$.5 billion a few years ago, why didn't they start one then? It was passed on and spent without any notice at all. After the 1971 election he said, we should try something different. So he suggested we should have a heritage fund.

He went on to say that this bill would give too much power to government; that if the government changed, they would have too much power, and it might be bad for Alberta. Surely he can realize that whatever government is in power it can change the act any time it wants, because it has the majority. If it wants to change from the system we have today to another system, it can very easily.

I would like to say, Mr. Speaker, that in the 1971 election, and again in 1975 when the people elected this government, they elected us for what we were doing. If they had wanted Social Credit policies or NDP policies, they would have elected them and not us. But they didn't. So when we fought the battles at the forums, on the streets, we talked about the

heritage savings trust fund. I know I did, and a lot of my other colleagues did. And we were elected for that concept, along with Syncrude and a number of other things.

They suggest we don't have anything in housing — five years of Conservative government and nothing in housing. Mr. Speaker, the province of Alberta is booming. We have millions and millions of dollars in housing, something they never did. Mind you, they didn't have to, because at that time Alberta wasn't moving ahead, and they didn't need the housing. But that's all changed. So we have gone into housing in a big way.

Mr. Speaker, there was some mention of special warrants. I would just like to say this: special warrants are necessary, otherwise they wouldn't be used. If there are issues or items that shouldn't be done, I would like to see them point them out and tell us which ones they would not put into place.

I don't believe legislative approval is necessary or is even the right way to go for this bill. I think it's just nonsense. The people elected this government to govern. At the end of four years, the accountability by the people will be there. I say that if I'm elected to represent the people, it's up to me to decide how we should do it and to support the government or not. I intend to do that.

Mr. Speaker, I would like to say that the province of Alberta is booming in a number of ways. We're moving ahead very rapidly. I know we became involved in a little discussion about Whitecourt. I'm glad we did, because for 10 years under Social Credit we got nothing but promises. Whitecourt didn't grow. It didn't have to grow, because all we had was promises. But we moved ahead. In a couple of years we've got industry, we've got growth, and we've got problems. But that's because we have a government that realizes things have to go ahead.

I know that when the hon. Leader of the Opposition toured my constituency, he didn't let me know he was going through. He hasn't let me know the problems he encountered, if he did. He stopped in Whitecourt and had meetings behind closed doors to make sure nobody knew he was there. I don't know whether he was proud to be there or afraid.

He did that in Mayerthorpe. I saw him there, and he didn't have the decency to phone me and say, "We're coming in. Would you like to sit in, because if there's some problem, let's work it out together." To this day, Mr. Speaker, I don't know of any minister he has contacted about any of the problems. He certainly hasn't contacted me. But we've been able to resolve these problems without his help, even though he tried to get in there and make an issue of it.

I wonder what his concerns were when he made this tour through Alberta. I would think he would have had public meetings, wide-open forums so the people would know he was there, and would present an alternative. This was not done.

Mr. Speaker, I'm amazed at some of the comments made by the leader of the socialist party. He says the major part of this bill is not good. One or two concepts are fine, but the rest is no good. I remember very well in this House when we sat and debated the Northeast Alberta Commissioner. The NDP leader and the Social Credit leader both said it was a black day for Alberta. Yet it has worked out really well. There hasn't been a question from them since about

the Northeast Alberta Commissioner, because it's worked. They condemned it without even trying it. Today we don't have a question from either of them about how the Northeast Alberta Commissioner is working and what he has done for Lac La Biche.

MR. CLARK: It's Fort McMurray.

MR. TRYNCHY: Pardon me, Fort McMurray.

Well, Mr. Speaker, they're doing the same thing now. They're condemning this because they have no other way to go. They can't go back to their people and say, "We support it", because they would say, "Why didn't you do it?" No, they've got to condemn it in every way possible. Yes, the NDP leader, the man from Spirit River-Fairview, must have no conceit in his family, because it seems to me he's got it all. Every program he comes up with is the right program. If it's so good, I wonder why the people of Alberta didn't support him a lot stronger than they did.

He goes on to say it's a fuzzy bill. In the next campaign, if he's still running in some constituency and The Alberta Heritage Savings Trust Fund Act is before the public — I'm sure it will be — and working well, I hope the man or the lady he runs against will remind the people of Alberta what he had to say about this bill. I'm sure they'll remember.

He says we should listen to the people of Alberta. Well, Mr. Speaker, we have — at least I have. I've talked about this on Main Street for a year now. I've talked about it at public meetings and at schools with school children.

About a month ago I had a class of students in this House. I talked to them about the heritage savings trust fund and asked them what they thought of it. They were very pleased. They said, "We're very pleased you're setting this aside. It might help us and our children." I went on to say, "Well, should we listen to the ideas of the Social Credit party or the NDP?" They said, "No, we don't care if you listen to their ideas or not." I said, "What happens if they tell us to do things, we do them, and they go bad? Who will you be after?"

