

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, October 28, 1976 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. STROMBERG: Mr. Speaker, may I take this opportunity to introduce to you and to the members of the Assembly some 20 students we have with us today from a Grade 10 social studies class, along with their principal and teacher. These students are from the community of Daysland in my constituency. This is about the fifteenth or sixteenth year that the Daysland High School has visited this Assembly. I believe it was almost two years ago to the day that the Premier flew to Daysland and officially opened the Daysland senior citizens' lodge.

They are sitting in the public gallery, and I will ask them to rise and be recognized by this Assembly.

head: INTRODUCTION OF BILLS

Bill 74
The Statute Law
Correction Act, 1976

MR. LITTLE: Mr. Speaker, I beg leave to introduce Bill No. 74, being The Statute Law Correction Act, 1976. The purpose of this bill is to amend a number of grammatical, typographical, and other minor errors in legislation.

[Leave granted; Bill 74 introduced and read a first time]

head: INTRODUCTION OF SPECIAL GUESTS

MR. LOUGHEED: Mr. Speaker, I am very pleased to introduce to you, sir, and through you to the Members of the Legislative Assembly, a group from the Calgary Christian Junior High School who are in the members gallery with their teacher Mr. Bob Reitsma. I had a chance to meet them earlier to discuss the Legislative Assembly. They are studying government in Alberta. I would appreciate it if they would rise and be welcomed by the members of the House.

MRS. CHICHAK: Mr. Speaker, it gives me great pleasure today to introduce to you and to the

Assembly some 30 students of the senior adaptation special education class from H. A. Gray Elementary-Junior High School in my constituency. They are accompanied by their teachers Mrs. Kennedy, Mrs. Kuprowsky, and Miss Gale. I am pleased that the teachers have taken the initiative with this special class to bring them to the Assembly for them to have an opportunity to experience at first hand how a very small segment of the proceedings in the House are carried out. I would ask the students and the teachers to rise and receive the welcome of this House.

head: ORAL QUESTION PERIOD**Pipelines — Transit Tax**

DR. BUCK: Mr. Speaker, I would like to address my first question to the hon. Premier. I would like to know if the Premier had an opportunity, or was there any discussion between the Premier and any governors or members of the United States government in relation to bringing pipelines from Alaska through our province into the United States?

MR. LOUGHEED: Mr. Speaker, yes that matter was raised with me by the Governor of Oregon on my visit in late June to Oregon. It was also raised in Washington at the breakfast meeting I held with the senators, and the day prior to that with a group of congressmen.

DR. BUCK: Mr. Speaker, supplement to the Premier. Was there any discussion about a transit tax on pipelines that could be going through our province?

MR. LOUGHEED: Mr. Speaker, in the sense of discussion, I suppose the matter was raised. It was really more a question of whether or not there was any legal position that a provincial government could take in establishing a transit tax. It was really more in the nature of a question that was put to me.

Perhaps the Minister of Federal and Intergovernmental Affairs might want to elaborate on discussions that are occurring between Canada and the United States relative to the matter of a pipeline treaty.

MR. HYNDMAN: Mr. Speaker, a protocol has been signed between the governments of Canada and the United States. I understand this protocol simply provides a basic framework for an agreement. An agreement cannot be perfected because quite a number of the matters relating to the transit of a pipeline across Alberta relate to matters under provincial jurisdiction. Those have yet to be decided upon and negotiated.

DR. BUCK: Further supplementary, Mr. Speaker, to the Premier and to whoever may be responsible. Has the government been doing any studies in the matter of transit tax on pipelines that could go through the province? Have any studies been going on in any departments of the Crown?

MR. LOUGHEED: Mr. Speaker, no. I think generally as a policy we wouldn't look on that as advisable. It's certainly something in the national interest in terms of good trade relations between Canada and the United States. It's extremely important to Alberta that there be good trade relations with the United States. We therefore would be co-operating fully with the federal government in whatever its ultimate decisions are, because it would be decisions of the federal government on any pipeline that might pass through the province of Alberta that would link, for example, Alaska gas or Alaska oil to the balance of the continental United States.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier for clarification. Could the Premier advise the Assembly whether or not at this juncture the Government of Alberta would in fact favor such a transit tax? Or do I take his answer to the hon. member's question to mean that at this stage we would feel that that might constitute a barrier to good trade relations between the two countries?

MR. LOUGHEED: Mr. Speaker, there is no question in our mind it would be a barrier to good relations between the two countries. It's the sort of thing that we found very much alarms the United States, both investor and government. Frankly, the position of the government to the east of us with regard to the nationalization of potash has been a very severe setback for good relations between Canada and the United States. So many of our farmers, manufacturers, and business people are well aware that Canada as a trading nation has to have good access to the United States market for our products. I think of our entire lumber industry and the importance to our lumber industry in having an effective market in the United States, in addition to all the agriculture products we have here. Our whole future involves a nation such as Canada with 70 per cent of its trade flowing with the United States.

If we get ourselves involved in a situation which unfortunately appears to be developing in certain centres, particularly certain groups in central Canada, that would work to the detriment of that trade relationship, it would be sad indeed for all of us.

Ambulance Service

DR. BUCK: A second question, Mr. Speaker, to the minister responsible for hospitals and medical care. Several months ago, an opposition resolution on province-wide ambulance service was passed in this House, which is rather rare. I'd like to know, Mr. Speaker, if the government is taking any action in this area.

MR. MINIELY: Mr. Speaker, in response to a question earlier in the House, I believe also from the hon. Member for Clover Bar, I indicated that I appreciated the resolution passed by the Assembly, and I interpreted it within the context I answered it at that time: that I do not think we can make decisions with respect to province-wide ambulance service apart from some decisions on other directions in the

hospital system, the balance of services, urban and rural. These are all aspects which I'm working on and which I hope to present as a basic package to the Legislature in the future, a part of which would be province-wide ambulance policy.

DR. BUCK: A supplementary question, Mr. Speaker, to the minister. In light of the fact that the AUMA brought a resolution that was passed on this question of ambulance service, has there been any consultation with the minister and any of the municipalities in relation to an ambulance service for the province?

MR. MINIELY: Mr. Speaker, I've spoken to representatives of municipalities on specific instances. But my general consultation process has been with the hospital system itself and ultimately, as we develop policy, it would be with my colleague the Minister of Municipal Affairs.

Mr. Speaker, I'd like to say there's no question in anyone's mind that we have to do something with respect to the general provincial ambulance service. The point I'm trying to make is the degree, how, how much, and how it would relate to other important elements of the health care and hospital systems. Of course areas of perhaps social services and community health should be brought together in a co-ordinated fashion as well.

DR. BUCK: Mr. Speaker, my last supplementary. The minister said how, how many. I want to know when.

MR. MINIELY: Well, Mr. Speaker, I don't think I have ever indicated to members of the Assembly that bringing it into the total directions of hospital and medical and health care in the future as a part of that — I'm sure the hon. member appreciates, as all hon. members would, that it is a complex question. I've indicated in the House many times that to this point I've been concentrating on travelling throughout the province, meeting with many different groups in assessing other total desirable directions in the hospital and medical care field. I am now at the stage, as I indicated in my remarks to the House yesterday, of addressing myself to some alternative directions we might go. That process is going on now and in due course, as I indicated yesterday as well, in the third and final phase, which would relate to implementation, I will be presenting to the Legislature some of our policy proposals in this area.

Landlord and Tenant Legislation

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Consumer and Corporate Affairs. In view of the discussion last year, when The Temporary Rent Regulation Measures Act was passed, about a new landlord and tenant act in the province, is the minister in a position to advise the Assembly when legislation will be introduced revamping The Landlord and Tenant Act and the law as it relates to landlords and tenants in this province?

MR. HARLE: Mr. Speaker, I've said in the Assembly on a number of occasions that the government asked the Institute of Law Research and Reform to carry out a study which might lead to suitable amendments to

the present landlord and tenant legislation. At a meeting in Banff some weeks ago of the landlord and tenant advisory boards in the province, the indication was that the institute might be able to give us a report, hopefully before the next spring session of the Legislature. Now obviously it depends on how soon that report is received, and once it is received the recommendations would have to be examined so that with some luck we might be able to present legislation in the spring session. But obviously it will depend on the speed with which the institute will be able to supply us with their report.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the government prepared to outline to the Assembly at this time whether or not it accepts the principle of a tenants' bill of rights, requiring at least that landlords must justify an eviction notice with reference to objective criteria? Mr. Speaker, I am referring to whether or not the basic principle of that particular proposal is accepted by the government.

MR. HARLE: Mr. Speaker, if the hon. member wishes to make representations on this subject, he can do so to the institute.

MR. NOTLEY: Mr. Speaker, in view of the widespread concern about evictions in the province of Alberta, does the government at this point in time foresee the need for any temporary or interim legislation that would protect tenants from unfair eviction by landlords?

MR. HARLE: Mr. Speaker, we have already indicated that at this session of the Legislature an amendment will be introduced relating to eviction in the case of mobile homes in mobile home parks.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Is the minister in a position to advise whether the government proposes to take any interim measures with respect to tenant security of tenure for those residents of Alberta living in apartments who won't be affected by the mobile home legislation?

MR. HARLE: Again, Mr. Speaker, I can only say that if the hon. member has any representations to make, the government has asked the institute for a report on the subject and he can make them to the institute.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification. Do I take it from the hon. minister's answer that despite the widespread concern in the province, no action will be taken on an interim basis or otherwise until such time as we are lucky enough to receive the final draft report of the Law Reform Commission?

MR. HARLE: I urge the hon. member to make his viewpoints known.

Pheasant Rearing

MR. R. SPEAKER: My question to the Minister of Recreation, Parks and Wildlife is with regard to a grant to the Alberta Fish & Game Association for pheasant rearing. I wonder if the minister could indicate whether that grant has been allocated at this point.

MR. ADAIR: Yes, Mr. Speaker, at the moment the grant is in the process of being drawn through Treasury. It is part of a program — that's the gravel I've got in my throat — in which nine fish and game associations in Alberta through the Alberta Fish & Game Association are working co-operatively with the department to provide another means of providing pheasants for the people of Alberta.

DR. BUCK: A supplementary to the minister. Was he at the Eskimo Football supper last night?

[laughter]

Trial Appeals

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Attorney General. Could the Attorney General indicate whether it is the intention of the government to eliminate trial de novo appeals in dealing with summary convictions, as provided by the amendment last year to the Criminal Code?

MR. FOSTER: Yes, Mr. Speaker, as a matter of fact I expect that to come into force on November 1.

Halloween

MR. TAYLOR: Mr. Speaker, my question is to the hon. Solicitor General. Has the hon. minister any further comments to make on criminal acts perpetrated on young children at Halloween?

MR. FARRAN: Yes, Mr. Speaker. The metropolitan police forces in both Calgary and Edmonton will be making releases today and tomorrow warning children to beware of candies and apples that might have been tampered with, and also warning drivers to take care on Halloween. My department will be issuing a similar press release pertaining to the rest of the province.

MR. PURDY: Supplementary question, Mr. Speaker, to the Attorney General. Since a number of municipalities in the province of Alberta have declared Halloween to be on Saturday night, has the Executive Council of this government made any decision if it will be held Saturday or Sunday?

MR. FOSTER: Mr. Speaker, I'm not aware of the fact, if it is a fact, that the Executive Council has any jurisdiction to determine when Halloween may be

held. I would think that in view of the controversy that surrounds decisions at the municipal level, the Executive Council would be quite happy to leave it at that point.

Home Improvement Program

DR. WEBBER: Mr. Speaker, I'd like to direct my question to the Minister of Housing and Public Works. Are those senior citizens who have received the \$1,000 home improvement grant expected to claim that grant for tax purposes?

MR. YURKO: Mr. Speaker, I would have to take the question under advisement and report back on the matter. It is a question that hasn't been posed to me before with respect to the grant, so I would have to look into the matter.

Alcohol Use in Schools

MR. MUSGREAVE: Mr. Speaker, I'd like to address my question to the Minister of Education. Could the minister advise if alcoholism in junior and senior high schools is becoming more apparent to the authorities, and could he advise what measures his department is taking to combat this problem?

MR. KOZIAK: Mr. Speaker, I think I indicated in discussions either in the spring or at an earlier time that the problem in the area of drugs seems to have moved away from the hard drugs and marijuana to alcohol, and that there has been evidence of increased usage of alcohol by students who are under the age of 18, the legal age at which they are entitled to consume alcoholic beverages.

Under the provisions of The School Act, school boards are entitled to make certain rules as to the conduct of their students on premises. As a matter of fact, I might point out to hon. members that an amendment is proposed in Bill 84, which I introduced the other day, which would strengthen this area and the area of school boards in making rules to include school buses. Before this, school authorities did not have the explicit authority under The School Act to make rules as to conduct of students on school buses. So this is being extended under the proposed bill to provide school authorities with the authority to make rules in this area.

School boards have in fact made rules with respect to the use of alcohol. One example that recently comes to mind is one jurisdiction that has made it an offence which results in expulsion for students to use alcohol on school premises. The way this came to my attention was that the principal in this particular school — and I'll not name the school — suspended four students because of the use of alcohol on school premises. Subsequently the matter was taken to the board, and the board confirmed the action of the principal and expelled the students. The matter was raised in an appeal to me under Section 146 of The School Act, and I confirmed the action of the school

board.

So there is this responsibility, Mr. Speaker, which the boards throughout the province seem to be exercising to control the problem that alcohol does provide in schools and to children of school age.

MR. KUSHNER: A supplementary question. Does the minister have any studies to indicate what percentage of students actually use alcohol in high schools? And another question: if the minister has any studies, what percentage of the students in our system in fact have used or are using dope?

MR. KOZIAK: I don't have that information at hand, Mr. Speaker. I rather doubt whether specific information is available. There may be studies that would indicate general information as to the growing use in either area, but I don't believe specific studies are available that would indicate that X per cent of students use this type of drug or that type of drug.

MR. APPLEBY: A supplementary to the hon. minister, Mr. Speaker. I wonder if the minister has had any information from other school boards as to this being a problem in other schools, like the one he gave as an example.

MR. KOZIAK: The example I referred to was the most recent one. I'm sure the problem does exist in other schools because of a report on drug use that was prepared approximately a year ago and I think was made available to all members of this Assembly. That report was basically the result of a collation of comments that had been made to the person gathering the report from school principals, school superintendents, on the attitudes and actions of students in these areas. The summation would indicate there is this growing abuse of alcohol by students. This is the most recent example that has come to my mind of boards exercising the responsibility under the act to correct the problem.

Borrowers and Depositors Bill

MRS. CHICHAK: Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. Could the hon. minister advise the effect the borrowers and depositors protection bill, introduced in the federal Parliament yesterday, might have on Alberta?

MR. SPEAKER: If the hon. member can get similar information by rephrasing the question, it might get past the objection which it otherwise faces.

MRS. CHICHAK: Mr. Speaker, I'll rephrase the question. Could the hon. Minister of Consumer and Corporate Affairs advise — I've got to think about this — whether the borrowers and depositors protection bill, introduced in the federal House yesterday, will have an effect on Albertans?

MR. HARLE: Well, Mr. Speaker, that's a very important topic today in light of the fact that the federal government has introduced this bill in the legislature. I might say that disclosure is a principle which has been in our legislation in Alberta for some time. In

fact hon. members will recall the amendments we made to The Credit and Loan Agreements Act in the last session as they related to tax discounters. I might say that this legislation of course applies to all credit unions and trust companies, also department stores and in fact all people granting credit. I believe I'm correct in saying that Alberta consumers have had a right, since about 1967, to repay loans without penalty. This, of course, is not a provision which applies to mortgages.

So really, when we talk about interest protection, I think hon. members should realize that as I understand the federal bill, it's directed towards loan sharking. If you keep in mind that the provision with regard to maximum interest rates is not included in the federal bill — it's presumably to be referred to in the regulations, but the discussions so far have indicated that that protection will amount to prime times seven. So when you realize that's roughly about a 70 per cent interest rate, and you figure that the lending institutions in this province are absolutely nowhere near that, I would say its likely effect upon Albertans isn't going to be that significant.

In federal-provincial meetings we have urged the federal government to get on with the job of regulating interest rates, because that topic is a specific jurisdiction of the federal government. But we've pointed out to them on numerous occasions that there is existing provincial legislation, and we do not wish them to interfere with it.

Export Agency

DR. BUCK: I'd like to address my question to the Minister of Agriculture. I'd like to know, Mr. Speaker, if the minister is in a position to indicate if the government has paid or intends to pay Mr. Lung the \$15,000 they promised they would pay or consider paying, in light of the fact that he lost a lot of money on the deal with Germany.

MR. MOORE: Mr. Speaker, that matter was held in abeyance pending receipt of the Auditor's report, which was provided to the Public Accounts Committee yesterday. Together with the Minister of Business Development and Tourism, my intention is to review the matter of whether or not a grant would be provided to Mr. Lung in that regard. That review has not yet taken place. I would expect it would take a few weeks.

Housing Supply

DR. PAPROSKI: Mr. Speaker, a question to the Minister of Housing and Public Works. I wonder if the minister would indicate to the House when he expects the housing supply in Alberta will be in balance with housing demand, in view of the fact that there is such a great increase of individuals coming to sunny, progressive Alberta.