They're not after the NDP or Social Credit; they're after us. We're the elected persons and we'll be the first ones to be turfed out of office, even if we take their so-called good ideas — in my mind, I'm sure they're not good.

I remember during the last election the leader of the NDP spoke in my constituency. He told the people at a particular meeting that I should be kicked in the seat for supporting Syncrude, because it wasn't good. He would have done things differently. Well, I'm glad he said that, because I carried that poll by a lot more than I did the time before against one of his favorite sons. Yes, Mr. Speaker, that's the kind of reaction we get from those two members over there. Mr. Speaker . . .

MR. NOTLEY: Good meeting two weeks ago, Peter.

AN HON. MEMBER: Same reaction.

MR. TRYNCHY: I'd now like to talk about why I support this bill and how I think it will help the people of Alberta, particularly the people of the Whitecourt constituency.

I think the concept of 70 per cent spending for now

is good, and 30 per cent set aside for the future is a must. A while ago somebody asked, is that 30 per cent secure? Well I say to you, if you read the bill it is secure. Before any changes can be made, it has to come to this House. I'm sure if we stand united, it will stay at 30 per cent. We won't be getting it down to 25 and 20 per cent just so we can have a pet project at election time. That I don't want to see.

I say we have to set it aside, because I'm sure some of us remember the hungry '30s. Our fathers or grandfathers had no place to turn. They went through the Depression with no shoes for the kids, probably no sandwiches to take to school, and no relief. At that time they called it relief; it wasn't welfare or social assistance. You couldn't get any because there was no money. We don't want to go back to those days, but we very easily can if we squander this money without setting it aside. I, for one, remember the days quite well.

We try to save for the future. As families, as fathers and mothers, Mr. Speaker, why do we work and slave and set aside a little every day for the future? Who are we doing it for? Sure, it's for ourselves in a sense. But we try not to spend it. In time, we hope it will be saved for our children and then passed on to their children. That's why we're saving. That's the basic concept of this heritage savings trust fund. That's the way it should be.

Mr. Speaker, this bill will sustain our economy in a number of ways. It will provide the jobs I talked about, and that's very essential — jobs we have to have for our children and their children and grandchildren. One of the things I'd like to see done with this fund — the 20 per cent capital expenditures — is to provide some front-end money for growing towns. When I talk about growth centres I talk about places like Whitecourt, Okotoks, Spruce Grove, Medicine Hat, and so on. Those are the kinds of things we should be planning. We

We should also look at more funding toward improving our forest industry. The Member for Athabasca talked about research in the forest industry. I think we'd better do more of it, because we've got a lot of land not producing the way it should. I spoke about that a while ago in our Land Use Forum.

We have to provide — and we will — for health research and have one of the finest centres anywhere in the North American continent. We can have it here in our province so we can have all the brains available anywhere for research.

We've got irrigation going, and we've got parks. One thing I'd like to see more of is agricultural research. Mr. Tesolin spoke about it. I'd like to add a little more to it. We don't have the kind of research we should have for our grey wooded soils, which comprise about 75 per cent of the province. I'd like to see us move a little further into the peat lands in my area and throughout northeastern and northwestern Alberta, and some of the muskeg areas. It's amazing to see what some of the farmers have done to these lands by claying them, getting them productive, and putting them into pastures.

I'm sure we have to have this research if we're going to continue to produce the kind of food we'll need. This won't be too far down the road. If we don't have this research pretty quickly we'll find ourselves with empty tables. We talked about community pastures, and we have to be prepared in a

large way to provide research in northern Alberta. It probably has to be more than \$200 million which we have for irrigation. It's got to be done in a big way, because it's the last frontier of Alberta and there's a lot of research to be done with roughly 52 per cent of the province still under Crown ownership. That's the type of land we have to make productive.

Mr. Speaker, there are a couple of other things we could and should be doing; that is, providing health services and hospitals in areas where we must have them. I think of towns where the growth is far better and far greater than we anticipated and we're falling behind. That's not just in my constituency, but throughout the province.

Something else we should look at is industry using community roads. We should provide some funding for these roads, because they're coming out of local taxation. I don't believe it's fair to the local taxpayers to pay these kinds of funds out of general revenue to upgrade these roads to 110,000 pounds when industry is using them. When I mean industry, it's oil, lumber, and so on. We have to look for some funding in that direction.

We could go a little further in our rural gas policy. I think we might have to, because some of our gas co-ops are having difficulties. I would suggest we provide some lower interest funds to these gas co-ops. We talk about 3.5 per cent for our REAs. This might be a way we could go with our rural gas co-ops, because with 10 per cent funding and 10 years, there's just no way some of them are going to make it. Even though we amortize it over 20 years, it still doesn't help as much as it should. Possibly we could use some of this heritage savings trust fund interest in that regard. It's for the people of Alberta, and the gas systems are for future generations. I'm sure if we provide the funds now, that will take care of a lot of people in years to come.

Mr. Speaker, there's a lot more we could discuss, but most of it has been said. We've had some very good speeches on both sides of the House. I can't say that for the opposition members, outside of the Member for Drumheller who made a tremendous speech. I fully support his concept and idea, because that's what we fought for in 1975. We hear that all we had was little orange and blue buttons with Alberta on them. Well, maybe that's all they saw, because they weren't there. But we did talk heritage savings trust fund. I did. We talked Syncrude, and we talked growth for Alberta, jobs for our kids — for our children, for our grandchildren — and diversification. This bill provides all of that in a pretty neat package, and I intend to support it.

MR. R. SPEAKER: Mr. Speaker, I want to make some remarks on this very important bill. First of all, I think we have to recognize that over the weekend we had the opportunity to observe and listen to public reaction. I'd have to say that the people I had the opportunity to speak to certainly had their attention focused on the intent, the mechanics, the objective of the heritage trust fund. But I would have to say that one of their first priority remarks was with regard to the control and power the cabinet has in this particular act. It was the first thing that was raised in our conversations.

As far as I am concerned, from my grass roots response, I would have to say that people are

concerned about that particular item. As legislators, I think we have to debate that particular concept. I think it's a little unfair when members stand in this Assembly and condemn people because they take a certain intent and debate it within the Legislature. That is our responsibility, whether we are in opposition or in government.

At this time however, Mr. Speaker, it is not my intent to go into the mechanics of the bill, because certainly that is a responsibility in Committee of the Whole, to discuss the concept of accountability, the various other aspects of the act. We can do that at that time.

Since we are in second reading though, I would like to say that I completely endorse the remarks of the hon. Member for Calgary Buffalo. I felt that his remarks certainly echoed my feelings with regard to accountability, and certainly they were very, very well made.

In his remarks, the Premier outlined four intents of the act with regard to support for future generations: to provide a source of future capital which can be set aside to reduce the debt load at a later date, to improve the quality of life, and to strengthen and diversify our economy. Those are good intents. There is nothing wrong with them. I think that, certainly on this side, we support that particular aspect. We support the intent of Bill 35. There is no question about that.

Our leader has said publicly and in this Legislature, though, that we feel so strongly about the accountability factor that we have made a decision not to support it in second reading. We have done it on the basis of bringing attention to that particular aspect of the act. We felt it was our responsibility to react in that manner, and we have. From our experience, we certainly understand the difference between Committee of the Whole and second reading of a bill. I think that's a very elementary fact and isn't worth discussion in this Assembly.

However, Mr. Speaker, I would like to focus my attention on what I feel is accountability just a little different from what has been discussed in this Assembly. I think this accountability doesn't change, whether the power rests with cabinet or with this Legislature. I feel that through this act we are going to accumulate a large sum of money, and we all recognize that. The sum has been outlined a number of times, but it is a greater amount of money than our budget. As has been stated, we know of no other government that has accumulated this amount to use or invest.

But what are the implications of that? The implications are that we have such a sum of money in our hands as legislators that we can determine what society is like in Alberta. We can mold it. We can take it and guide it to a greater degree than ever before. That's where I'm concerned with regard to the word "accountability".

There are two ways, as we well recognize. One is to take the fund and deal with individuals in groups or companies within our province, to buy industries, to buy various parts of our society as an investment. Supposedly, that will bring a return to government, and in turn have the government distribute this wealth among the people of Alberta. That approach we can use. But, Mr. Speaker, that is an approach I am not in favor of, because under it, in the utilization

of these funds, we create a dependent type of society. If that is the approach we use, certainly the accountability that the Premier, the cabinet will have to society and to future generations will be something they will have to answer for. We will all have to answer for that. That's the one type of situation.

The other situation is an Alberta that is a free society where the individual can do his own thing, create his own business, and where he receives support from government. He doesn't receive the mantle of dependency or the mantle of care.

I think it rests with the Premier in this particular debate to outline for us in this Legislature the type of society that he wants, that his cabinet wants, that the government wants. Is he able to commit to us in this Legislature that with the funds, with the Alberta investment division where there are billions of dollars, he isn't going to go out and buy industries? We're not sure about that on this side of the House. People in the province of Alberta are not quite sure about that at the present time.

The PWA instance, and we can argue that any way we want — basic market place economists or market place people, free enterprisers as such, are very concerned about that example. We see investments with regard to the Alberta Energy Company. But these kinds of things are happening, and people say, is that the way the Premier and his cabinet ministers are going to take this province? Are they going to use an interventionist approach? If so, I certainly hope that the people of Alberta make the Premier and his government very accountable to them. If we have to wait until the next election, that's when it is.