MR. SPEAKER: I hesitate to interfere too often in the question period, but as hon. members may recall, a question which seeks an hon. minister's opinion is really not within the scope of the question period. However, some resourceful hon. members are occasionally constrained to ask whether the minister happens to have a study on that topic.

DR. PAPROSKI: Mr. Speaker, I so ask. Does the minister have a study or information on that topic?

MR. YURKO: Mr. Speaker, we have studies on most aspects referring to the matter of housing supply in Alberta. However, I would like to answer the question this way. It's a very complex question, Mr. Speaker. Even though on an overall supply basis in the province numbers may suggest a balance between demand and supply, the question is far more complex because it involves one of affordability and whether or not the numbers available are affordable by those families that need the housing. So I expect that we have a few months before us yet, when indeed the mix will be adjusted as well as the supply so that all Albertans will be housed appropriately.

DR. PAPROSKI: I wonder if the minister has information or studies to indicate whether there is a shift towards lower-priced homes in the private industry generally.

MR. YURKO: Mr. Speaker, if one does an analysis of the housing mix over the last 10 years, it's rather interesting what one finds. Until about 1971 it was almost a 1:1 ratio, home ownership to rental. That mix changed rather dramatically during the period 1972 to today, favoring ownership because far more money was made in the area of ownership, particularly in the last couple of years. The ratio favoring home ownership is indeed considerably higher than 1:1. That of course includes condominium ownership, or condominium sales. The latest figures given to me indicated an overall ratio over the last four years or so of about 75 per cent ownership and 25 per cent rental. As I indicated, this reflects the major amount of money that is made in and the preference for home sales, as well as the fact that an apartment type of dwelling is being built as a condominium. Until The Temporary Rent Regulation Measures Act, there had been quite a bit of 'condominiumization'.

Bank Act Changes

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the Provincial Treasurer. In light of extensive discussion on banks at the Western Economic Conference in 1973, my question to the Provincial Treasurer is: has the Government of Alberta prepared an official response to the federal government's new white paper on changes in the Bank Act?

MR. LEITCH: We're in the course of preparing a response, Mr. Speaker, and I expect that those proposals will be a topic of discussion at an upcoming finance ministers' meeting between the federal finance minister and provincial finance ministers and treasurers.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Provincial Treasurer. Does the Government of Alberta in general favor the proposal that restrictions on foreign banks be lifted?

MR. LEITCH: Mr. Speaker, I think the question is couched in terms somewhat too wide to say yes, although, as I've earlier indicated, we were in favor of the additional competition within the banking community within Canada. The proposed changes in the federal white paper with respect to foreign banking operations in Canada would increase that competition.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Provincial Treasurer. In light of the minister's answer and, as I understand it, in light of the European tour last year, would it then be the official position of the Government of Alberta that more participation by foreign banks in Canadian banking would be beneficial to the people of this province?

MR. LEITCH: Mr. Speaker, on a number of occasions we have said that it would be a great benefit to the people within Alberta looking for funds if such institutions as merchant banks were here in Alberta, rather than as is now the case. Those persons who require large or complex financing operations have to journey to London or places outside Canada to get the assistance and expertise that would be brought to Alberta by the presence of those firms. We were very anxious, and have been urged by the business community, to encourage the development of that kind of expertise and service in Alberta, and we are doing that.

MR. NOTLEY: Mr. Speaker, a further supplementary question, either to the hon. Premier or to the Provincial Treasurer. During the Western Economic Conference a good deal of discussion took place over provincial participation in banks. My question is: in view of the 25 per cent figure which provinces can now invest in banks, has the government given any consideration or study at this point in time to exercising that option?

MR. LEITCH: Mr. Speaker, we were pleased with the federal government's proposal in the sense that it gave to the province a capacity to acquire an ownership interest in banks. But whether we exercise that capacity now or at a future date is a much different question. At the present time, Mr. Speaker, we are not contemplating exercising the opportunity to acquire equity ownership in banks granted by the proposed changes.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the Provincial Treasurer. Has the matter been given any study at this point in time?

MR. LEITCH: Yes, Mr. Speaker, it has. I should also supplement my earlier answer by calling to the hon. member's attention something I'm sure he is well aware of, in the sense that the province of Alberta provides a wide range of banking facilities through the treasury branches.

MR. NOTLEY: I'm sure the hon. Provincial Treasurer would be quick to say that that is a testimony to the prudence of former governments.

Mr. Speaker, a final supplementary question to the Provincial Treasurer. Has the Government of Alberta any position on the suggestion of going back to the pre-1967 Bank Act? The Treasurer will recall that in the old Bank Act a ceiling was imposed on prime interest that the chartered banks could charge. My question to the Treasurer is: has the Government of Alberta evaluated going back to that particular policy, where there would be a regulated ceiling?

MR. LEITCH: Mr. Speaker, I'm not sure I follow the implications in the hon. member's question. But it seems to me he is talking about an area within federal jurisdiction.

MR. NOTLEY: Mr. Speaker, just to rephrase the question. That's certainly true. However, the Bank Act is coming up for amendment, and all the questions I raised relate to whether representation would be made to changes in the Bank Act. My question to the Treasurer is: does the government feel that a ceiling on interest rates charged by chartered banks would be beneficial to the province of Alberta?

MR. LEITCH: I'm not aware, Mr. Speaker, of any studies currently under way on that question.

Restricted Development Areas

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of the Environment. Can the minister report on progress of a possible RDA around the city of Lethbridge? What meetings has he held, and at what stage of development is that concept?

MR. RUSSELL: Well, Mr. Speaker, I'm tempted to say that that RDA program is proving so successful that all Alberta cities want one, but I won't say that.

In the case of the city of Lethbridge, that started with Lethbridge showing us their desire to maintain a large part of the river valley, which is privately owned, for future public parks purposes. They had come to the government prior to the last provincial election to see if a land purchase program could be worked out. We indicated that that was not possible, but that it was possible to protect areas such as a river valley by means of an RDA, and if they wanted that to happen they should let us know. Their city council has indicated to the department that they'd like that possibility explored. Discussions and investigations are under way now.

Defence Establishment Closures

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Federal and Intergovernmental Affairs. Could the minister advise the House whether he's had any recent discussions or further discussions with Ottawa in regard to the federal government's decision to close the Defence Research [Establishment] at Suffield?

MR. HYNDMAN: No, Mr. Speaker, I have not received any correspondence or other information from Ottawa recently. I wrote to the appropriate minister some weeks ago, and I was simply told that the matter was under consideration by the federal cabinet, not only the matter of that particular installation but all other similar ones in Canada, and that a decision would be made at the appropriate time.

MR. MANDEVILLE: Supplementary question, Mr. Speaker. Did the provincial government have any input to the revision that took place this summer? That's the federal defence paper dealing with the recommended closure of bases.

MR. HYNDMAN: Mr. Speaker, we as a government weren't aware of the fact that they were proceeding to do that and weren't asked to do it. However, the Member for Medicine Hat-Redcliff has been active in advising me on the matter and reporting on the concerns of the people at the base. During the cabinet tour of southern Alberta we had a very informative and useful visit in that area, securing information on the concerns of the people there.

MR. MANDEVILLE: A further supplementary question, Mr. Speaker. Does the minister have any information when this paper is going to be discussed with the federal cabinet?

MR. HYNDMAN: Not at the moment, Mr. Speaker. The only information we have is that it will be coming to the federal cabinet and that we will be advised later of their decision.

Electoral Boundaries Commission Report

MR. TAYLOR: Mr. Speaker, my question is to the hon. Government House Leader. Will the recommendations of the Boundaries Commission be debated in the Legislature prior to being brought in in the form of a bill amending The Legislative Assembly Act?

MR. HYNDMAN: Mr. Speaker, my memory escapes me as to whether there is a mechanism for debate of the report in The Electoral Boundaries [Commission] Act passed by this Assembly. I believe that act requires it to be delivered to the Speaker. My memory is that I don't think the act provides for mechanism for a debate, and that the debate mechanism would be the bill which would be an amendment to The Legislative Assembly Act. I think that would be the proper procedure, but I don't recall the total act at the moment.

ADC Lending Program

DR. BUCK: My question is the hon. Minister of Agriculture. Can the minister indicate if a full review of the ADC lending program tabled in the House yesterday is currently under way?

MR. MOORE: I'm sorry Mr. Speaker, I don't understand the hon. member's question.

DR. BUCK: Mr. Speaker, the report that was tabled yesterday was an effort to a complete review of the lending programs that will be taking place next year in light of the fact that economic situations have changed. Is the minister's department reviewing these lending procedures under ADC?

MR. MOORE: Well, Mr. Speaker, I don't know that I had anything to do with an auditor's report or anything. A variety of lending programs under the Agricultural Development Corporation are being reviewed in terms of their application today, considering inflationary trends and that kind of thing. That's the only review I've spoken about in this Legislature.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Could the minister indicate whether present loans are distributed equally across the province? Is there any one area of the province that is obtaining a greater portion of the loans at present?

MR. MOORE: Mr. Speaker, that's a little difficult to answer, but I could say that the corporation's programs in the last year and a half at least have been such that perhaps more loans have been made in areas where land prices were not being forced higher than what might be considered a price on which a farmer could receive an economic return. In other words, if there are — and there are some areas in Alberta where we think land prices are higher than what could normally be expected in terms of getting return on agriculture, certainly adjacent to our major centres where other land values are placed beside agricultural value, and it has been very difficult for the corporation to lend. So it could be said that land values are much lower in parts of the province and an economic return to a farmer can be considered more likely, and more loans are approved in those areas.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Could the minister indicate if there's going to be greater emphasis than formerly on land transactions from father to son or grandfather to grandson in the coming year's program of ADC?

MR. MOORE: Mr. Speaker, a number of things have happened over the course of last year with respect to the transfer of land from father to son. Indeed the programs brought in by the Farm Credit Corporation, which were patterned after the Agricultural Development Corporation program, have made a tremendous difference to our lending in that area, because in fact the Farm Credit Corporation brought in a beginner farmer's program they didn't previously have which allows for a much smaller equity in terms of the prospective buyer or purchaser and allows, as well, for some advantages with respect to interest and that kind of thing. In fact, Mr. Speaker, if hon. members are looking at the report of the Agricultural Development Corporation, they will see reference to the fact that one of the reasons for somewhat less lending during the fiscal year ended March 31, 1976, was the lending which was done by other agencies, including the Farm Credit Corporation.

Mr. Speaker, I trust that all members appreciate that the Agricultural Development Corporation is still following the original suggestions on which it began operation, that being a lender of last resort. It's been

helpful to us to have put before lending institutions, including the Farm Credit Corporation for some four years, a method of lending that they've now adopted. That's relieved some of the pressure for funds on the Agricultural Development Corporation.

Recreation Grants to Schools

MR. NOTLEY: Mr. Speaker, I would like to direct this question to the hon. Minister of Recreation, Parks and Wildlife. Is the minister in a position to advise the Assembly on the reasons the Alberta government was not able to accommodate the request of the Alberta Schools' Athletic Association for a grant this year of \$50,000?

MR. ADAIR: Mr. Speaker, in response to the hon. member's question, I think the best way of putting it is that there is a procedure for providing grants to various associations, and it is standardized. That request was for over the particular standard. We did indicate to them that we were reviewing the process for all the various organizations to see if in fact it was equitable and, if not, we would come up with a more equitable formula.

MR. NOTLEY: Supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether or not the Government of Alberta agrees with the position of the Alberta Schools' Athletic Association that a portion of the funds in Alberta's share of the Olympic Lottery should be used for this purpose?

MR. ADAIR: Mr. Speaker, in all fairness, that was one question they posed to me. I will give the same response I gave to them: we were looking at all avenues, and that was one we would be prepared to consider.

MR. NOTLEY: A final supplementary question to the hon. minister in terms of trying to obtain information. Is the minister in a position to advise in approximate figures the amount of money Alberta will collect this year as our share of the Olympic Lottery?

MR. ADAIR: Not at this particular moment, Mr. Speaker. I would have to get that detail and advise you at a later moment.

MR. HYNDMAN: Mr. Speaker, I wonder if I could ask unanimous leave of the Assembly to revert to Introduction of Bills in order to put Bill No. 74 on the Order Paper under Government Bills.

HON. MEMBERS: Agreed.

head: INTRODUCTION OF BILLS (*reversion*)

MR. HYNDMAN: Mr. Speaker, I move that Bill 74, The Statute Law Correction Act, 1976, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

ORDERS OF THE DAY

MR. SPEAKER: On Orders of the Day there's just one comment. Bill 223 is at the head of the list. I am sure that is the intent of the Assembly and of the standing order, but there is an anomaly in our temporary standing order. I would therefore ask if the Assembly might approve having the bill in that position.

HON. MEMBERS: Agreed.

head: MOTIONS FOR RETURNS

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

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

A copy of all correspondence during the period January 1, 1972, to May 12, 1976, between the Minister of Business Development and Tourism (and prior to March 26, the Minister of Industry and Commerce) and the following companies:

Alberta Gas Trunk Line Co. Ltd.,
Alberta Gas Ethylene Co. Ltd.,
Dow Chemical of Canada Ltd.,
Dome Petroleum Ltd.,

relating to the establishment of petrochemical industry in Alberta, subject to the concurrence of the companies.

MR. DOWLING: Mr. Speaker, I would urge all hon. members to defeat this motion for a number of reasons. First of all it has been the government's position since 1971 to table all agreements, understandings, or things of this nature that have been made between companies or in negotiations between companies and the government, between governments, and things of this nature. However, we have never agreed to table any information which led up to that decision; in other words, negotiations relative to the decision.

In 1975 we did table some information relative to a position taken. It was Motion 107. That was February 6, 1975. In June 1975 we defeated Motions for Returns 173, 177, 179, 180, and 181. Each of those motions asked for information relative to negotiations undertaken between companies, governments, and other people, relative to a decision that was eventually made.

If the hon. member wishes to remove the motion, amend it, ask for a copy of the decision and the details of that decision, most assuredly that would be accepted. But there is absolutely no way we can in all conscience reveal confidential material which is supplied to us by a company which, if that was made public, would put them in a detrimental position relative to any other company competing for a position with government. It is just impossible to

contemplate that we would reveal confidential material. If we did it would mean that any document any private person sent to the government would eventually be made public. Therefore I urge all hon. members to defeat the motion.

MR. NOTLEY: Mr. Speaker, first of all I would suggest to the members of the Legislature that they carefully read Motion for a Return 204. If they do, they will see that it says "subject to the concurrence of the companies". So the first question, Mr. Speaker, is: will this affect the competitive position of the companies? Well, Mr. Speaker, since the motion for a return is subject to the concurrence of the companies, if it is going to affect their competitive position or if for legitimate reasons they don't wish to have this information made public, they simply won't grant concurrence.

MR. DOWLING: Ask the company for it then.

MR. NOTLEY: Mr. Speaker, the point is simply that the motion for a return was an attempt to obtain information. If, as far as they are concerned, the companies are prepared to have it released, then the issue directly relates to whether or not this government is going to release its side of the negotiations. Mr. Speaker, as far as I'm concerned, I believe there is an important reason for as much information to be made available as possible, not just the final results. The whole question of democratic government revolves around discussion over options, which route we take. In order to properly evaluate the route it is not only necessary to know the final result but, as much as possible, Mr. Speaker, the events leading up to the result.

Now it is very convenient for the government to say no, we're not prepared to do this, it would jeopardize our position, it would invade privacy, and what have you. Perhaps that would be a legitimate argument, Mr. Speaker, if we were dealing with individuals. It would be a legitimate argument if this motion for return didn't have "subject to the concurrence" of the people directly involved.

But in view of the careful wording of this motion for a return, Mr. Speaker, in my judgment what is at stake is whether or not we're going to have information that the public has a right to know, or whether this information is going to be kept from the people of Alberta.

[Motion lost]

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

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

Copies of any correspondence and of any minutes, tapes, notes, or transcripts of any meetings between the Government of Alberta, its boards, commissions, and agencies, and any or all of:

- (a) Syncrude,
- (b) Dome Petroleum,
- (c) Alberta Gas Trunkline,
- (d) Canadian Bechtel, and
- (e) Alberta Gas Ethylene,

regarding instructions or guidelines given by the Government of Alberta, its boards, commissions, and

agencies to any of the above named companies, for hiring of Albertans and the use of Alberta-produced goods and services in the construction and operation of their plants.

MR. GETTY: Mr. Speaker, I'm responding to this motion on behalf of my colleague the Minister of Business Development and Tourism and me. We're both involved in these matters. I would like to move an amendment to the motion, which I think will provide the hon. member with the information he requires. I have copies of the amendment, Mr. Speaker.

The amendment is to remove all the words after the word "showing" and replace them by the following:

... correspondence, instructions, or guidelines given by the Government of Alberta, its boards, commissions, and agencies to any of the following named companies, for hiring of Albertans and the use of Alberta-produced goods and services in the construction and operation of their plants:

- (a) Syncrude,
- (b) Dome Petroleum,
- (c) Alberta Gas Trunkline,
- (d) Canadian Bechtel,
- (e) Alberta Gas Ethylene.