But to me, the accountability of the Premier, the cabinet, is one of the most important things we're talking about in this act, if this act is passed in the form that it is, toward the kind of society we're going to have in the future. Will we really have a cabinet and a Premier that will fight so we can maintain what we call, in very loose terms, the freedom of the individual? Is that what we're going to fight for? Or will we, as a Premier and a cabinet, be ready to bend to the whims of the political animals that exist in society? That's the real strength of a government. You can get elected by bending to what you think is the political wind in society. That's easy. You can give away a lot of funds, and people like that. They feel that's the easy way, because then they don't have to spend their own money. But they need greater leadership than ever at this point in time, and I think that's the principle we should be debating in this bill.

It's even greater than some of the things we talk about in Whitecourt, in some of our little communities. That is the real overriding thing, because as a government if we can give that kind of leadership to the people of Alberta, people will do their own things; people will not be in poverty; people will save for themselves; people will build their own homes, their own industries in that kind of society.

As far as I'm concerned, that's the responsibility I place upon the Premier at this time, because from my past experience the Premier sets the tone for his cabinet. He has the strength within his cabinet to say, look, we believe in the market place in Alberta, we believe there's a place for free enterprise, we're going to protect it, and we're going to set these kinds of priorities to do just that. What do I mean by

priorities? I think a list could be made something like this.

First, the priority of the investment funds should be money made available to the people of Alberta to support them in individual projects or projects they form as a group — maybe mortgage money, and we've done that through housing, that's all right — loans made available with varying kinds of interest depending on the risk involved, the size of the business, or maybe with regard to individual need. But it's out there in society, money placed within Alberta, to help people do their own thing. If that's the number one priority of the Premier, we in Alberta know that.

The second thing — and it was raised here today in our debate — is that we talk about equity purchases. Well maybe there is a place, and I'm not sure of this, where we have equity purchases in business, in airlines, or whatever it is. Maybe there are certain places where it's very important, such as Syncrude — I've got to wait till that's proven to me, but there we had an equity purchase. Maybe that's the second priority on the list, not the first as it has been.

Thirdly, maybe there should be a priority of government initiatives where certain things have to be stimulated that the private sector or the private individual cannot stimulate — but third on the list, not first as often happens.

Mr. Premier, maybe the list should be much more sophisticated, but to me those are the kinds of criteria, the kinds of guidelines that have to be set down in this Legislature, so if this act is passed in the form that it is passed, we have assurance here, as members of the Legislature, that the people of Alberta [know] that when those decisions are made behind closed doors, at least we have some type of framework upon which to judge the decisions; we have some type of a framework on which we can feed our ideas into the cabinet and into this Legislature. Mr. Speaker, I think that is the responsibility of government, of the Premier not only in this Legislature, but certainly to the people of Alberta.

I hope in his closing remarks this evening that we can hear some of those guidelines, and the Premier can be a little more specific about that kind of thing. Because as I read his remarks, I find that even the four points outlined are fine, but the hon. member for Spirit River-Fairview could list those points and put them in his framework very, very easily. I could list other examples that fit into either end of the spectrum, anywhere from free enterprise to the interventionist approach to government. That's very, very important at this time. As members and backbenchers, I think that should be the thrust of your thought and debate at this point in second reading, instead of worrying about whether it was an election issue or not. Maybe it was, and maybe it wasn't.

Sure I talked about it in my constituency. But is it really relevant at this time? The bill is now. The issue is now. We have to deal with it. I think we have to deal with the real intent and what is going to happen in the future. Mr. Speaker, that's the focus I wanted to place this evening. I certainly hope to have some more remarks with regard to the specifics when we get into Committee of the Whole.

MR. LITTLE: Mr. Speaker, in speaking to second reading of Bill 35, I feel that I am representing not

only the people of Calgary McCall, but also my children and, I hope, their children. I sincerely hope and believe that future generations will view this bill as the most unique, the most progressive, and the most responsible piece of legislation of a whole generation. I believe this concept of saving for a rainy day is faultless, especially when we consider that this fund is built from non-renewable and depleting resources.

I was speaking recently to a constituent who asked me why we weren't spending all this money for current expenses, to thereby reduce or even cancel out present-day taxes. I asked him what his occupation was, and he told me he was a salesman. I said, just consider for a moment that you've got a monopoly on a particular item and that in the next two years you are able to saturate the market with that item. But after that, a long period of time would go by before you were required to replace it. What would you do with all the profits? I think the answer is fairly obvious. You would certainly save a portion of them.

However, the revenue from our resources is even more critical, in that the salesman's goods would wear out and in time require replacement. But a barrel of oil taken from the ground is gone forever, unless of course you consider several million years not forever.

In further answer to this salesman, I was able to reassure him that revenue from these depleting resources is being used for current expenses: 70 per cent of these revenues are forming 45 per cent of our budget for 1976-77. In other words, only 30 per cent is being saved by means of this vehicle, the Alberta heritage savings trust fund, which I'm sure any reasonable person would find equitable and acceptable.

As I indicated earlier, I'm sure future generations will find this concept totally reasonable and responsible. This bill presents a situation unique in modern government. So I listened in amazement last Friday when I heard criticism in this House that some day this fund may grow too large — imagine — that the fund may some day be larger than the provincial budget.

Can you imagine telling a story such as that, a fund too big, to one of our governments of the '30s, governments which defaulted first on interest payments and later on principal, that they should be concerned about a fund which was too big? I sincerely believe that this fund which we are creating will some day yield sufficient income to replace the vacuum left when there is no longer income from our depleting resources. I believe, Mr. Speaker, this is the type of problem that many governments would welcome, even in this country and in this day.

We are most fortunate to live in a province so richly endowed with natural resources. It is our responsibility not to waste these resources which do not belong to us, but to future generations who will inhabit this land. And that, I see, is our prime responsibility. Who does the oil belong to? Does it belong to the government, to the oil companies? Or does it belong to the people of this province?

I recognize it is a real temptation for governments today, when they are faced with revenues such as we find, to reduce taxes, increase social programs, and to cultivate the favor of the electorate. The concept of

the fund is unassailable. The philosophy of legislative accountability is unassailable. The only problem is, it won't work.

Any person who has had the briefest exposure to the workings of the market will quickly comprehend the weakness of public and prior debate. It just won't work. Does Eaton's tell The Bay? Does the pitcher tell the batter? Of course not. If proposed investments were debated in this Assembly you might as well forget the investment. When I say "investments", of course I have in mind equity position. If we are to deal only in debt situations we don't need skill, we don't need an investment committee, and we don't need a legislative review committee. If we are only to deal in debt, we can refer it all to the Provincial Treasurer, because every day he deals in treasury notes under the authority of The Financial Administration Act. All these skills then become unnecessary.

However, when investing, I believe it is the responsibility of this government at all times to buy at the best advantage and to sell at the best advantage. I believe that is the responsibility the electorate placed with this government. When we fail to carry out that responsibility, the electorate will quickly remove that accountability.

Thank you, Mr. Speaker.

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

HON. MEMBERS: Agreed.

MR. LOUGHEED: Mr. Speaker, in closing debate on Bill 35, The Alberta Heritage Savings Trust Fund Act, I would like to say at the outset that it has been, as it should be, a good and vigorous debate in this Legislative Assembly. I believe it's a very historic bill, a very important bill, and the second-reading stage is so relevant.

Perhaps in our future days in the Legislature we will deal with more important items of legislation, but it is rather difficult to foresee that we will. For that reason, strong points of view have been expressed. That again is the legislative process, and the way it should be.

Over the years, I have had different views from the Member for Drumheller when I've been on the other side of the House, and even on this side of the House. But because of his experience in the legislative process, I did appreciate hearing tonight his very important and very useful contribution to all of us who have come some time later to this Assembly, in describing the appropriate and proper historic and democratic role of the government, to make the decisions answerable and accountable to the Legislature — as we have attempted to do and will continue to do — and to establish some of the precedents of the former administration with regard to the matter of the issue of prior investments. More than anything else, he's given us a perspective as to our role here and the difficulty of it, the role of the Legislature, and the significance of government. In the future, I'm sure there will be debates when the hon. Member for Drumheller and I will hold different points of view, but I think it was important to all members of the Assembly to hear the views he expressed tonight.

Mr. Speaker, one item that I thought was quite

relevant was passed by quickly and was not picked up later in the debate. That had to do with the remarks made, I believe, both by the Leader of the Opposition and the hon. Member for Spirit River-Fairview with regard to the resolution referred to under Section 6(4) of the act; that investments under the Alberta investment division "... shall be made in accordance with any directions contained in any resolution of the Legislative Assembly relating to such investments".

Mr. Speaker, perhaps I have not explained myself, but I thought the act was clear. Because I take those resolutions as being entirely different from any sort of resolution we've had in the past. Our research indicates that there is no similar statute.

If this Legislature passes a resolution which states, "pursuant to Section 6(4) of The Alberta Heritage Savings Trust Fund Act, the government shall," then the government shall. It's not "give consideration"; it's not a matter of "take under advisement". It's a mandatory obligation of the government to do it. That's why it's worded that way within the provisions of the act. I think that important distinction, which the Government House Leader and I have been working on over the course of the weekend, is important to note.