The effect of the amendment then, Mr. Speaker, is to remove the reference to minutes, tapes, notes, or transcripts of meetings, which may not in fact be in existence or be helpful to the Assembly. I'm not aware of any tapes, notes, transcripts, or minutes that we could refer to, and I think would only perhaps give a very incomplete kind of picture. Rather the important matter is the instructions and guidelines given with regard to this subject.

[Motion carried]

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

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

The details of every public opinion survey commissioned by a Government of Alberta department, board, agency, or commission during the period April 1, 1975, to March 31, 1976, including:

- (1) the name of the Government of Alberta department, board, agency, or commission who commissioned each public opinion survey;
- (2) the date on which each public opinion survey was commissioned;
- (3) the date on which each public opinion survey was completed;
- (4) the subject of each public opinion survey;
- (5) the name of the firm, group of individuals, or individual who was commissioned to complete each public opinion survey;
- (6) the total cost of each public opinion survey.

MR. SCHMID: Mr. Speaker, I would like to propose an amendment to Motion for a Return 222 as follows: to delete the words "the details of and replace them with the words "information concerning"; and delete the word "including" and replace it with the words "as follows". Mr. Speaker, the first sentence of the motion would then read:

Information concerning every public opinion sur-

vey commissioned by a Government of Alberta department, board, agency, or commission during the period April 1, 1975, to March 31, 1976, as follows . . .

MR. NOTLEY: What are the reasons?

MR. SCHMID: The reasons? Mr. Speaker, the reason being that the motion would otherwise be too general.

MR. R. SPEAKER: Mr. Speaker, I'd like to make a comment or two. I'm not sure whether the minister is quite sure what he's saying. The original says "the details of and we're replacing it with "information concerning", which seems to become a little more general than the details or specifics. I can't understand that point of view.

The other question I'd like to raise with the minister with regard to that is: is there some type of information that this will prevent you from tabling in the House, or is there information you don't want to table? Or does the motion as it stands — you said it's very general — get so broad that "details" becomes a questionable thing? If it is questionable, how do the parameters become more defined when we say "information concerning"? It really is not clear to me, Mr. Speaker, what the minister has said, and I don't see the real change.

MR. HYNDMAN: Mr. Speaker, I think it's fairly obvious that the way the question reads at the moment, it's very imprecise and capable of great uncertainty. Six sub-areas are asked for in the motion, items (1) to (6), and we have no objection to that. At the same time the question purports to ask for details. Are we talking about the details in (1) to (6)? Are we talking about other details? In order to make the question clearly understandable, we think it's important to make it very clear that what's asked for are the items in (1) to (6), and we're prepared to agree and provide the answers.

If one says, in addition we want details, what does that mean — the size or the type of paper the studies were printed on, the color of the paper? In other words it's sloppily worded by the opposition, and we feel that to put in "information concerning" and then provide the exact answers to the six sub-questions makes it clear and understandable in an assembly where we should attempt to be accurate in terms of our wording.

SOME HON. MEMBERS: Question.

AN HON. MEMBER: Hear, hear.

MR. NOTLEY: Mr. Speaker, I wasn't going to enter this debate, but there certainly was a little bit of incentive across the way. I really had to be slightly amused, though, at the hon. minister's comments after introducing the amendment. When we pressed him for an explanation, we had the suggestion that it was too general. Quite frankly, Mr. Speaker, there may well be an argument that it could be worded slightly more succinctly, but the fact of the matter is that "information concerning" could well be rather generally drawn too.

I would imagine that what the hon. Member for

Bow Valley — and he may want to comment on this when he closes — wanted in fact were the public opinion surveys, not just the details on them but in fact the surveys, so one could read them over and evaluate them. Not just the details of what kind of paper the surveys were on, or for that matter some sort of broad, general information. We have all sorts of broad, general information, especially . . .

MR. SCHMID: You just said broad, general information yourself . . .

MR. NOTLEY: You know, broad, general information, particularly when it comes from the honorable gentleman across the way, could be so broad that we'll have the Tory platform given in response to this.

No, Mr. Speaker, I think the original motion was probably not as succinctly worded as it could have been, but the amendment proposed by the hon. minister is even more general and really not adequate.

MR. MANDEVILLE: Mr. Speaker, in speaking to the amendment, when I put this resolution on the Order Paper, all I wanted were the surveys on some of the public opinion polls they've taken so we could save some time as far as research is concerned. That was the reason for putting it on. Really, it's insignificant whether it's "details" or "information concerning". I certainly don't want a poll that's going to be taken possibly in 1978 or details of any polls taken in elections. I'm speaking of polls that are taken with government business.

DR. BUCK: Taxpayers' money.

MR. MANDEVILLE: Mr. Speaker, it's insignificant to me whether it's "information concerning" or "details".

MR. HYNDMAN: On a point of order, Mr. Speaker, maybe to assist the Assembly in both this and the next question, if the honorable gentleman who moved the motion, and the Leader of the Opposition in respect of 226, want a copy of the survey, I'm wondering if they could withdraw the questions, say they wish a copy of the survey, and we'd be happy then to provide it. That is the question on both of those.

MR. R. SPEAKER: Mr. Speaker, on the point of order, our itemization here does not ask for a copy of each of the surveys. At this point in time our feeling was that we would like this type of data put together, and then we could ask for the surveys that we felt a keen interest in. [interjections]

MR. NOTLEY: We're different parties. We can't be together all the time.

MR. TAYLOR: Mr. Speaker, when the hon. Member for Spirit River-Fairview stops talking when he's sitting down, I'd like to continue. The way the resolution is worded, I think, makes it very difficult for any member to know exactly what we are voting for. "The details of every public opinion survey" — and the hon. member said he wasn't wanting the details, he wanted a copy of the surveys. In no place in the

resolution does it ask for a copy of the surveys. The amendment says "information concerning" each of these public surveys, and I think even "information concerning" would be very difficult to supply, the way the resolution is worded. I'm wondering if a resolution like this should be ordered by the Legislature when hardly anybody, if anybody, knows exactly what is meant.

DR. WARRACK: Mr. Speaker, I want to speak a moment on the amended motion by way of the conversation I had with the Member for Bow Valley on Motion for a Return No. 222, now amended. I asked the Member for Bow Valley if he had intended to include Crown corporations in the scope of the motion for a return, and he indicated that he did not. Though it requires no additional amendment beyond what has already been posed, I thought it would be worthwhile to the House if that were clarified at this point in time.

While I'm on my feet, we discussed the same matter with respect to Motion for a Return 226, and agreed on the same conclusion.

MR. SPEAKER: Might I say — on I believe it was a point of order raised by the hon. Minister of Utilities and Telephones — that as I understand it, the debate concerning a motion does not necessarily provide interpretation for the meaning of the motion. But the motion, and the subsequent resolution which may result from it, must stand on its own feet according to its text. So if there is any doubt concerning whether this includes any Crown corporations, that would have to be determined by an attempt to interpret the text of the motion.

DR. WARRACK: Mr. Speaker, speaking to that matter, the very reason I posed that question in private conversation to the hon. member was so there could be no understanding. As I read the motion, Crown corporations are not included, and I wanted to confirm that with the member. He agreed it was not intended. I thought it would be worth while for that to be a matter of record in the event there's any question in ensuing times.

MR. HYNDMAN: Well, Mr. Speaker, if the hon. member wishes to include Crown corporations, I suggest that he make an amendment to do so, because quite clearly at the moment, not having listed those but having listed four other particular entities, he has excluded a Crown corporation.

MR. TAYLOR: Scrap the whole thing.

MR. SCHMID: Mr. Speaker, while I may be out of order, and you may tell me if I am, I checked for the hon. members across that the word "general" means "not confined by specialization or careful limitation". Therefore they have not mentioned the colors nor the size of the paper they would like to have it on.

[Motion carried]

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

The details of every research study commissioned by a Government of Alberta department, board, agency, or commission during the period November 1, 1975, to March 31, 1976, including:

- (1) the name of the Government of Alberta department, board, agency, or commission who commissioned each research study;
- (2) the date on which each research study was commissioned;
- (3) the date on which each research study was completed;
- (4) the purpose of each research study;
- (5) the name of the firm, individual, or group of individuals commissioned to complete each research study;
- (6) the total cost of each research study.

MR. R. SPEAKER: Mr. Speaker, on behalf of Mr. Clark, the hon. Leader of the Opposition, I'd like to move Motion 226.

MR. HYNDMAN: Mr. Speaker, without wishing to invite an instant replay of the previous motion, I would, for reasons I have just recently advanced, move an amendment as follows: that Motion No. 226 be amended as to the first sentence, one, by deleting the words "the details of" and replacing them with the words "information concerning"; two, by deleting the word "including" and replacing it with the words "as follows". So the first sentence of the motion reads:

Information concerning every research study commissioned by a Government of Alberta department, board, agency, or commission during the period November 1, 1975, to March 31, 1976, as follows

[Motion carried]

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

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

- (1) a copy of a letter to the Premier from the Shaw Community Association, which protests characterizations made by Gordon Stromberg in the July 6, 1976, edition of the *Globe and Mail*, subject to the concurrence of the Shaw Community Association;
- (2) a copy of the response to this letter from the Premier or any cabinet minister.

MR. R. SPEAKER: Mr. Speaker, on behalf of Mr. Clark I move Motion 227.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

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

Be it resolved that the Legislative Assembly urge the government to:

- (1) continue the natural gas rebate program for a period of at least five years, and

- (2) adopt a policy whereby any increase in the price of natural gas to Alberta consumers would require at least six months' notice.

[Dr. McCrimmon in the Chair]

MR. MANDEVILLE: Mr. Speaker, in speaking to this resolution, I want to say the concept of the rural gas program is something I have certainly agreed with, and I think it is a facility we should be able to provide to all Albertans. However, in my travels throughout the province I have certainly heard many complaints from gas co-ops about the different problems they have had to deal with as a result of trying to get gas into their homes.

I would like to say that if there is a further increase in the price of gas, I am afraid it will break the backs of a lot of our co-ops in this province. I think we should continue with the rebate program for at least five years. If we were to take the rebate program off at this point, it would increase the price of natural gas as much as 50 per cent. I hear we're possibly going to have an increase in January, 1977, possibly on July 1, 1977, and then possibly another increase in '78. The co-ops are taking a look at this and they're very concerned. They really don't know where they're going to go.

Some of the co-ops have really put up with many, many problems. It has been a kind of nightmare as far as the co-ops are concerned. The concern I get from many co-ops is that they really don't know where they're going to go and they're backing off [from] hooking up. For example, up in the Peace River area, I think the North Peace Co-op has 501 members, and about 317 have hooked up.

What I think is unfair in this, Mr. Speaker, is the fact that the pricing of gas is tied to the capital. Those who are hooked on and paying for gas at this point are going to pay for a bigger portion of the capital construction of these co-op operations than those who haven't hooked on to the gas. Therefore the people who are using the gas now are going to pay a bigger portion of the co-op's expense than those who are going to hook on at a later date. I think if we had long-term supply guaranteed to these co-ops and a long-term pricing agreement, many more of the customers would hook on in some of these co-ops that are presently having problems.

To date our gas co-ops have had many problems, and we can't lay the blame in any one particular area. The problems have arisen from many areas. I think the biggest one is that we tried to put gas to too many Albertans too fast. As far as the suppliers are concerned, we taxed them. They weren't able to come up with the pipe to supply the co-ops. As a result of the big demand for pipe, the price definitely increased. That's not the real problem as far as pipe is concerned. The biggest problem is a lot of faulty pipe in the ground in many gas co-ops in this province. Right now, possibly it's not that serious; in some co-ops it is. But years down the road I think this is going to show up and be a very serious problem.

As far as our contractors are concerned, here again, they were overtaxed. They were almost able to charge whatever they desired because they could go most anywhere. One of the very serious problems is that some contractors put this pipe in the ground too

shallow. What did they do? They came around and tried to press it deeper into the ground. Anyone knows, Mr. Speaker, that this is not satisfactory and it's certainly going to damage the pipe. They also went around to different farmers and put caveats on their property, and tied up their property. It was really an encumbrance upon the consumers as far as their property was concerned.

We've also had problems with designers. One of the big problems I think we had, Mr. Speaker, was in the franchise areas. In a lot of cases I don't think we should have stretched out and put individuals. I think we should have made it an individual set-up or let them go on propane and given them the \$250 subsidy to stay on propane instead of bringing them in and putting the burden on the entire co-ops so that they could not operate efficiently. If we had reduced the franchise areas in some cases, I think it would have solved many of our problems.

What many of the consumers expected, when the program started in 1973, was that they were going to get gas in at a capital cost of \$1,700 and gas at approximately 50 cents per 1,000 square feet. However, this hasn't worked out in either case.

To be fair to the government, Mr. Speaker, I've got to say that as far as capital costs are concerned, the government provided as much capital as they could in all the areas. They started out with the program and paid \$1,300 up to the \$3,000. Then they saw that that wasn't going to work — that it had increased — so they paid half of whatever it was over \$3,000 to \$3,750. They saw that wasn't going to work; it still increased. Co-ops were up to \$5,500 to have their gas installed, so the government came along and said they would pay 75 per cent over the \$3,750. They also helped out on main lines. As far as irrigation districts are concerned, they certainly helped a lot down in my area. However, with all this help, it has certainly been trying for our co-ops to get set up and provide gas to all Albertans.

Another area where I have found we have had many problems — I think we're overcoming them now, and I'm going to give some credit to our deputy minister, Mr. Jim Dodds. I think he's doing a terrific job in this department, as he did under AGT. I think he has solved a lot of problems as far as getting through bureaucracy is concerned when co-ops are dealing with the Department of Utilities and Telephones.

Another problem that's just starting to show is insurance. I'm sure the insurance companies are taking a look at the type of construction, the type of pipe that has been put in the ground, and they are certainly not going to be giving these co-ops liability insurance at a preferred rate. I understand they are dealing with an insurance company now and it's thinking of increasing the rates dramatically. The co-ops don't know where they're going to go as far as insurance is concerned.

Mr. Speaker, it's not too late to rectify some of these problems. The North Peace Co-op indicated that if they were guaranteed a price on gas, they could get more of the consumers up there to hook on. It would make it fairer to everyone concerned. At the present time customers who have gas to their yards and are not using it are paying a \$14 service charge. I'm doubtful whether that's going to be continued. If they're not using the gas, how are they going to be

paying a service charge?

Mr. Speaker, I'd just like to read a few excerpts from a brief presented to the Premier and the hon. Minister of Recreation, Parks and Wildlife while they were in Bassano. It is from the Bassano Gas Co-op. One of the complaints they had, Mr. Speaker, and I'll just read it:

The cost of natural gas to the Co-op has risen from 29¢ per MCF to 72.50 per MCF, or an increase of 160% over a period of four months. The price of propane has been stable locally for the last three years at 210 a gallon.

Another complaint they had, Mr. Speaker, was:

Because of the ridiculously high cost of converting to and using natural gas, 25% of the consumers served by Bassano . . . Co-op are not using natural gas and have no intentions of doing so. The average consumer who is on natural gas has no hope ever of recovering the added costs of installing and converting to natural gas.

That's the same problem they're facing in Peace River. Twenty-five per cent of the customers are not using the gas, and the customers using the gas are paying for more of the capital cost.

I'd like to read another of their complaints, Mr. Speaker:

A supply of gas pipe was manufactured at the request of Utilities and Telephones for sole use in the rural gas program. This transaction was handled by The Alberta Opportunity Company. In large measure this pipe was defective and has cost thousands of dollars in additional expenses for repair, replacement and gas leaks. At this point these additional costs to the Bassano Gas Co-op have reached \$50,000.00. The members of Bassano . . . Co-op cannot absorb these losses.

Mr. Speaker, in talking to some of the customers and to the board, they tell me that at this point they've lost \$30,000 worth of gas through faulty pipe and leaks in their gas line. They also say, "If the gas rebate program is discontinued it spells disaster and bankruptcy for the Bassano and possibly other Co-ops" in the province.

I was in Grande Prairie this past summer. They have been more fortunate. The county of Grande Prairie was going to install it for their customers on a municipal basis. I think this is a real good idea. I think it's a good concept that they do this on a county basis and run it within the boundaries of the county of Grande Prairie.

However, they spent \$50,000 taking a look at putting in gas for their customers and have decided not to go into the program at this point. They tell me the reason they're not going in is that they are afraid the cost of gas might go up and that it's going to be much higher than propane. They don't want to get their constituents involved in a program such as this.

I would like to make one other suggestion, and in my travels I've heard several co-ops mention this. At the present time, as far as their capital costs are concerned, they are borrowing money under the co-op activities branch. What they would like to see happen is to take part of the heritage money, put it into a fund, and loan it to the co-ops at a low interest

rate over a longer period of time. At the present time, it's 10 years on guaranteed loans through the chartered banks. They felt that if they had a fund such as this at a subsidized interest rate and possibly over 25 years, it would certainly help as far as capital repayment is concerned.

Mr. Speaker, if we don't do something in this area, I think we are going to see some of our utility companies moving in and taking over our gas co-ops. I'd certainly like to see this prevented.

Speaking of utility companies, I can recall we had a gas co-op in my constituency called Tirol; it was Tilley and Rolling Hills. They set up this co-op a number of years ago, I think it was about '66 or '67. But before they set up the co-op they had a feasibility study by a utility company. They came in, took a look at it, and they walked out and said, there's no way we're going to get involved putting gas into a rural area like this.

So what happened? The people of Tilley and Rolling Hills decided they would go it themselves and put it in. They did; however, the same as what's happening today, they ran into many problems. They had very many problems such as all the co-ops are facing today. First they were going to get it put in at \$1,500. Eventually it cost them \$2,200 to get it put in. To get the difference between the \$1,500 and the \$2,200, they got hold of Helmut Entrup, now our Farmers' Advocate, and he helped them with this. They went to the Treasury Branch and borrowed \$125,000, the balance of the money to put this project in.

So they went ahead with it, with all the problems they had. I can recall going to a meeting; the utility company was there. They voted on whether or not to sell this half million dollar project. The vote was close, Mr. Speaker. A majority of three agreed not to sell it, so they decided to go ahead with their project. They charged 50 cents per MCF for their gas when they started the program. In two years they had their entire \$125,000 paid off, and they reduced their gas to 28 cents per MCF. Another gas co-op in my constituency, the S.R. & B. Gas Co-op, had problems getting installed. But now they're running, and they're operating very efficiently.

In conclusion, Mr. Speaker, I just want to say that I hope the government will take a good look at continuing this rebate program for five years and giving a six-month notice before they increase the price of gas to our consumers, and also take a look at the suggestion that we have a fund in the heritage fund to give long-term interest to subsidize money to amortize the capital.

I just want to say that if this doesn't happen, I think gas is going to be more expensive than propane and some of our co-ops are going to revert to propane. I certainly wouldn't like to see this at this time.

I also want to say, Mr. Speaker, let's all take some of the blame as far as this program is concerned. I would say in some cases it's the administration of the co-ops. However, there is only one area in which we can solve the problem. That is for the government itself to come up with a pricing program now that is satisfactory.

I think we're all going to have to do everything possible to make this program work. I want to solicit the support of all the rural members in the Legislature. If the hon. Member for Calgary Buffalo, Mr. Ghitler, was here, possibly he could support us as

well, and we would help him with some of his city ills.

Thank you, Mr. Speaker.

MR. PURDY: Mr. Speaker, it is my pleasure to speak on the resolution proposed by the hon. Member for Bow Valley. A number of things he said can cause considerable debate, and some of them strayed from the original motion. I would sure like to have a discussion with him later in regard to insurance, amortization of capital costs, and so on.

I believe this motion is timely, in view of the budget arrangements that are now being processed for the 1977-78 fiscal year. As a government member I have discussed with the Minister of Utilities and Telephones the extension of the rebate plan for another year. But I'm a little reluctant to discuss with our caucus or cabinet ministers a commitment for this government to be involved in a five-year plan. We are in a position where we cannot foresee what will happen five years down the road. I would be a bit hesitant to bring into the Legislature amendments under The Natural Gas Rebates Act asking for a five-year extension to this plan.

We only have to look back, previous to 1971, to the amount of gas being used in this province and the amount of gas being exported and leaving this province. Who would have thought we would even have been into a plan at this time?

Some people have stated that we are responsible for sheltering people by way of the natural gas rebate plan. We are the ones, they say, who have caused the increased price of natural gas. We certainly did this, Mr. Speaker, but there are many other benefits accruing to this province. I guess I would be out of order, Mr. Speaker, if I started a speech on what a great place Alberta is to live in by indicating that we have the lowest income tax, the lowest property tax, best health care facilities, no sales tax, et cetera.

But let's go back to 1974 when the then Minister of Telephones and Utilities, the Hon. Roy Farran, tabled in the Alberta Legislature a position paper entitled Natural Gas Rebate Plan. I would like to read it into the record just to acquaint members of the objectives of the system:

"The objectives of the system would be to shelter residents, commercial establishments and industry from the effects of significant gas price increases caused by the increasing value of Alberta natural gas in markets outside Alberta. Such a system would be designed to protect Alberta consumers from the effects of gas price increases beyond those which would normally be expected due to rising costs and inflation."

A study by the Energy Resources Conservation Board of the Province of Alberta concluded at that time that substantial quantities of gas were being sold beyond the borders of the province at prices of less than 60 per cent of [its] fair market value. Any natural gas which is still being sold outside [the province] at price levels prevailing in 1972 is now underpriced by even larger margins due to a world-wide recognition of the enhanced value of this clean and convenient fuel in the light of the energy crisis.

Since 1972, the Government of Alberta has pursued a policy directed at obtaining fair market values and hence higher prices for natural gas

exported from Alberta. At the same time, it declared its intention of promoting the maximum processing of such natural gas within Alberta.

The Plan goes on to say that:

For many years, Albertans have been denied a just return for their natural gas. It is, therefore, the intention of the government to correct this inequity by rebating for their benefit a substantial portion of incremental revenues arising from new natural gas royalty schedules.

The report also stated that:

The present plan is conceived for a period of three years and will be subject to review at that time in the light of changing economic circumstances.

It is interesting to note that the Federation of Alberta Gas Co-ops presented a brief to the provincial government on October 6. I'd like to read into the record that at that time the federation stated that it:

... has acquired information which indicates that the natural gas export price will increase [dynamically] over the next 3 to 4 year period as the Federal Government attempts to bring natural gas export prices in line with world crude oil price. Albertans should be sheltered from these exorbitant prices as we live in the area where the gas originates and put up with the inconvenience of having the wells, pipelines, and related facilities on our property. Also, in this regard a rebate to Albertans on natural gas is one way of correcting the regional disparity which Albertans are subjected to, freight rates, subsidies and tariffs protecting industry and low prices for consumer goods which are all geared to benefiting central Canadians.

I guess what the Federation of Gas Co-ops is getting at, Mr. Speaker, is that people beyond the borders of Alberta should pay substantially more for natural gas. At the present time the Toronto gate price is \$1.41 per MCF. That will rise to \$1.51 by January 1, 1977, and to \$1.84 by July 1, 1977. The United States gate price at the present time is \$1.80 and will rise to \$1.94 on July 1, 1977, and rightfully so.

At the present time, when the Toronto and U.S. customers are paying \$1.41 — I may add, Mr. Speaker, that the \$1.41 is not a correct figure because you have to add distribution costs by the companies distributing it, so I think it's pretty substantially more than that. I look at the plan we have in effect in Alberta. At the present time, the customers are paying 56 cents per MCF. Over and above the 56 cents there is about a 15-cent distribution cost which brings the gas to approximately 72 cents. The gas co-ops and utilities companies have to operate so there is an average increase over and above the 72 cents of about 15 cents per MCF, bringing the total cost of distribution to the consumer to approximately 80 to 85 cents, depending on the area of the co-op or utility company. Many co-ops are in fact paying more than 80 to 85 cents. But some people don't understand, and I think some members of this Assembly don't understand, that it is the extra cost written into part of the capital cost of construction that has caused the problem. Many people who were joining gas co-ops because of financial restraints or for some other reason decided to write \$500 into the capital cost of the price of gas. This is

why many gas co-ops have a larger increase in the price of the commodity.

If we did not have a shelter plan in place, we as consumers — not only in rural gas co-ops but residential users in the urban areas — would be in the price range of about \$1.41 as it now is at the Toronto gate. As I stated earlier, the Federation of Gas Co-ops made a submission to the provincial government indicating that we should re-introduce the rebate plan after the three and a half year period is up in March 1977.

I would like to take this opportunity to congratulate this group, as it appears the rural people of Alberta are once again doing something that should be done by all consumers of Alberta. The Federation of Gas Co-ops represents the rural gas co-ops throughout the province of Alberta, but it only represents 5 per cent of the gas being used. I guess many of our urban members and urban people just don't realize the significant effect that the Federation of Gas Co-ops has upon dealings with the provincial government. I would say it is about time that urban people started recognizing the contribution made by the urban population of this province. Mr. Speaker, I guess my remarks are directly related to remarks made by the hon. Member for Calgary Buffalo in this Assembly last week.

Mr. Speaker, in June 1974 this Assembly passed The Natural Gas Rebates Act. I would like to look at our record since the gas act was passed: rebates of approximately \$170 million to the consumers of this province. That rebate of \$170 million has gone back to the consumers as more buying power and is reflected as a figure of between \$50 and \$60 per consumer in this province. The plan was set up initially for three years, which I indicated through the policy paper, but was extended to three and a half years to benefit Albertans.

I would just like to ask a question of this Assembly. How many other jurisdictions in Canada or the United States have shelter plans for their citizens? I don't think there is one. I don't think there's another government in Canada that has given worthy recognition to its consumers as we have done as the Progressive Conservative government of this province.

I have here a copy of two utility bills. One is my own, for \$13.37 for the month of October — that's for a couple of furnaces, a gas heater, and a garage heater, which is not bad, consumption of 137 for \$13.37. Here's one from the Toronto system for about \$29.50 for consumption of 140. But the Toronto bill hasn't got what our bill has written on it. Our gas bill states:

Your gas bill would have been much higher if the Alberta government had not established its natural gas rebate plan to [ensure] that Albertans would have the lowest cost in Canada to heat their homes. The cost of the rebate plan is \$70 million this year. Your gas [rebate] has been approved by the Public Utilities Board.

DR. BUCK: You're all heart.

MR. PURDY: If a person were to include the grant structure of the rural gas program and the rebate plan, I think you could look at another \$36 million that was allocated in the 1976-77 budget, plus the

\$70 million for rebates. This brings the total shelter cost to about \$100 million for rural and urban Albertans. This includes grants for the other years since the inception of the rural gas plan, and that's had a pretty significant impact on rural Alberta.

In 1974, we had a rebate plan set at \$56 million. The support price of gas was 28 cents, which reflected an increase of about 11 cents per MCF to Albertans. However, the impact on the rebate plan was considerable. The cost of the rebate plan rose from approximately \$27 million in 1974-75 to \$70 million in '75-76. The sharp increase in the cost of the rebate plan was a direct result of the increases to commodity value in the field price of natural gas. The natural gas pricing agreement set a ceiling for natural gas consumed in the province, and this had a considerable impact on the rebate allowance payment. Under The Natural Gas Pricing Agreement Act, the field price of natural gas has varied from approximately 73 cents to 76 cents, while the provincial support price remained at 28 cents. To accommodate this increase, the rebate budget, which was set at \$56 million, had to be revised upwards to \$70 million. This took place, Mr. Speaker, during the first year of the rebate plan. At that time the government was making necessary changes to regulations.

We had stated that the rebate would commence January 1, 1974, and it was implemented. However, the government's fiscal year runs from April 1 to March 31 of the succeeding year. Therefore, to maintain uniformity for reporting and budgetary process, the rebate plan had to be adjusted from a calendar year to a fiscal year.

Further amendments to the regulations were made to reflect policy changes regarding the rebate requirements for reporting natural gas used for power generating purposes. This is another thing I would like to point out, especially to the urban people in Edmonton: they don't realize they are getting a significant cutback in their electricity bill by the rebate paid to the city of Edmonton through this rebate plan. They do use natural gas for generation of electricity.

In conjunction with the Department of Business Development and Tourism, significant adjustments were made in the rebate approval procedure for large gas consumers using over 1 billion cubic feet per year. Throughout the latter half of the fiscal year, the government cautioned Albertans that they would have to be prepared to accept a greater share of the rising cost of natural gas. In February 1976 the minister announced that the new Alberta support price for the 1976-77 calendar year would be 56 cents per MCF. In spite of the increase in the support price of the rebate plan, it is expected to cost approximately, as I stated earlier, \$70 million" this year.

The gas rebate plan has been an exciting plan for Alberta. I feel that Albertans will have in place a rebate plan to shelter our citizens in the 1977-78 fiscal year. Or, Mr. Speaker, we could take the other route instead. We could roll the calendar back previous to 1971, shut off all the gas to rural gas co-ops in the province, tell people that in fact we will be sending our cheap fuel to the Toronto and U.S. markets at an unfair price to Albertans, say to Albertans that they are not entitled to this fuel. I think we heard that story in Alberta once, Mr. Speaker, and I don't think we want to go back to that

route.

I think the hon. Member for Drumheller summed it up very well in the Legislature when he was discussing Motion No. 2 on the Order Paper. He stated that he compared the 29,700 families that have been brought on to natural gas since the inception of this plan to the time he brought a delegation to see one of his ministers when he

... was a member of the government to try to get natural gas into the Starland [community]. That minister talked for 30 minutes to tell them why they couldn't do it. They went home despondent and disappointed because they thought we should be trying to find [some] ways and means of doing it, not trying to find [some] ways and means of telling them [that] we couldn't do it.

I think back, Mr. Speaker, just about five years ago to this date, when I attended a Unifarm meeting in the village of Onoway. The Deputy Premier was present that night and a question was asked: you are our new government in the province, only one year old; is there any possibility of getting natural gas to our farm homes? Dr. Horner replied he did not think it would be an impossibility. In fact he said, we are studying the feasibility of gas co-ops throughout the province and we will be making recommendations to caucus and cabinet in the very near future. The person asking this question responded by saying, in 1970 we approached the Social Credit government for such a study and they informed us it was impossible, it would just cost too much money, and we certainly could not afford such a plan at this time.

Let me say that the gas co-op in the Onoway area was started in the name of the Ste. Anne Gas Co-op. It is one of the largest in Alberta, and it now has many rural Alberta customers enjoying a clean, cheap fuel that was not available to them prior to 1970.

That's the story we heard in this province for many years, Mr. Speaker. We also hear that in other provinces in this country. As I stated in earlier remarks, I don't believe one other government in Canada has a rebate plan for its citizens. The province immediately to the east of us, Saskatchewan, doesn't have any plan in place, and I guess they might not. As long as they have the type of government in Saskatchewan that they [do], they will never feel the effects of such a plan and rebate as we Albertans enjoy.

The previous administration in this province shipped the fuel across the border into the California market or allowed the city of Edmonton to build electrical generating stations burning natural gas, not coal as other power companies have done in Alberta.

Yes, Mr. Speaker, I get pretty excited about such a plan where the benefits accrue to Albertans. There are grants for the rural gas programs [so] that we could set up our own utility officers, that they have trained men in the field, and now the shelter plan that has put something in the neighborhood of \$170 million back into the coffers and the pockets of Albertans.

The second part of the motion indicated that we should have at least six months' notice in regard to pricing of gas. I would agree we should have six months' notice, but it should be available to customers in the fall of the year. This is when the citizens of the province have their responsibility to indicate their concerns to members of this Assembly.

Many companies and gas co-ops are finalizing their budgets in the winter, and it would be beneficial if they knew in advance of any price increases.

In conclusion, Mr. Speaker, I would like to throw out a challenge for the members of the opposition and ask them why these plans were not implemented in the early 1960s. Why were we sending our cheap natural gas across the border for nothing? Why did we as a government in 1972 have to come in and ask the Energy Resources Conservation Board to undertake a study in the field pricing of natural gas? These are some of the questions I would like answered. I am disappointed that the Leader of the Opposition isn't in his place today, but I am sure some of the other hon. members might be able to give me some answers to some of these questions [about] prior to 1971.

MR. R. SPEAKER: Mr. Speaker, in speaking to the resolution, first of all I would like to say I am rather disappointed the Deputy Premier isn't here. The resolution before us is a very important one, a significant one, and the concept we are discussing at this point in time is the child of the Deputy Premier. I know that as the Deputy Premier and as a person responsible for economic and political affairs of this province, he would take a lot of responsibility in the matter. I know that following the resolution, if he had the opportunity of speaking in this debate — and maybe he will return before the end of it — he would make a decision. Unfortunately, he isn't in the Assembly to come up with that decision. He is a man of decision and the owner of this child that has blossomed very well in the province . . .

MR. NOTLEY: The father.

MR. R. SPEAKER: . . . the father of this child, and the person who has the primary interest. Certainly the present minister may have an interest, but we question this decision-making that has to follow at this point in time. That's where I get as little concerned with the attendance in the Assembly at the present time.

I have listened very closely to the remarks of the hon. Member for Stony Plain, and I would like to take exception with the first point of view he expressed to this Assembly; that is, with regard to the length of time the gas rebate program should involve. I think it's time we call on this government to make some long-term commitments to the people of Alberta. Five years is not a long term. I feel that the farmers and the rural people of Alberta deserve that kind of commitment, so they can plan ahead and have some security that prices for fuel, for shelter, for farm operations are continued at a reasonable rate. I think that's not asking very much.

I think it would be very fortunate if the government played the political game, waited until 1978-79, all of a sudden increased the rebate, and through what looked like pressure from the general public made this great announcement. Well, by going for five years they commit themselves to something, and it doesn't have the same political effect. But I think it would be very sad if we only got a one-year commitment, if any commitment at all, from this government.

I would like to express the concerns of one of my

rural gas co-ops. I think they express how meaningful this rural gas program has been to them, and how helpful it is, but also the concern they have at the present time with some of the changing phases and economic trends in the whole agricultural area.

This is from the Bow River Gas Co-op. They indicate as follows:

From the information [we] have received there seems to be some doubt about the rebate plan for Rural Alberta Gas.