I don't want to take too much time with the issue of prior approval of the investments by the Legislature. We've heard a lot of discussion and good debate on both sides of that issue. Frankly, Mr. Speaker, I have heard no logical argument that convinces me it's practical to have such provisions within the legislation. All my experience in government and in the Legislature — and maybe it hasn't been long in years, but I assure you it's been compressed and rather extensive in activity — makes me feel that it simply isn't practical. Frankly, Mr. Speaker, it would be much more comfortable if it were the other way — since the word "comfortable" was raised, and I'll get to that in a moment. The majority the government has in the Legislature is such that I would have some confidence that if we propose in advance to do something, there would be some reasonable probability that the matter might go through the Legislature.

AN HON. MEMBER: Good point.

MR. LOUGHEED: My feeling is that it would be the comfortable way to do it, when it didn't work out — as some of them won't work out — to be able to say to all and sundry as we went across the province: that's all right, the Legislature directed us to do this. We'd say, you see, don't blame the government, blame the Legislature.

Well, I think there are simply too many cases in which it would not work. It would be the easy way to go. But frankly, in my opinion, it would be the wrong way. It would place the government in a legislative strait jacket in a piece of legislation that I think all members, regardless of their view, would accept is a unique item of legislation. It's unique for any Legislature. We have to feel our way through very uncharted waters. Such a legislative strait jacket, in my view, would be wrong. It would be detrimental to the public interest at this stage.

Now it may be that over the course of time a view is expressed by the select standing committee or the Legislature by resolution or in some other way by amendment, that certain types of investments should

be made or should not be made, or if they should be made, should only be made with the advance approval of the Legislature. Fine, when that time comes, let's look at it, and let's entertain it.

Mr. Speaker, I was glad to see that the Member for Spirit River-Fairview went back as far as 1966 to read the guideposts I presented at an annual meeting of the Progressive Conservative Party of Alberta, as he noted. He picked the first guidepost. Having all 12 of us at that annual meeting ...

AN HON. MEMBER: Fifteen.

MR. LOUGHEED: ... I remember writing out that first guidepost, which says: "We believe that public laws should be made in public." As far as I'm concerned, that's what we're doing here today. Most important of all, Section 5 provides for a public law to appropriate funds.

But to attempt to take out of that the argument that the cabinet, who have had the traditional responsibility to make investments, should be obliged to come in advance to seek approval, and to distort that particular guidepost in that way when it's pretty obvious ...

Since I'm raising it, I know he'll remember it, as the time will come, probably tomorrow in question period, when we're asked about the progress we're making on the select committee report on regulations.

I think the hon. Leader of the Opposition and the hon. Member for Little Bow know that the basic argument that occurred and continued in the 17th Alberta Legislature was the question of whether we had gone too far in our legislation in establishing that things would be done by regulation when they should have been part of the act. The issue of guidepost No. 1 was clearly and without doubt directed toward: "public laws should be made in public".

But you know, I've always been one in this matter of parliamentary debate, when somebody quotes from a document — and I've quoted from my fair share, and I've had it bounce back at me. Sometimes when I was on the other side, they'd do some pretty good research, and then in rebuttal they'd say: Mr. Speaker, if the Member for Calgary West would read a little longer in the document, he might note something else. I thought it was fascinating what I read in guidepost No. 9, where back in 1966 we said:

We believe in the concept of putting one's money and resources to work for improvement and development. We consider unnecessary hoarding of surplus funds as a lack of progress.

That we should communicate to the public, not ask for advance approval but communicate to the public, a clear picture of the total provincial government involvement. There must have been some perception, more than I thought, although at that time I'm sure we were thinking about the surplus that then existed with regard to the Social Credit administration.

Mr. Speaker, I want to go on to the remarks made by the hon. Leader of the Opposition. I guess the best way I can say [it] is that when you listen to a response to your remarks by way of rebuttal, you wonder if the hon. leader is going to respond to a particular point. I listened, and there was one point he didn't respond to. I kept waiting, and I had my little check list.

Mr. Speaker, the point he never responded to was

the point I was trying to make, that a Legislative Assembly had probably faced only one other similar example before. It was here in Alberta by the Social Credit government with regard to their surplus, and never was there a word of explanation.

The hon. Member for Drumheller pointed that out. I think it's clear. I think the very weakness of the arguments presented by the Leader of the Opposition was that he never in any way responded to that position to point out the inconsistency that he could have been silent on the front benches here in 1965, 1966, and 1967 when the Provincial Treasurer tabled the public accounts with not a word of explanation. The Provincial Treasurer then described in glowing terms the surplus, and never even discussed the question of where the surplus was being invested and why. It wasn't even accountability, much less prior approval.

Mr. Speaker, I would like to put a little additional emphasis — perhaps some speakers mentioned it, but I think it's very important — on the process of trying to come to a conclusion on legislation. It's a difficult one, particularly with an act such as this.

We brought in Bill 74, and tried to gauge the response of the people. I think it's fair to say that there were really two concerns. One we accepted and one we didn't. The concern we accepted was the question that the Legislature has to remain supreme. The Legislature has to control the purse strings. The other one was the question of prior or advance approval of the investments. We did not accept the latter for the reasons I and other speakers have outlined. But we did accept the former, and they can make of it what they want.