When we farmers signed up for the Co-op Gas Plan, we were promised thirty four (34) cent gas with only four (4) or five (5) per cent increase per year (inflation factored). Since that time gas has increased in price to fifty six (56) cents plus a service charge of fifteen (15¢) cents per MCF, plus distribution cost making a total \$1.25 per MCF to be charged to the customer.

They go on to say:

The Bow River Gas Co-op appreciates the help from [the] Government by increased grants to help build the Gas Distribution System but the fact remains that the cost to the farmer has tripled since he signed up while his income [at the same time] has dropped [and is continuing to drop]. For instance the price of barley to the farmer dropped in July to \$1.70 . . . from \$2.40; wheat to \$3.00 from \$3.50 per bushel; oats to \$1.00 per bushel from \$1.40; sugar beets are down about thirty per cent from last year, losses are heavy in the cattle industry.

And we've discussed that in this Legislature.

Therefore we believe that the two price system and rebate plan is very important to us as farmers.

Certainly as a member and a person talking to many rural people from the area, there is just no question about that particular statement. Based on that and based, I'm sure, on the representation right across the rural area of this province, it is incumbent upon the government not to think just in terms of one year, to put a little carrot out before the people and say, well, we're a little benevolent now, we'll give you a little bit, promise you one year. But who knows about the future. If it's good for us as a government or political party, maybe we'll do it a little longer. But you wait and see. I think it's incumbent upon the government to do some long-term planning and make some commitments. I think there is no better place to make a commitment.

When you transfer this money to the farmer through an indirect method on a rebate plan, you help him indirectly in his business. The farmer has to use his initiative to keep his farm operating, to keep it as an economic enterprise. He relies on such things as this. But I think it's much better to help him in the raw materials or the cost of operation than to come along later and hand out a cow-calf grant, a subsidy for barley, or whatever it may be. That causes a false economy. It doesn't call for good planning. It doesn't call for substance within that particular farming unit.

So I would say that this type of approach to assisting the rural economy, assisting the farmer, is one of the best ways to do it. Because through utilization, through the type of operation a person has, he is able to use to the maximum the gas and the money that comes to him indirectly. It's distributed according to his need and his ability and how

he uses it. When he uses the gas in his operation, certainly we're going to get full benefit. I question that when we look at other plans, such as the cow-calf operator. I often think there's not a relationship between need to keep him in operation and full utilization of those dollars we hand out as a government.

So, Mr. Speaker, I certainly support this program, and I encourage the government to go into a longer term concept of thinking rather than one year or even less.

Thank you.

MR. NOTLEY: Mr. Speaker, I welcome the opportunity to take part in debate on, in my view, a very constructive proposal advanced by the hon. Member for Bow Valley.

When I listened to the Member for Stony Plain, I couldn't help but think back to 1972 when the ERCB was commissioned by the government to study natural gas pricing in the province. Of course it's very nice for the Tories to take full credit for the increase in the price of oil and natural gas and pat themselves on the back, which the Conservative Party does very well. But I recollect that report being released during the summer of 1972, and hon. members may recall that the increase in the price of natural gas that the ERCB saw as feasible at that time was from an average field price of 16 cents per MCF to an average field price of 27 cents per MCF.

Well, in the period of time from then to now there have been enormous changes, but quite frankly, Mr. Speaker, changes that relate a good deal more to what the OPEC countries have done and to external considerations than to the policies of this government. So I would simply say, hon. member, that before you pain yourself too much by patting yourself and your colleagues on the back for increasing the price of natural gas, let's look back at that report of the ERCB in 1972 and see what it did say. The increase it suggested was pretty modest indeed by today's terms.

Mr. Speaker, I see that the time of adjournment for this debate has come. I do have some additional comments that I want to make with respect to . . . Oh, we'll go until quarter to?

CLERK ASSISTANT: Four thirty-nine.

MR. NOTLEY: Fair enough. Thank you very much, Mr. Clerk.

Moving on to the resolution itself, I believe that as legislators and Albertans we are indebted to the people throughout rural Alberta who have gone to their neighbors and sold rural gasification. Mr. Speaker, they did so on the basis of position papers which were tabled in this Legislature. They did so too on information they received, information that suggested there would be no more than a 4 per cent yearly increase in the price of natural gas. The hon. Member for Little Bow raised this again.

Last spring we debated it in the Legislature, and over and over again I attempted to find out from the minister who authorized people in this province to advise rural gas co-op boards that there would be no more than a 4 per cent yearly increase in the price of natural gas. Mr. Speaker, somebody must have advised them of that. Had just one gas co-op had this

point of view, such as the one suggested today by the hon. Member for Little Bow, you could say, well, there was a misunderstanding. But wherever you go throughout the province, gas co-op after gas co-op has the same understanding. Now, Mr. Speaker, somebody . . .

MR. FARRAN: It was given to them by a misrepresentation by you.

MR. NOTLEY: That is the most misleading, nonsensical statement made. Mr. Speaker, I know the hon. Solicitor General is a little touchy about this matter, because he was the minister in charge during the time this took place. The fact of the matter is that people throughout the province received information from somebody that there would be no more than a 4 per cent annual increase. The Federation of Alberta Gas Co-ops — and the Member for Stony Plain quite correctly congratulated the federation on excellent work — made this point very clear last spring when it made a submission to the provincial cabinet.

MR. TAYLOR: Mr. Speaker, on a point of order. This point was considered in Public Accounts, and it was made abundantly clear that the minister, or to his knowledge anybody in his department, did not make such a statement. I don't know why the hon. member repeats it now when he had that information in Public Accounts.

MR. NOTLEY: Mr. Speaker, speaking to the point of order, the question is that this information was understood by people throughout the province . . .

MR. TAYLOR: Mr. Speaker, on the point of order. He continues to make these assertions when he knows they're not true.

MR. NOTLEY: Mr. Speaker, if the hon. Member for Drumheller would listen once to one of the five members in this House and hear us out just once . . .

MR. TAYLOR: We've heard you ten times . . .

MR. NOTLEY: . . . he wouldn't be making points of order which are totally irrelevant . . .

MR. TAYLOR: Tell the truth then, tell the truth.

MR. NOTLEY: . . . and totally false. And, Mr. Speaker, on the point of order . . .

MR. TAYLOR: Just tell the truth.

MR. NOTLEY: . . . the hon. member's point of order is not a legitimate point of order at all. The question he raised related to whether or not anyone from the Department of Utilities and Telephones had given this information to rural gas co-ops.

MR. FARRAN: You were the one who gave it. You and you alone.

MR. NOTLEY: The point I was raising was that they received this information. There are other people in government who could have given it to them. There

are other departments of government who could have given it to them.

MR. TAYLOR: Notley gave it to them.

MR. NOTLEY: And as far as I am concerned, Mr. Speaker, this is a relevant issue to raise.

DR. BUCK: Right.

MR. DEPUTY SPEAKER: I think perhaps we should take one thing at a time. It seems to be getting a little out of order. If you have made your point, perhaps you could refer to it as it happened in the other meeting and just carry on with your speech, please.

DR. BUCK: Mr. Speaker, speaking to the point of order. The hon. member is certainly entitled to freedom of speech, and if the hon. minister and the former minister would like to make a speech, they certainly have that opportunity under the rules of this House. I think it's only right that the Member for Spirit River-Fairview can speak as freely as he wishes without interjections from the hon. Member for Drumheller.

MR. TAYLOR: Mr. Speaker, on the point of order, I agree [interjections] I have the floor on this point of order.

MR. DEPUTY SPEAKER: The hon. Member for Drumheller is first.

MR. TAYLOR: On the point of order, Mr. Speaker, I agree that we have such freedom of speech that the hon. Member for Spirit River-Fairview continues to say things that are false and which he knows are false.

MR. NOTLEY: That's nonsense.

DR. BUCK: What do you mean?

MR. NOTLEY: Mr. Speaker, on the point of order. First of all, the point that must be made is that any debate which occurred last spring or for that matter in Public Accounts the other day — and if the hon. Member for Drumheller would care to listen once in a while, he would get things straight for a change — related to the Department of Utilities and Telephones and whether or not any official from the Department of Utilities and Telephones made representation to rural gas co-ops about the 4 per cent.

The issue I am raising now has nothing to do with that. It is whether or not anyone else in this government, including other departments of government, made that representation to rural gas co-ops. That, Mr. Speaker, is a different matter, and I am fully within my rights as a member of this Legislature to raise that question at this point in time.

DR. BUCK: Hear, hear.

MR. FARRAN: On a point of order, Mr. Speaker. For three years the hon. Member for Spirit River-Fairview has raised this 'foundless' rumor. I have corrected him at least three times, and it's recorded in *Hansard*. He's heard it over and over again.

There's a specific prohibition in *Beauchesne* against repetitious debate, and if that isn't repetitious debate, what is?

DR. WARRACK: Further to the point of order, Mr. Speaker, I don't know how the member purports to tell members of this Chamber what occurred on Wednesday of this week in Public Accounts when he left when the rural gas program came up. I for one am tired of his shabby distortions.

MR. NOTLEY: Oh, oh, oh.

DR. BUCK: Resign, Warrack, resign.

MR. COOKSON: Mr. Speaker, I think it's time to [revert] to private bills. [interjections]

DR. BUCK: It's not 4:39.

MR. HYNDMAN: Mr. Speaker, [inaudible] at 4:30, it states that we "shall" proceed to private bills. It's not an option. It's not one full hour after it's started. It's: "On Thursday at 4:30 p.m., Private Bills and Orders other than Government Orders shall be called ..." pursuant to Standing Order 8(3).

DR. BUCK: On that point of order, Mr. Speaker, you made the ruling that this debate will continue till 4:39, if I remember your words.

MR. DEPUTY SPEAKER: I think the hon. member is mistaken. I think the other hon. member asked the Clerk what time the hour was up, and it was 4:39. According to the hon. Government House Leader the ruling is 4:30, so we will now proceed to private bills.

DR. BUCK: Closure.

DR. WARRACK: I beg leave to adjourn the debate. [interjections]

MR. NOTLEY: Mr. Speaker, on a point of order. Once again, the hon. Minister of Utilities and Telephones has shown that he's as incompetent in understanding the rules of this House as he is in leading his department. Mr. Speaker, the fact of the matter is that I was speaking. In view of the fact that the time has come, if that is your ruling, I beg leave to adjourn the debate.

But I would hope, Mr. Speaker, in the interests of Albertans, that perhaps the hon. Minister of Utilities and Telephones would get his act together. Otherwise, it will not only be eastern people of uncertain parenthood who will be freezing in the dark.

DR. BUCK: Mr. Speaker ...

MR. DEPUTY SPEAKER: On a point of order?

DR. BUCK: Yes, on a point of order, Mr. Speaker. [interjections] Well wait till I make one.

MR. NOTLEY: ... a little touchy.

DR. BUCK: Mr. Speaker, I would like to ask the Assembly ... [interjections]

SOME HON. MEMBERS: Order, order.

AN HON. MEMBER: Sit down.

MR. DEPUTY SPEAKER: If your topic is on the same point, I think debate has been adjourned on that subject. [interjections]

DR. BUCK: Mr. Speaker, I think before you make a ruling on what you think I'm going to say, maybe I should say it.

Mr. Speaker, I would like to ask unanimous consent that this debate continue and let the hon. Member for Spirit River-Fairview continue his debate.

MR. HYNDMAN: Mr. Speaker, that's not in order now, because the Member for Spirit River-Fairview himself adjourned debate. So the member is out of order in even proposing that. [interjections]

DR. BUCK: Closure, closure.

[Mr. Speaker in the Chair]

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

**Bill 223
An Act to Amend
The Age of Majority Act**

[Adjourned debate: Mr. Cookson]

MR. COOKSON: Thank you, Mr. Speaker. Now, back to more mundane things.

In concluding the remarks I made in the initial debate on Bill 223, Mr. Speaker, I'd just like to make reference to several more studies that have been done in Ontario, and conclude my remarks. One study that has been done by the Addiction Research Foundation by two outstanding individuals respected in their particular fields, one by the name of Dr. Paul Whitehead, an associate professor of sociology, University of Western Ontario, and Dr. Schmidt, associate research director, Addiction Research Foundation, concluded the following:

Since imposition of the new drinking age laws, significantly more young drivers are being involved in accidents and are being killed, and the carnage can be directly related to their drinking, not to increased police sensitivity or across the board increases in motor vehicle accidents.

"The problem of mixed drinking and driving is not new," Dr. Whitehead told the conference. "Many adults have been doing it for years."

But by making the purchase of alcoholic beverages legal for 18 to 20-year olds, it possibly increased the proportion of them who used alcoholic beverages, increased the frequency of drinking, and maybe even increased the amount of alcoholic beverages they consumed at any one time."

As I said earlier in the debate, Ontario is grappling with this problem at the present time. Their studies

also conclude that increasing the age at which alcohol may be obtained would wipe out legal drinking for high school age students.

(The report states 97 per cent of Ontario high school students are age 18 or younger.)

And . . . raising the . . . age to 19 [in their case] would give teen-agers three years (instead of two) to learn how to use a car properly.

The big attraction with getting the legal drinking age out of the high schools is the prospect of relieving younger students of "peer pressure".

The 19-year-olds would be right out of the high school environment — at community colleges, universities, work — and the drinking influence would abate.

Mr. Speaker, in concluding my remarks, I would like to say, on behalf of parents, that the majority of parents expect their children to drink as adults, but they are afraid of them beginning to drink. Some of their fears are vague and perhaps ill defined, but some are quite specific. They are afraid of the psychological effects of alcohol, and they're afraid of what their children might do while under its influence. Even more specifically and intensely, they are afraid of drinking and driving, of delinquent behavior, and of sexual involvement.

I would suggest that if by debating this bill in this Legislature we'll save some young person somewhere down the line from the problems of alcohol and the spin-off from its effects, probably the debate and the presentation of this bill will be well worth while.

MR. PLANCHE: Mr. Speaker, I'd like to address a few remarks to Bill 223 this afternoon. Having lived in this province all my life and having raised three sons through that age, I'm not really finding that anything in Alberta is a lot different than it used to be. Certainly we don't have any problems in Alberta that I am aware of that are unique in terms of other areas in Canada.

When I was a youngster, the drinking age was 21. My experience at that time was that kids were drinking in high school and kids were drinking in university and it was pretty well going on much as it is now. In Canada today, five jurisdictions have the age of 18 for drinking; seven jurisdictions have the age of 19 for drinking. So really we're not that far out of tune with the rest of the country.

At the same time, Mr. Speaker, I do appreciate the real and valid concerns of parents and all adults about the carnage on the highways and the other problems associated with drinking. However, as I see it, the real issue here is the changing of The Age of Majority Act of 1971 that was legislated by the Social Credit government. It states:

1. (1) Every person attains the age of majority and ceases to be a minor on attaining the age of 18 years.
- (2) Every person who on the coming into force of this Act has attained the age of 18 years, but has not attained the age of 21 years, attained the age of majority and ceased to be a minor on the coming into force of this Act.
2. Section 1 applies for the purpose of any rule of law in respect of which the Legislature has jurisdiction.

Now what these pertain to, Mr. Speaker, are The Election Act, The Alberta Lord's Day Act, The Municipal Election Act, The School Act, The School Election Act, the administration of estates, agrologists, architects, chartered accountants, child welfare, chiropractic, coal mine regulations, co-ops, credit unions, The Dental Association Act, and on, and on, and on. In other words, when a young person in Alberta has reached the age of 18, he is entitled to all the privileges of being an adult.

The thing that concerns me here is that Albertans generally, and particularly this Legislature, have a long history of fair play. It seems to me, Mr. Speaker, that it would be beneath us to begin at this time to decide who is going to be an unequal adult. I don't think this Legislature really wants to be a part of legislating rights away from any particular group of people.

If we're really serious about controlling this problem, Mr. Speaker, there is a way. It's called enforcement. In some of the states in the United States, the last person — the waiter or the server or the last person to handle the drink is responsible under the law. That means that he has the discretion to serve or not. But if he does serve, he's liable for whatever penalty the jurisdiction approves. Most of them ask for two IDs, a birth certificate and a liquor control card of some kind or another. If in his discretion the youngster can't be served, he doesn't serve him. He doesn't have that obligation to serve.

On the other hand, in Alberta the owner of the establishment is responsible. He is more or less in a position where he has to decide whether the fine is worth the risk. If we really decided that we wanted to get this thing stopped, and put on a \$1,000 fine for any waiter or server of liquor, including the one at a vendor's store, we would see this thing stopped pretty soon. If we decided to close the premises of a bar or tavern for a week or two on second offence, then bang, you'd have results, Mr. Speaker. There wouldn't be a lot of this going on.

With all due respect to the proposer of this bill, I think he misses the point. I don't think this House should be engaging itself in retrogressive legislation, but enforcement of the legislation in place. On that basis, Mr. Speaker, I respectfully suggest that Bill 223 does not get the support of this House.

DR. McCRIMMON: Mr. Speaker, I appreciate the opportunity to speak with respect to Bill 223. I support the concept of the bill, but as the hon. Member for Lacombe meant: to increase the drinking age. My constituency supports it. In fact, I have had petitions, somewhere between 700 and 1,000 names, which I have turned over to the sponsor of this bill. However, I do not particularly like the wording of the bill. I feel it would be better if it were listed as an act to change the legal drinking age rather than an act to change the age of majority.

There are a lot of pros and cons as far as this bill is concerned. As it is today, some of the pros and cons are: an age of 18 is also an age of majority for voting, civic liability, marriage without parental consent, full driver's licence, overseas service with the armed forces, and so on. British Columbia and Saskatchewan have 19 years, but most jurisdictions in the United States and Europe have 18 years of age.

Unfortunately, 18-, 17-, and 16-year-old people are

all in school together. Some of them have access to the vendors, the bars. Those in the 18-year-old bracket are associated with those under 18 years. It makes accessibility too easy for those who are under the 18-year-age bracket.

Hard liquor is now sold in Alberta beverage rooms. Spirits are more dangerous than beer, and the consumption of spirits in Alberta has increased by 79 per cent in the last five years. I think some of that can be attributed to prosperity in the area and increased population, but a good portion of it can be attributed to the drop in the drinking age from 21 to 18.

There are some conclusions from the pros and cons. It is far more dangerous to encourage greater consumption of spirits by young people than to allow for consumption of beer. On the other hand, banning young people from taverns may cause more illicit consumption of spirits. In other words, the old term "bootlegging" that used to be considered when the age was 21 and before there were enough outlets in the province may tend to increase. Consumption of beer is more desirable than consumption of other drugs, including spirits.

Possible actions can be taken apart from strict enforcement. One is to ban spirits from beer parlors. Another is to raise the price of spirits, or raise the drinking age. If the drinking age were raised to 19, you could put in a grandfather clause to admit those presently 18 to continue to drink in licensed premises until 19, or something of this nature. Or you could ban the sale of spirits through the regular outlets to those under 21.

I think the legal drinking age in Canada has been gone over by the previous speakers, so I don't want to touch on that. But I would like to touch on ways that other countries have handled this same problem. I would like to speak particularly of Denmark, Belgium, and England. These three countries had real drinking problems, and although some people will say it's not solved, it has certainly been helped a great deal over the last 30 years. Through government intervention involving increased taxation and other control measures, Denmark, Belgium, and England were successful in reducing their consumption of alcoholic beverages and, in particular, spirits. Today, these countries are considered to be beer-drinking countries and in effect have reduced their alcohol consumption and their alcoholism problems.

There are one or two other points that could be brought out in this respect. One is changing the differential in costs between beer and hard spirits. This is one of the ways that these three countries reduced their spirit consumption. In turn, beer consumption in those countries did rise, but the overall problems of alcoholism, and a good many of the problems mentioned by the previous speaker, the carnage on the highways — problems related to, in most cases, drinking of the harder spirits.

Mr. Speaker, I support the concept of the bill. But I'm very hesitant about the other points as far as the age of majority is concerned. Over the last number of years I think a great many of our young people have matured sufficiently to handle the vote, and responsibility as far as contracts, business arrangements, and this type of thing is concerned. I'd hate to see that removed because I think it has made them more aware, more responsible, and more knowledgeable of

how business and responsibility are carried on in the normal world today.

I would like to leave these points with the young people, but I do feel that the age of 18 is just too young to allow the sale of spirits to them.

MR. THOMPSON: Mr. Speaker, I'd like to speak in favor of Bill 223. I am in favor of raising the legal drinking age, and from talking with voters in my constituency I believe that 80 per cent of the voters in the Cardston constituency are in favor of raising it also.

Government is not infallible, and some laws are passed which are not in the public interest. In cases such as these, it is only logical that the law in question be amended, and many are.

The main difficulty in changing the legal age for drinking is the confusion created by the many different ages in Alberta at which a person is considered an adult. For example, under the Criminal Code a boy of 16 is treated as an adult, while under Alberta Health Care a student is considered a dependant until he is 25, with certain qualifications.

I can see that Bill 223 will add to this list. However, the advantages to our young people and to society outweigh the above-mentioned difficulties. Many critics will say that if you are old enough to vote, you are old enough to drink. Irresponsible voters may do some harm, but they don't cause accidents, they don't create vandalism, and they don't become alcoholics.

For many people the years from 18 to 21 are the most important in their lives. They make many important decisions during this period that set the pattern of their lives. One of these is the way in which to make a living, another for many is marriage, and another is whom they associate with. These are the kinds of decisions that may set their patterns for the rest of their lives. This is also probably the most vulnerable period in anyone's life, because it is the period when a young person first leaves home. It is the period when he or she is proving to themselves and to others that they are adults. Many feel consuming alcohol is one way to show they are adult.

There is no doubt that since the age of majority was lowered to 18, many more children under 18 are drinking. Raising the drinking age will not totally solve this problem, but I feel it would help. Let us not fool ourselves into believing that passing this bill will magically erase the teen-age drinking problem. It won't. But if we can reduce it 10 per cent, it will be worth it.

Finally, Mr. Speaker, our young people are our most precious natural resource, and we should do our utmost to protect them.

I thank you.

MR. McCRAE: Mr. Speaker, I welcome the opportunity to make a few remarks in this debate. I'd first like to congratulate the hon. Member for Lacombe for sponsoring this bill. I think it's a very important topic not only in this Assembly and throughout the province but throughout all of Canada. We read in the press and hear over the other media that private members' bills have been sponsored in a number of provinces suggesting an increase in the drinking age.

Mr. Speaker, it's a very difficult question. I think the problem very obviously originated when the legis-

lation in 1969 I believe, or perhaps 1971, became effective. But it was sponsored by the prior administration. I would say, Mr. Speaker, that it's very difficult to turn the clock back once you have turned it forward. At that time the privilege or right to drink was accorded people attaining the age of 18, and I would find it very difficult in conscience now to try to turn it back to 19, 20, or 21. I appreciate the very valid and substantial arguments that have been made about young persons below the age of 18 drinking, the number of automobile accidents, the carnage on the highways, and so on. All of that I can agree with in some respect, Mr. Speaker, but I think we as legislators would still find it very difficult to turn the clock back and reduce the age to 18.

We've heard very fine discussion today about how we might do it, a suggestion of a grandfather clause where we would accord those who are now 18 the privilege of continuing to drink, even though they were not of the new age for whom we might increase the drinking limit. I think that would be a sort of gross unfairness to those coming up who were going to be caught by the legislation. In other words, if you had two 19-year-olds, one of whom was 18 at the time we passed the legislation and was therefore entitled to drink under the grandfather clause concept, and another who was not yet of that age and therefore not entitled to drink, I think that would be the kind of unfairness that might well be an infringement or violation of The Individual's Rights Protection Act. That's just one of the many, many difficult situations we'd be faced with.

Another anomaly, Mr. Speaker, is that by The Age of Majority Act and The Legislative Assembly Act a person, if he's elected, is entitled to sit in this Assembly at age 18. I can't imagine a more anomalous situation than having someone sit in this Legislature, making laws, and saying, I sir, am not entitled to drink. He can sit here and make the laws, being of sufficient adulthood or maturity for that, but then might be denied drinking. I would think that would be a very anomalous situation, and something we'd have to give pretty serious consideration to before passing.

I would suspect that if we did change the drinking age we would have to give serious consideration to changing the age of majority in a good many other areas, including the privilege of sitting in this House or running for a seat in this House.

As I say, Mr. Speaker, it was the prior administration — who are sitting there so busily reading their copies of the bill — who passed legislation that reduced the age from 21 to 18. I think it's incumbent on them to give us their views on how they feel about this private members' bill.

DR. BUCK: Don't forget you're the government. You can change it, Stu.

MR. McCRAE: That's what we're having the discussion about, and as the loyal opposition we'd certainly appreciate your viewpoints on this very delicate subject.

DR. BUCK: [inaudible] change it if you think it's right.

MR. McCRAE: We're such an accessible government that we do like to hear from the members opposite before furthering or passing legislation.

DR. BUCK: A waffling government.

MR. McCRAE: Mr. Speaker, one of the advantages of this bill and this discussion is that it has had a good deal of prominence in the newspapers and other media, so much so that young people out there in the high schools, even in junior high, are talking about it. I have a 16-year-old son, for instance, who is ordinarily not too interested in what goes on in this Chamber. But he and his friends came to me last weekend, the few moments I was home, and he said, "Dad, on behalf of my 20 friends, are you fellows up there really thinking of changing the drinking age?" I said, "Michael, we're talking about it; I don't know if we're seriously reflecting on it." He said, "Sir, I am 16, I don't drink right now. I'm going to wait until I'm 18 before I go in those establishments, but when I'm 18 and adult in all other areas I want to be able to go in those places and drink." And I think that's fair ball. He said it with a good deal of sincerity.

Obviously the youngsters out there are listening to what's going on in this Chamber, in certain areas at least, and I think the debate from that point of view is a good one. I don't really want him to start drinking at 18. He may begin before that as many have. I don't really know at this time. In any event, I think we would have a good deal of difficulty in turning it round for the reasons I have mentioned.

You've heard earlier speakers talk about what goes on in the other provinces of Canada. Some have 19 as an age limit for drinking, and other ages of majority. Other provinces or jurisdictions overseas have similar divisions, some 18, some 19, some higher. A number of them have tried to cope with the worldwide problem in a number of different ways.

We've heard discussion today about a problem that 18-year-olds are entitled to drink in the school system, and they're mixing it up sportswise and otherwise with the younger people in the high schools. The 18-year-olds go to the saloons or the pubs and the young fellows follow them and get into problems there. Surely the way to handle that, as some of the members have suggested, is through stricter enforcement. Surely each youngster does and should have an ID card, and hotel proprietors should and do check them when they arrive at the door.

DR. BUCK: And they all have parents.

MR. McCRAE: And if they don't, surely parental interest is a good one. But surely when the youngsters arrive at the door, if the proprietor is assured that he will be severely penalized if he doesn't catch those youngsters and turn them back, there won't be those 15- and 16-year-olds in the bar.

Let me give you an analogy to that sort of situation, the suggestion being that because people younger than the law permits are going in with those the law permits to be there, we should change or raise the age upwards. Surely we wouldn't say, referring to the voting question again, that because 18-year-olds are entitled to vote, if perchance someone younger than that or a group younger than that, a significant

number, somehow got themselves on the voters list and voted — surely we wouldn't consider it sufficient reason to take the voting rights away from those of legitimate age, because others who were younger were abusing it.

Surely the answer is to get after those who are abusing it, frighten both the hotel or bar operators with threats and application of penalties and fine the young persons if they are caught in those premises. Surely that is the right attack on the problem, rather than depriving other people of presently held rights.

Mr. Speaker, the Member for Clover Bar shouted something about parental responsibility or parental rights, and I would agree with him that a large measure of the problem is the outlook of society generally. We can see that social patterns have accepted drinking as a much more acceptable thing than it was a few years back. We can see in the yearly statistics of the Liquor Control Board that are filed in this House the vast increase in the consumption, the vast increase in the revenues to the province through the sale of spirits.

Surely if we as adults are drinking more and more in more places, accepting drinking as a common way of life, how do we expect young people not to be attracted to it? Young people are no doubt following the patterns and the practices of their parents. If we as parents, as older adults with perhaps greater maturity, are concerned about the young people, maybe we should be starting to set an example rather than legislating against them.

Mr. Speaker, it may sound like I am very much against the proposed amendment to The Age of Majority Act. I can't say I am. I'm simply trying to point out the various problems. We have accorded these young people the privilege of drinking at age 18, of marrying at that age, of doing so many other things at that age, that I frankly don't see how, as meritorious as it might have been, we can change the clock back and say they're no longer entitled to drink, whether or not we include a grandfather clause with it.

Mr. Speaker, those are just a few of the thoughts I wanted to put forward on this very worth-while bill. I'm looking forward with all sincerity to the arguments of the persons opposite who were in government at the time this drinking age was lowered. I'm looking forward to their contributions. I want to know if they're for it or against it.

Thank you, Mr. Speaker.

MR. TAYLOR: Mr. Speaker, as one of the members of the Legislature when the change in the legislation was made and the age of majority was reduced from 21 to 18, I would like to say a few words on the bill.

I hope the Legislature then, and I hope the Legislature now will endeavor in this matter as in other matters to reflect the thinking of the majority of the people of the province. In the House of Commons on a number of items, particularly on the capital punishment vote, we had members saying they were not reflecting the thinking of the people who sent them there, but their own thinking and their own thoughts. Well, if we are to have democracy, Mr. Speaker, and if people are to be elected to be the voice of the majority of the people in their constituencies, I think we have to get back to the point where members reflect the thinking of the majority in their

constituencies.

I think there are one or two exceptions to that. If I feel very strongly about say, for instance, separate schools and private schools, I should make that known to my constituency before they elect me. If they elect me knowing that I have a very definite stand, that I'm going to oppose separate schools for instance, I think then I have the right after being elected to oppose separate schools. But if I don't do that before I'm elected, I question whether I have the right to substitute my own thoughts for the thinking of the majority of the people whom I'm elected to represent. Incidentally, I used that as an illustration. I don't oppose separate schools. So I have no reason to take that stand.

When the matter of the age of majority came up, it wasn't dealt with lightly by the Legislature of that day. As a matter of fact, it was discussed by members for one, two, or three years before it actually came into the House.

I recall taking the matter to my constituency in what I call my pre-session public meetings, and asking the people to give me their thoughts on whether the age of majority should be reduced from 21 to 18, or be reduced at all. I checked the results of that election three or four weeks ago, when CFCN phoned me and asked if I would submit to questions on their open-line program as a member who was here when the age was changed. I found in those meetings that some 80 per cent of the people who attended the meetings — and they were representative of all ages, all groups, all political parties, all religions — recommended, I might even say directed, that I vote for the reduction in the age of majority.

One of the things that had a great deal to do with the thinking of the people of that day towards lowering the age was the veterans who came back from overseas. Some of the veterans at the age of 18 were excellent pilots and had charge of bombers worth half a million dollars. They were trusted with those tremendous machines. As a matter of fact, I think educationalists and psychologists found that people of the age of 18, 19, 20 were far better — particularly in the fighters, maybe not in the bombers, but certainly in the fighters — than those of older ages. They would not black out so fast, and if they did black out in a dog fight, they came to much faster than an older person.

I myself have flown with a pilot who was 19. I would risk my life with him any time, because he was just an excellent pilot. I'm sure the hon. members who served in the air force can recall many who were in that same category.

Many of these people when I first entered the manning depot were very bitter that they could put on uniforms to go and fight and give their lives for their country, but they weren't permitted to enter a beer parlor. This caused considerable bitterness and great debates in the barrack rooms. That was one of the features that I think carried the judgment of a lot of people at that day. Because the war wasn't too far behind us, and many of the veterans were very vocal.

So I supported the bill. I supported the reduction in the age. I think I reflected the thinking of the people in my constituency in so doing.

I'm sorry I didn't raise this matter at my pre-session public meetings last spring, but I didn't really know this matter was coming up. But I plan to take

the same question back to the people I have the pleasure of trying to represent in this Legislature at the meetings prior to the next regular session. It's going to be interesting to see if there is a change of thought by the people at the grass roots in regard to lowering the age of majority.

When I take a matter like this to the people of the constituency, I endeavor to be objective and point out both sides and then throw the meeting open for questions, for comments, and finally for a vote — for, against, or they can abstain if they wish. When you do that in some 25 meetings over the whole of your constituency, you get a pretty fair cross section of the thinking of the people you represent. I want to emphasize again that the pre-session meetings, as they have evolved in the Drumheller constituency, are made up of people of almost every political faith, every religion, and every type of occupation. That's why I find them very, very valuable.

I would like to say now that I have not had a vote on this question since that time, and I'm looking forward to seeing what the people say at the next election. But in analyzing the question myself at this time and under the title of The Age of Majority Act, even though I support the principle so excellently enunciated by the hon. Member for Lacombe, I would have difficulty supporting the bill as it presently stands, and I want to give the reasons why.

The bill would not change many of the items of responsibility of the person of 18. In the first place, the person of 18 could still buy a house, like he can now; he could borrow \$30,000 or \$40,000 and be considered a good risk. He could marry — which is quite a responsibility, they tell me — and he could even adopt a child, have the responsibility of raising a child, which is a very great responsibility. He could do all these things. He could still, of course, enter the armed forces and fight and maybe die for his country at the age of 18. He would still likely be chosen, through the excellent tests of the Royal Canadian Air Force, as the one who would pilot the bomber or pilot the fighter in a dog fight. So with all these responsibilities I'm wondering what answer we would have for our young people if we said, yes, you have these responsibilities, but we can't trust you to take a drink.

I think it would be very, very difficult to carry the judgment of 18-year-olds with an argument like that. On the other hand, a problem is created. But I would like to state that in my view the 18- and 19-year-olds are not the people who are causing the trouble in the beer parlors or in the drinking places. I have yet to see or hear a story where the 18-, 19-, and 20-year-olds were the ones who were causing the problem. Generally it's the people well in their 20s or 30s, and sometimes much older than that, who do the fighting and cause the difficulties in the drinking establishments. So I don't think we can point our finger at them and say they're the ones who are causing the trouble there today.