My reading of the people of this province is: they know we've listened, they know we have responded, and they know we have to come in every fall session with a report from the Provincial Treasurer, with the pluses and the minuses — they'll be pointed out to us, as they should be, by the official opposition and by all members — the recommendations by the select standing committee, and say we want your further confidence. We want you to turn the tap on pursuant to Section 5 of the special act.

Well, I think Section 5 was extremely important. I think we made a very major change, and it reflects our feelings on the importance of the Legislature, and the accountability. The Leader of the Opposition said in his remarks on Friday that there was a reduction in accountability. We in no way stepped back from accountability to either this Legislature or to the public, but we say we have to make the decisions. We're elected as a government to make the decisions, but we're not going to duck that accountability.

Now, Mr. Speaker, the Member for Little Bow brought forth a very important point tonight that had to do with his unease about how the government is going to invest these vast sums, in what way, in what priority. It's a valid point of view, and perhaps we should have spent more time in debate. There were some good contributions, however, from the Member for Athabasca, the Member for Lac La Biche-McMurray, the member for Whitecourt, a number of members of the Legislative Assembly in terms of the how, and I think that was appropriate. But,

But, Mr. Speaker, I felt, perhaps wrongly so, that I went into extensive detail in this Legislature on October 24, 1974, in setting forth the economic

strategy for this government. I made a speech to the Chamber of Commerce in Calgary in September, 1964, where I outlined our objectives, goals, priorities, and our difficulties in considerable detail. I brought forward and outlined that very same approach to this Legislature, and I thought perhaps, more than any government in Canada, we've put forth our views as to an economic strategy for this province. I thought in my remarks on Friday morning I gave some focus to that, without spending an inordinate amount of time on it.

I think some of the actions we've taken have reflected our point of view. The hon. Member for Little Bow worried, as I worry, [over] an undue influence or impact of this fund upon the private sector in this province. But that's exactly what the Member for Calgary Glenmore was pointing out when he referred to the parameters that were set forth in my remarks in Red Deer when I outlined the approach to the fund, that we had to be cautious about two things: first, that we did not operate the fund in a way that was unduly disruptive to the private sector; secondly, that we did not operate the fund in a way that would disrupt the financial institutions operating in the public interest in this province. We've added those two caveats to our position, and added them in relationship to our economic strategy.

Now there may be one point of view that the Member for Little Bow and I differ on. Maybe it is time to put it on the table, because a point of provincial government intervention is reflected in two decisions of this government. One is the Alberta Energy Company, and the second is Pacific Western Airlines. The importance is this. I have some difficulty understanding what difference it makes, when we're involved in a situation as important as the development of our natural resources or our transportation, between an ownership of these resources by people who are outside this province making their decisions outside this province, whether they be by government or by the private sector. I don't see that, Mr. Speaker.

If we are going to control our own destiny in this province, there are going to be times when there's no other feasible alternative. This government is going to have to play an interventionist role, if the hon. member prefers that word, in assuring the decision-making is made by Albertans. They will not be frequent, but I went around this province, Mr. Speaker, from 1965 to 1971, and I don't think I went through very many meetings when it wasn't put to me, that's all fine about this resource development, but where do we, the individual Albertans, get a chance to get a piece of the action? That's what I kept hearing.

I know the hon. Member for Spirit River would have liked us to have established a Crown corporation rather than an Alberta Energy Company. But we felt the answer was to create a vehicle with all the headaches it will have; to create a vehicle such as the Alberta Energy Company to give Albertans an opportunity to have a piece of the action, but to do it in such a way that it wouldn't be like Alberta Gas Trunk Line where the ultimate control could move out of the province. That was the concept of the act of the Alberta Energy Company which was put before this House by the present Minister of Energy. With regard to Pacific Western Airlines, the decision was the

same. The decision was, if we don't move the control over this very, very important transportation aspect of our future, it will go to hands other than Albertans.

I guess what I'm trying to explain, and perhaps not as well as I should, is that we have the economic strategy, we have the concerns, but there are going to be times when we feel that if we have to choose between an interventionist role that will mean decision-making by Albertans, and merely drifting along and letting other people outside this province, private or public, make decisions for us, the time's come where we're going to make it for Albertans. I think that's the mood of the people.

Mr. Speaker, it's a very difficult bill, and I have had all sorts of advice and lots of suggestions. I've had more discussions than I can ever count. I think the Member for Calgary McCall, who preceded me, and the Member for Calgary Bow put it well when they referred to the reaction of our senior citizens in this particular matter, the ones who probably would have the greatest argument for saying, why put it away for the future, we are here now and we built and made this province. It's a very interesting development, Mr. Speaker, that the senior citizens seem to have a greater feel and awareness for what we are trying to do than anybody. I guess they have, what is it, that historical background of recognizing it might be wise to put it away for a rainy day, that maybe things won't always be that great.