But there is the problem of the 17s, 16s, and 15s hanging around outside these establishments trying to get in. The ID cards have been very helpful. I congratulate the Alberta Liquor Control Board on the ID cards. But there are so many ways that young people use to get around the ID cards that it makes it very, very difficult for hotel operators. I would much rather see the driver's licence used today, particularly with the photo of the person. Two brothers have told

me that they interchange their cards periodically. They look so much alike that I don't think any of us could tell the difference. One is of age, and one is half a year under the age of 18. So they will do this. But they did this when we had the age at 21 too. It's not new and that will probably continue at whatever age you have. So I think it comes down to a couple of the Es, and one is enforcement, where we find under-age people starting this bad habit. Then there has to be very rigid enforcement. I think that can be stepped up and can be handled even better than it is being handled today. Even that is a problem. Again, whatever age you put it at you are going to have some in the lower age groups trying to do this.

The next point I want to make is that, in my view, those who are being pinpointed and making this problem conspicuous are relatively few of the 18- and 19-year olds, not the great majority but relatively few. But they get all the publicity. They get pinpointed, and the whole group gets marked because of the action of a few. Scores, and I think I could almost say hundreds, of 18-, 19-, and 20-year-olds go and take a drink, many with their parents, and that's it. I know hundreds who wouldn't even think of taking a drink even though their fathers do at times. These young people think for themselves. That's one of the big points that I like to think is embalmed in this particular legislation, the freedom of choice of an individual.

If we are going to give our 18-year-olds, or whatever age, the age of majority, the freedom of choice to marry, to buy a house, to adopt a child, to raise children, to teach school, to be a member of the Legislature as the last member said, or a member of civic government or a member of the House of Commons, surely if they are going to have freedom of choice to do that, they should have freedom of choice to take or not to take a drink.

That brings me to the last point I want to make, and that is education. I think we should be emphasizing what abuse of drinking does. It is the abuse that causes all the problems. Sociable drinking has become accepted by the people of Canada, by the people of our province. I've seen sociable drinks given even in churches, and I didn't see anything out of the way. Those who wanted it took their drink and that was it. I'm not a student of the Bible, or have great knowledge of it, but certainly there's a story of the turning of the wine by Christ himself. I am not sure that is any reason why we should be supporting or not supporting this bill, but I think drinking has been common since the beginning of mankind, and it hasn't been the drinking that's the problem. I don't think it's a problem with 90 per cent of the people, it's the abuse that causes all the trouble. Unfortunately it's abused by some in every age group and every category. But let's not point a finger at the entire group because it's abused by a few.

I think that's where education can come in. A few years ago, the use of drugs by our young people was a very serious problem. When it was my honor and privilege to be Minister of Youth for a few months, I shoved on a mackinaw many times and walked down the mall in Calgary talking to anyone who wanted to talk. I learned a lot about drugs, I can tell you that Boys from Ontario, from Nova Scotia, from Alberta, and many from B.C. were using drugs, not only grass, marijuana or hashish, but LSD, opium, the bigger stuff, and some were having very terrible

times.

When I talked to them, as I did to one young man, he told me about the first time he went on a drug trip. He said, oh, it was just beautiful. It was just the most wonderful thing you ever could see. The beauty and the pictures that appeared to me, he said, I could never duplicate. It was wonderful. He went on a second trip some two or three weeks after that, and he said it was even more beautiful than the first time. Then he went on a third trip. I saw him shortly after that, and he said: I almost died; they got me to the hospital and they saved my life just in time. He looked like it too. He looked like he was in pretty bad shape — a young lad of 17 or 18. And I said, well, I suppose that'll finish the use of drugs for you now. He said, oh no, the next one might be beautiful again.

I had reason to question his thought. When I talked to him I said, I wish you could see something that I saw in San Francisco. I went to Haight Street, the place where they had drugs and that was so predominant — I think it was the drug centre of the world at that time. Thousands and thousands of young people — many Canadians — gathered in that street. They had a hospital where they took the drug victims. Three years later I visited that hospital, and I appreciate the courtesies that were extended to me. I didn't tell them what I was doing or why. I said, I'm interested, and the supervisor showed me around. I saw young men who were not even 20 who looked like they were 55, who were worn out, who had practically no life.

I saw a 19-year-old man who was a vegetable, a complete vegetable. You couldn't call him a human being. I said to this young man, I wish you could see what happens when people use drugs and abuse them. He said, I had never thought about that.

If our education could just show our young people the tragedies of life that result from the use of booze and from the abuse of liquor, I don't think we'd have to worry about the age. If we could just show them, take them to a few of the homes, a few of the hospitals that have victims of liquor, that would be the best education in the world.

Too many times they only see the glorified part. They see a pilot come in with a big plane, and the first thing he does is light a cigarette and take a drink. It becomes part of the psychology. That's part of being a great hero. They see the athlete, when he's won the football game or just made a touchdown or just knocked a home run, taking a drink. And it's deliberate, I think, to try to show that these things go together when actually they don't.

Well, it's the abuse of liquor. Enforcement and education, I think, are the two big items. I put education ahead of enforcement.

Well, Mr. Speaker, I'm going to be interested in finding out what the people of the Drumheller constituency think about this matter now, a few years after they directed me to vote for reduction in the age. In the meantime, I feel I am still bound by the thinking that was given to me by the people at that time to support the age of majority at 18.

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

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: I move we call it 5:30.

MR. SPEAKER: The Assembly, I take it, agrees with the suggestion of the hon. Government House Leader.

HON. MEMBERS: Agreed.

MR. HYNDMAN: The Assembly will sit tonight, Mr. Speaker.

MR. SPEAKER: Did I understand the hon. Government House Leader to say that it is the intention to sit tonight? The Assembly stands adjourned until 8 o'clock this evening.

[The House adjourned at 5:28 p.m.]

[The House met at 8 p.m.]

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

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of Supply will come to order for consideration of the Alberta heritage savings trust fund, capital projects division.

Health Care Facilities and Applied Health Research

MR. NOTLEY: Mr. Chairman, I have a number of questions as a result of the minister's speech the other day. I wonder if I could perhaps make reference to his speech in [unofficial] Hansard, and perhaps he could expand upon some of the answers.

First of all, Mr. Chairman, I must say I thought we had quite a comprehensive speech from the minister in a general sort of way. While that sets out the general objectives of the government, there are a number of specific questions. Turning first of all to the question of standards for health care professionals, the minister says:

Programs can only be effective through the insistence by our citizens, by the many and varied health care professionals, and by government that the highest standards of initial ongoing training be maintained for all health care professions. Attention to this area suggests that much of the present training for health professions defeats the development of a health care system . . .

Mr. Chairman, that's a fairly significant assertion. That seems to me to be the place to begin. I wonder if perhaps the minister would expand on what he means and also be more definitive in how he sees changes being made in the standards for health care training or education in the province.

MR. MINIELY: Mr. Chairman, [not recorded] the fact and it's not solely an Alberta phenomenon but a world phenomenon as reported by the World Health Organization. In our training and education of all health care professions, we have to move more to a recognition of the fact that health is a mental, emotional, and physical context. I was basically referring to that factor, that even the medical profession generally recognizes that in the educational programs — from my conversations with the deans of medicine both in Calgary and Alberta, there's a need for greater content with the medical profession and with other health care professionals of a recognition of the relationship between mental, emotional, and physical illness. They cannot be approached on a totally fragmented basis.

MR. NOTLEY: Mr. Chairman, just to follow that up, would the minister foresee significant changes in the training program, first of all as it relates to the faculty of medicine? Are there particular types of courses, or would there be some shift in the traditional method of educating prospective medical practitioners in the province?

Also, while I'm on my feet, Mr. Chairman, how would the minister see other health professionals' training programs being shifted to meet the objective he describes?

MR. MINIELY: Mr. Chairman, I should indicate that the health professional acts in an interdepartmental committee which is reporting to my colleagues the Minister of Social Services and Community Health and the Minister of Advanced Education. They and Hospitals and Medical Care are addressing themselves to this very question for more in-depth exploration. What I was referring to in my remarks was that there is recognition of this fact.

But I also said in my remarks that it is very early and only a beginning recognition. Much more detailed study is required before one can define the actual content of training required for the various health professionals in order to have a balanced total health care professional team as well as the numbers that will be required to have balanced health care programming in the future. That's a question being examined in detail in tandem with the different health care professions in the interdepartmental joint committee I referred to earlier.

MR. NOTLEY: Is that a problem, or is the minister generally satisfied with the level of co-operation among health care professionals? Is there an *esprit de corps*, a sense of strong teamwork? Or is there a tendency to look at the health system in Alberta from the perspective of tunnel vision, from the viewpoint of one particular discipline rather than the integrated approach? The reason I raise that reflects back to the first question I posed and the minister's answer. Has this been a problem and, if so, how serious?

MR. MINIELY: I can really answer only for Hospitals and Medical Care and the general institutional health care system as I've observed them to this point. I feel there is need for much greater recognition. I believe, Mr. Chairman, the hon. member would agree that historically . . . from my conversations with the College of Physicians and Surgeons and the Alberta

Medical Association, they recognize a need for improvement in this area rather than individual professional protectionism, if you like, among the different health care professions. They recognize that great co-operation between the different professions is required in the pursuit of the broader objective of total health for citizens.

My observations are that this is beginning to develop, but I think it will require leadership. In my remarks I referred to the fact that I see the role of us as legislators, or provincial government if you like, as providing the leadership to bring the different groups together in the interests of the most effective quality health care programming for our citizens.

MR. NOTLEY: Mr. Chairman, from reading the minister's remarks I would take it that it's the government's intention to try to place some considerable emphasis on preventive health care in the province.

I want to go on from there, Mr. Chairman, to deal with several additional remarks the minister made. Several paragraphs further on the minister says:

To this end we have completed detailed studies of alternate forms of administrative and organizational patterns While our review is still in process, in the months ahead we will announce steps in administration and re-organization to ensure cost controls and efficiency.

Mr. Chairman, perhaps we could stop here for a moment and the minister might expand. I would particularly like to know whether the government at this point is reviewing the concept of global budgeting for hospitals in the province, and where this government stands vis-a-vis global budgeting or whether they see moving to a line-by-line budgeting formula.

A little further on the minister talks about incentives to obtain a surplus. I'd like him to expand upon that.

I think when one talks about cost-control measures and administration generally, the other relevant question is just where the government stands on ultimate access to the ratepayers through some form of requisition which, members will recall, we eliminated in 1973 when we moved to the global budgeting pattern.

Mr. Chairman, those generally summarize some of the questions that come to my mind on the specific issue of administrative procedures. Perhaps the minister could elaborate.

MR. MINIELY: Mr. Chairman, I'll try to be as brief as possible. In my remarks I was saying that all of these things are at a beginning stage solely, so I cannot be specific.

With respect to various forms of organization and administrative patterns, I'm referring to the fact that that has to be put in the context which I believe all of us, not just in Alberta but throughout Canada, are recognizing: that there is need for sound management of annual cost escalation in a very large area of public expenditure, namely health. What we're trying to look at are administrative patterns which can provide an umbrella that will bounce the different priorities in health care, if you like, and manage cost escalation in the most effective and efficient manner possible, recognizing that that does not involve solely the province; it also involves the local authorities and the actual delivery mechanisms at the local level.

Mr. Chairman, I cannot be more specific at this stage other than to say that preliminary identification of the challenge for the future [is] in terms of having to make choices and priority decisions, and trying to come up with what might be the most sound overall organization of administrative patterns in order to insure that priorities are actually citizen priorities as opposed to, as I stated earlier, professional priorities. I mentioned priority of incidence of disease, and I was trying to demonstrate a principle in terms of decision-making. I think we as legislators have to begin to identify these things more.

Global budgeting — actually, global budgeting in the sense that I consider it has been utilized for the first time in this particular budget. If you're talking about your total payment by the province of hospital costs, that of course goes back to 1972. But the actual provision of a given total budget with a certain increase to hospitals, then letting them choose to manage within it, as opposed to just accepting whatever increases there might be in the system, has only been in the last year. That's what I refer to as global budgeting — where you provide them with a reasonable increase in budget, then they look at different areas and make a choice of priorities similar to that I referred to.

It's not perfect, but I can say this: from my experience in examining what has happened in Ontario — to which I referred — it certainly has worked much better in Alberta by our allowing the hospitals to make a decision as to their priorities, to locate their own waste and inefficiencies, and to make more effective utilization of the beds which are there. It has resulted in a great deal of co-operation from the hospital community in Alberta. To this point we've been able to adhere to the government's program of restraint.

In Ontario they tried to make specific decisions as to where hospitals would be closed, or where given areas of a hospital would be closed. Not only did they have great difficulty, but they ended up breaking their own — as I referred to — self-determined expenditures restraint program. So far I have to judge that while it's not perfect, our approach has been successful to this point. There are things in the longer term we have to address ourselves to.

With respect to access to the ratepayers, I can't be definitive at this stage because I think it boils down to a selection of alternative choices. Yesterday I referred to the fact that maybe it should be a premium base, because that's more easily related to ability to pay. Maybe there should be access to the local tax base. I haven't rejected that. But I think there's a choice of alternatives to return an element of personal responsibility: whether it should be access to the local tax base or some contribution beyond a provincial standard for hospital and medical care services through a premium system which can more easily be related to ability to pay. I haven't made a decision on that.

MR. NOTLEY: Mr. Chairman, first of all, dealing with the question of global budgeting, I certainly agree that if global budgeting is going to work properly we in fact have to provide local hospitals with just that, a global budget. If we get into a situation of line-by-line budgeting, we're just going to put them into an awful mess.

Just before this Legislature reconvened I met with the hospital board members in my constituency, and prior to that with a number of hospital board members elsewhere in the province. Of course there was some difference of opinion over the restraint program. That's something which quite properly will be battled out in the political arena. But one of the more telling points on administrative procedures . . . I'm not talking about whether we're providing 11 per cent, 7 per cent, 8 per cent, or whatever the case may be. We'll try to squeeze that information out of the minister in question period. We'll keep at the Provincial Treasurer every chance we get too.

But the question of how we provide the money to the hospitals and the administrative procedures that are used is a very important one. I thought the administrator of the local hospital in Fairview made the point quite forcefully: that as long as you didn't tie the whole thing down with line-by-line budgeting and allowed your hospital board and your administrator to weed out inefficiencies, run a tight ship, and decide their own priorities within the bounds of the global budget, the system could work. That was his view, and I tend to think that's a reasonable position to advance.

The second point I asked the minister to respond to, about where the government stands on access to the ratepayer, is also a question of legitimate debate in the province now. In talking to hospital authorities, I found some division. Quite frankly, a number of hospital board members felt that in order to regain some level of autonomy it was necessary that they have access to the ratepayers, so that even within the restraints of a global budget, if they can't live within those constraints they have the final opportunity to levy some kind of assessment on local ratepayers.

Now I'm pleased to see that the minister has been reported as saying, and has said again tonight, that he does not support the principle of user fees. I believe that deterrent fees defeat the whole process of a modern health system. That doesn't mean that there shouldn't be individual responsibility. It's a question of how one arrives at individual responsibility. Whether one reaches that objective through the taxation system, through a premium system, or through access to local property tax is a relevant area of subjective debate. What I think would be unfortunate is any move toward a form of deterrent fees.

Mr. Chairman, in dealing with that particular aspect, the only other point I'd like to make is contained in one of the phrases the minister used. I can appreciate the fact that any government is going to want to bring in cost-effective control measures. I don't think that should be an issue of debate. We can argue whether we can do that within 11 or 12 per cent or whatever the case may be, but the objective of working with a cost-control approach is one I think we all support.

However, in your initial remarks you made the comment, and I suspect it was a deliberate comment, that we are within a concept of permanent restraints. Mr. Chairman, I wonder if the minister would expand a little on that. I can see us being within the context of some form of global budgeting, permanent ongoing cost-control evaluation. You suggested an audit procedure. It seems to me that suggestion has some merit. But given public discussion now and public understanding of that choice of words, I found the

minister's decision to use those words intriguing, to put it mildly, and I wonder if he would expand.

MR. MINIELY: I wonder if I could get all the questions from members and save my response till afterwards.

MR. LYSONS: To the hon. minister. Is there going to be any provision in the funds on this vote for health care or pure research outside the major hospitals and health care facilities listed here?

MR. R. SPEAKER: This relates to some of the questions by the Member for Spirit River-Fairview. I indicated in some remarks I made earlier that I had asked one of the interns to phone some of the different hospitals and talk about waiting lists. The results were that waiting lists were quite substantial at various hospitals across the province. For example, St. Michael's in Lethbridge is booked well into December. In a press release or discussion the minister indicated that waiting time today runs between six to eight weeks or something like that. I'm wondering whether that still holds true. As of September the municipal hospital in Lethbridge had 370 waiting for elective surgery. Red Deer had 879. Foothills indicated a large waiting list. The Misericordia, the University, 874. I notice one press release, for example, from the Lethbridge Municipal Hospital says the waiting list for elective surgery has jumped to 532 over the summer because of financial restrictions. This is October 1, 1976.

My question to the minister is: one, is he seriously concerned about that particular impact of this situation at this point in time; and two, will he be making some type of new proposal to the Legislature come the spring budget? This relates to the question of the member, such as a new type of taxation, an expanded budget. There was some rumor that the budget was going to be held to 7 per cent, whereas last year it was 11 per cent. Can the minister indicate if he has a percentage in mind? Maybe the minister could also comment on the closure of various beds in hospitals across the province and how he views the situation.