So I'd like to close this debate, Mr. Speaker, by reading one input I received. He's a senior citizen, and I think well respected in this province. His name is Grant MacEwan. He wrote a letter to me not too many weeks ago that went this way.

Dear Mr. Premier:

This began as a personal note to you but before I committed it to the mail, I decided to expand it slightly and direct it through the Herald column. I'm sufficiently old fashioned that an eight-cent stamp is still worth saving. Sending my message through the press, however, does not prevent me from transmitting my best wishes.

But, yes, I have a purpose in writing. I have been reading much and hearing much about the Heritage Fund, and after being permitted to do a Heritage column for the Calgary Herald for 20 years, I find myself being alerted — as by a call to dinner — every time I hear the word. It may be time for me to declare myself on a point and I write as one for whom the role of a self-appointed caretaker in the Great House of Nature — the real House of God — goes far in satisfying my philosophical searchings and religious needs. That means simply that I would choose, if I could, to be remembered as a conservationist. As such an individual, I desire to record briefly my unrestricted admiration for the principle of the Heritage Fund of your creating.

I know and you know that the direct economic and social benefits from our great treasure in oil and gas will not last forever. Indeed, at the rate we in the Western World are raiding the non-renewable stores, the supply cannot last long and my grandchildren could live to complain about a reckless generation, notorious for squandering.

History reminds me that resource wealth is the easiest kind to get and is great while it lasts: but no country or empire has ever succeeded in making the returns from non-renewable resources last very long. Almost invariably, the brief period of prosperity has been followed by decline and remorse. Unfortunately, nobody in history appears to have made a genuine effort to ensure lasting dividends for those non-renewables.

I realize that there will be widely different views and some loose talk about the Heritage Fund, but that should not alter the high purpose of trying to share the good fortune of a great bequest. In the adoption of such a gigantic plan, you are probably inviting equally gigantic administrative problems and headaches but they will be resolved and I suspect that Albertans and others in the years ahead will pronounce the idea of the Heritage Fund, and the resolve to implement it, as the most statesmanlike purpose ever undertaken by a Provincial Government — or any Government.

Somebody observed that politicians project their thinking to the next election; that statesmen think of the next generation. The Heritage Fund is for grandchildren and morally right.

You will find, of course, that the fund will be difficult to protect. The knowledge of a billion dollars of treasure will in itself incite human desires and ambitions; it will be a constant temptation to well-meaning people who have bright ideas for the use of part of it. Any public asset which is the least bit fluid is likely to be a temptation. I think of Calgary's Glenmore Park when in its early years, scores of individuals and organizations could advance the best of reasons why they should have a portion of it and the big piece of parkland could have been whittled down until little or nothing remained to serve the original purpose.

I hope you will find encouragement for what you now resolve to do in recognizing that a great natural gift like oil does not or should not belong exclusively to any single generation, and I hope you will find the means of guarding the fund against a rapid erosion which could undermine the generous purpose.

With warmest wishes from "Our Natural Heritage" column to our natural "Heritage Fund",

Grant MacEwan

Mr. Speaker, will you join with me in supporting this bill?

[applause]

[Mr. Speaker declared the motion carried. Several members rose calling for a division. The division bell was rung.]

[Three minutes having elapsed, the House divided as follows:

For the motion:

Adair	Gogo	Musgreave
Appleby	Hansen	Paproski
Ashton	Harle	Planche
Backus	Hohol	Purdy
Batiuk	Horner	Russell

Bogle	Hyland	Shaben
Bradley	Hyndman	Stewart
Butler	Jamison	Stromberg
Chambers	Johnston	Taylor
Chichak	Kidd	Tesolin
Cookson	Kozia	Thompson
Crawford	Kroeger	Topolnisky
Diachuk	Leitch	Trynchy
Doan	Little	Walker
Donnelly	Lougheed	Warrack
Dowling	Lysons	Webber
Farran	McCrae	Wolstenholme
Fluker	McCrimmon	Young
Foster	Miller	Yurko
Getty	Moore	Zander
Ghitter		

[Bill 35 read a second time]

MR. HYNDMAN: Mr. Speaker, in Votes and Proceedings for Friday, Government Designated Business has been called by government members for the first hour tomorrow. That will be Committee of Supply, continuation of the Department of Business Development and Tourism, and after that department, the Department of Utilities and Telephones. The Assembly will sit tomorrow evening.

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

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

HON. MEMBERS: Agreed.

Against the motion

Clark	Mandeville
R. Speaker	
Totals:	Ayes - 61

Notley

Noes - 4]

MR. SPEAKER: The Assembly stands adjourned until tomorrow at half past 2.

[The House rose at 9:50 p.m.]