MR. NOTLEY: Mr. Chairman, if we're going to take all the questions first, perhaps I'll just carry on. The Member for Little Bow raised a question that I have a sneaking suspicion we're not going to be able to pry out of the minister; that is, how much money they are going to make available next year. Having dutifully watched the Provincial Treasurer tell us on ITV tonight as I had supper that we have to evaluate and review and what have you — it didn't stop them from doing that in September 1975, but it appears it is a little more difficult to get the information this year.

Mr. Chairman, I think one of the important things that has happened in the last year and a half has been the decision of the federal government to gradually cut back its share of health and medical care services in the country. I notice that the minister mentioned that in his speech. Also Mr. Lalonde has received a good deal of attention throughout Canada. I've had some people in the health care field come to me and suggest that the recommendations the federal Minister of National Health and Welfare is making with respect to an emphasis on preventive medicine, an emphasis on home care, this sort of thrust, would be the route to go. I notice again in [unofficial]

Hansard, page 76, the minister says that on closer examination "they invite participation in health care programs that are ill-defined." Perhaps when you summarize your comments you might take a few moments to bring us up to date on just where this government stands in relationship to, one, the objectives of cost sharing, and two, the proposals made by Mr. Lalonde. And three, you go on to say: "They invite participation from one base in a given six-month period to another base". That's tactical jargon which the minister may understand; unfortunately, I don't. I'd like him to just expand upon that.

Finally, there's been a good deal of concern expressed across the country about federal phasing back in the area of medical research. I raise that because part of this program we are presently dealing with not only looks at research from the viewpoint of the initial investment, but with respect to cancer and heart disease research provides funds for construction, equipment and operating expenses. To what extent, Mr. Minister, are we as a province forced to move in and provide provincial funds to fill a vacuum on the health research end of it? I'm not talking about general cost-sharing programs now. I'm specifically talking about health care research. That would be useful information for us to obtain.

MR. MINIELY: Mr. Chairman, I want to specifically answer the waiting list question raised by the hon. Member for Little Bow. I think it's important to put it in the context that we are moving — not just in Alberta, but it is an objective throughout Canada — towards a management of cost increase on an annual basis. That's the sense in which I use the term "restraint". I do not use the term "restraint" in the sense of anything other than a sound annual financial cost increase. In other words, sound management is the way I use that term.

It's important that the waiting lists be put on a comparative basis. The Alberta Hospital Association has provided me with data which indicates that the waiting lists are comparable to 1975. In other words, the result of restraint in the hospital system has produced some interesting facts: first, the waiting lists are no higher, relatively, on a province-wide basis; secondly, the number of surgical operations done in hospitals is higher than it was in 1975; and thirdly, the average stay in acute care beds has gone down. Now this is generally considered by hospital administrators, health care experts, and the medical profession as a body to be a desirable objective. In other words, it's resulting in some desirable trends, namely more efficient and effective utilization of the capacity that we have in the system.

In Alberta, all within the parameters and bounds of the fact that we have the highest capacity in acute care beds of any province in Canada, approximately equal to Saskatchewan, at September 30 there were only 186 beds. I had earlier 'guesstimated' that there might be 300 to 400. But there were only 186 beds closed by all hospitals in Alberta as a result, if you like, of priority decisions of the hospitals to live within their budget. What's interesting to me is there were 103 beds closed by the action of other governments: namely, 83 beds by the federal government, the Charles Cammell Hospital in Edmonton; and 20 by the Saskatchewan government, the Lloydminster beds that provide service to Albertans. So there are 186

that are Alberta hospitals operated under the Alberta hospital plan and 103 that are a result of decisions by other governments.

I can only say on that point that the Alberta Hospital Association advises me patients are being looked after comparably to any other year. Anyone who has an emergency is gaining access to the hospital. The Alberta Hospital Association has no record of any hospital in this province indicating difficulty in managing and looking after the welfare of patients.

Mr. Chairman, it's obviously a matter for the upcoming budget. The province of Alberta expenditure restraint does not apply solely to hospitals and health care. It applies to all provincial government expenditures. Therefore that decision would not apply solely to hospitals and medical care but is a decision that will have to be made by my government colleagues.

With respect to the withdrawal of research funding by the federal government, Mr. Chairman, I think that will be more related to the development of a pure research program which is being worked on for the future in Alberta and not to the programs we are talking about at the present time.

With respect to research outside Edmonton and Calgary, to the hon. Member for Vermilion-Viking, I think the answer is yes. One of the terms of reference of the implementation committee that I am now forming with respect to the Alberta health sciences center will be to decentralize research as much as possible into hospitals outside Edmonton and Calgary. I think the hon. member would accept that the hospitals would have to have professional capacity in order to do so. But I could see, for instance, Lethbridge, Medicine Hat, Red Deer, Grande Prairie, communities of that size in particular performing certain kinds of research programs that could tie into the Alberta health sciences centre as the hub. It's our hope to try to develop and maximize that factor in the approach to the Alberta health sciences centre.

With respect to the federal government program, I'm simply referring to the fact that I think the federal government, as well as all governments if you like — if we're going to manage within a concept for the next few years of cost-effective cost control we are going to have to define programs very, very specifically and well. In my view a lot of the programs the hon. federal minister is currently proposing require more specific definition. In the term "ill-defined" I'm simply making a general statement that in my view they are not well defined as to what their intent and objectives are as a low-cost alternative.

MR. NOTLEY: Just to conclude debate on this particular set of estimates, I was interested in the remarks of the minister as they related to citizen participation in the decision-making process. I think most of us, when we consider this question, assume we are talking about hospital boards. But I notice the minister has suggested: "In similar fashion, our studies show that input from legal municipal groups is of utmost importance but that gross imbalances occur if they are seen as synonymous with the primary input of local citizen boards or volunteer groups." I really wasn't quite sure what the minister was getting at here.

I note again accountability — accountability to citizens of their elected government. Well, that's fine. In allocating public money through global budgeting, there obviously has to be accountability in the Legislature. I'm not arguing that point. What I didn't see clearly explained here is just what changes, if any, the government is now considering as it relates to the structure of citizen input: whether we are going to have additional committees representing both the professional and non-professional people beyond the hospital boards, whether there are going to be any changes in the mandate of hospital boards, how the two are going to relate, what the relationship is between the MLA and the hospital boards, what the relationship is between the commission and the hospital boards. The minister seemed to be opening up an area here. Perhaps I mistook what he said, but it struck me that the government was looking at a redefinition, if you like, of citizen input. If that's true, I believe an awful lot of hospital board members would like to know what he has in mind. As a member of the Legislature, so would I.

MR. MINIELY: Very quickly, Mr. Chairman, I'm referring to the private voluntary groups involved in health care and the importance that we have to distinguish them from the legal municipal entity and the legal local authority in health care. I think at times one can usurp or offset some of the sound work done by others. Of course the provincial government's role, as our role is, is to delineate those that provide sound and effective health care for our citizens.

As to specific structure, that is something that has to be worked on jointly by my colleague the Minister of Social Services and Community Health and myself. I can't be more definitive than that.

MR. NOTLEY: Just one quick question. You don't see any changes then, Mr. Minister, at this time in the structure of hospital boards?

MR. MINIELY: Not now.

MR. NOTLEY: The minister said "not now". Do I take it then that this whole question is under review, including the mandate and the role of the hospital boards?

MR. MINIELY: Mr. Chairman, it's all related to co-ordination of different authorities at the local level to maximize the effectiveness of health care, applying the resources we can apply in the future. I think the hon. member knows there are different authorities delivering elements of health care. I don't think I need to state what the four or five different ones are.

Agreed to:

Southern Alberta Children's Hospital	\$10,000,000
Alberta Health Sciences Centre	\$30,000,000
Southern Alberta Cancer Centre	\$7,500,000
Cancer and Heart Disease Research	\$10,000,000

MR. TAYLOR: Mr. Chairman, just before we leave that section, I wonder if the hon. minister would reply to the following points which I don't think are clear in the book. Number one, do the figures quoted

include some amount for inflationary tendencies in the next two or three years? Secondly, are these figures the total cost of building, furniture, and fixtures, or just for the building?

MR. MINIELY: They are pre-tender estimates. In that sense they are in 1975 dollars. Because of the fact that they are pre-tenders, some provision has been made for the expected tender that would arise at the time these projects actually go to tender. But I think I could say they were basically in 1976 dollars.

The only equipment included is the equipment we refer to as built in as part of the project. In the case of these projects, other equipment would be financed through the normal operating budget. That has been anticipated in our longer term operating budget. The hon. member knows it's historical that in this Legislature we don't table operating budgets four and five years down the road. But it has been anticipated. The reason for that is that to qualify for federal cost sharing, it must be paid through direct grant and therefore [be] in the operating budget for the equipment that's not built in.

MR. R. SPEAKER: To the minister. I'm not sure whether this information was provided or not. With regards to the health sciences centre, you mentioned the pre-tendering estimate that was made. I believe those were your words. Has the government hired an architect to work on the concept? If so, who is the architect?

MR. MINIELY: There's been discussion between Dr. Bradley and me. In particular, I feel that with such a large capital construction budget, we're considering the possibility of an architectural engineer or engineer to be working full time on these particular projects because of the magnitude of the capital projects involved. So that's anticipated, Mr. Chairman.

MR. R. SPEAKER: Did I understand the minister to say that person hasn't been chosen at this point in time?

MR. MINIELY: No, we're considering who that person should be.

MR. R. SPEAKER: Has the minister set out certain criteria, and have different architects or engineers submitted proposals as to their capability? Is it open to that type of thing, or is it another type of choice?

MR. MINIELY: Well, Mr. Chairman, I'm not sure we can take that approach. I think all hon. members would know that one of the difficulties of contracting an architect or engineer to work for the government in the interest of the public is the fact that frequently they can have a conflict of interest and would rather be on the other side tendering on a project. So it's difficult to identify an architect or engineer with the competence and ability.

Of course we now have Mr. McCulloch in the commission, but he's nearing retirement. Mr. McCulloch has this experience and background and, depending on what he wants to do, certainly is one of the people we would consider — perhaps on a contract beyond retirement, working on these kinds of

projects on some kind of full-time basis. But the request for proposal is something we're considering. I can't answer the specific yet.

MR. R. SPEAKER: Mr. Chairman, I hesitate to raise this, however I will. Prior to my coming into the Legislature, this concept was discussed. I understand that an architectural firm had put together — I recall in the '60s looking at a flow chart of each of the plans to implement this type of structure. Along with the flow chart health care objectives were outlined. Also a model was made of a facility showing the interaction of the various health care agencies.

Is there any consideration of utilizing that research and information? Is it available to you to use in planning the centre here? I think it would be rather a waste if we didn't.

MR. MINIELY: Yes, as well as others. In addition to what's currently available, we hope to have input and development of this kind.

MR. NOTLEY: I wasn't quite sure — I didn't follow the minister. What are the problems in putting out a request for proposals for architects? I could see some difficulties with public tendering as such, but requests for proposals is a much more flexible approach. As a matter of fact, it's been defended in this House on more than one occasion on that very ground. So I didn't quite follow what the objection was or what the difficulties were concerning putting that out. If it's a case of having a person reviewing them who's worked as an architect in the department over the years and has been actively involved in some of the preliminary plans in the past, or what have you, then that may be a different matter. But I wasn't quite sure how the minister justified, if you like, the difficulties of a request for proposals. It would seem to me that would be the most expeditious and fair way of finding architects.

MR. MINIELY: Mr. Chairman, I think the hon. member is misunderstanding what I'm saying. Architects and engineers are retained by the hospital boards of all projects involved — which we've just gone through. What I was referring to was that it's not that it's impossible; I was referring to the province having someone working as an architect or engineer on behalf of the province to provide a check, if you like, on the architecture and engineering. Because the architects and engineers work for the individual hospital boards.

We have a capacity which we've had for some time in the Hospital Services Commission. But these projects are of such magnitude that my concern is whether we have sufficient capacity to work on our behalf with the hospital board's architect or engineer to ensure effective utilization of construction funds. I'm just pointing out a difficulty, the difficulty that most of the architects and engineers tender or are involved in the tendering of the projects. While it's not impossible, it's not an easy thing to come by if one tries to utilize a request proposal approach on the government side as opposed to the hospital board.

MR. NOTLEY: Will the government be employing the architects directly? For example, the Alberta health

sciences centre will be employed by the University Hospital Board?

MR. MINIELY: All done by boards.

Irrigation Rehabilitation and Expansion

MR. R. SPEAKER: Mr. Chairman, is the minister going to say a few words on this particular vote and maybe elaborate on what he sees happening in such things as the Three Rivers project and a few others; how we're going to conserve the water on the Bow River as well as the Oldman River. I'm sure he has knowledge that would be very beneficial to all of us.

MR. MOORE: Mr. Chairman, first of all, I trust we're dealing with the agricultural section: Irrigation Rehabilitation and Expansion. That may indirectly involve some dams on rivers, but I expect the Minister of the Environment would be kind enough to outline the situation there and respond to any question.

There are really not too many things I'd like to say about irrigation, except that I've been pleased thus far with the kind of co-operation forthcoming from a dozen different irrigation districts in southern Alberta. It was necessary to have a start on the program this year. We asked all the irrigation districts to identify to us their priorities in terms of upgrading existing works within the district, also with respect to making provisions for bringing new land under irrigation — developed in concert with the Irrigation Council a system of funding which provides some incentive to the irrigation districts to bring new and additional land under irrigation. At the same time, the formula provides for some incentive to increase the charge per acre-foot of water. The hon. member would probably be aware that it relates to previous formulas in existence wherein the higher the charge for water, the better the grants extended with respect to this program.

I haven't, and won't have for some time, the figures on exactly what has been done or will be done in 1976. As a matter of fact, my understanding is that most of the work is just now under way and will be completed throughout the balance of this calendar year. In making those statements I remind the hon. members that in about February of this year I did make a commitment to the irrigation districts with respect to getting a start in 1976 by making arrangements for the 12 districts to spend some \$5 million. That was by way of some guarantees on bank loans they obtain. That is to be repaid from the \$14 million allocated here, with the balance of \$9 million going into a program for the next fiscal year.

I expect to have further discussions with the districts over the course of this winter with regard to next year's program and possibly as far ahead as three or four years. On the project under way this year, in the limited time available we did not attempt to come to any agreement on terms for a 10-year program or even a three- or four-year program. I asked them quite frankly if they would identify the needs for this year and start from there. That would allow us more time to develop an ongoing program.

However, this year we will be providing \$9 million, which is about 10 per cent of the \$90 million that will be spent through the Department of Agriculture over the course of 10 years. Not all of that will go to the irrigation districts.

We presently have under consideration, but have not yet finalized, a provision wherein \$8 million or perhaps a little more would go directly to those irrigation districts for work in rehabilitation and bringing new land under water. In addition to that, directly from the department we wanted to spend a number of dollars in at least one, perhaps two, different ways, the first being provisions for providing in the neighborhood of \$300,000 to \$400,000 next year for the first phase of very comprehensive air photography of all the irrigation districts in southern Alberta.

Members will appreciate that the provision of surveying for levels and so on is a rather expensive undertaking, one that just has to be done before a lot of work can be completed. The Irrigation Projects Association and the Irrigation Council feel that the cheapest and most effective way to do that would be to do the entire region we are talking about, and do it by aircraft where we now can, as I understand it, obtain levels within one inch without any problem. So we will be proceeding on that project. My intention is — although that has not been finalized — to use some funds out of this for that air photography project.

I also had under discussion with the Irrigation Council and others the possibility that some small amount, likely \$100,000 or less, might for a start be utilized on the provisions of moving some major power lines which cross irrigated areas diagonally. Our expectation and hope is that we can work out a one-third arrangement with the major power company and the farmers and the government through this fund or otherwise, each paying one-third of the cost. I don't expect that would amount to very much in year one, but it would be an ongoing program for a number of years.

Beyond that, Mr. Chairman, I would be happy to try to answer any questions members might have on the start of what we think is a pretty important and exciting project. It will ultimately put most of those districts in a position where their current equipment and so on is in good condition — line a good lot of ditches that are currently contributing to seepage and soil salinity and, hopefully, put under water some additional 500,000 to 700,000 new acres over the course of the next 10 years.

MR. MANDEVILLE: Mr. Chairman, I have a couple of questions I would like to direct to the minister. Is there going to be so much for irrigation rehabilitation and so much for expansion of districts? Will that \$14 million, or the \$9 million that is to be spent next year, be broken down for so much in each of these areas? I would just like to say that I would be hopeful, if they're spending this amount of money, that they won't be involved in setting up new districts. I know one that's anticipating — a new district that would like to start in the southern part of the province down in the Medicine Hat area.

If we are going to spend any of this money on expansion, I would certainly like to see it spent within the boundaries of the irrigation districts we have at the present time. For example, we have the Eastern

Irrigation District. If they had the water, they have 200,000 acres of land they could put under the ditch. They've got the management and the equipment to handle it. So if we are going to spend a portion of this money on expansion, I would like to see it spent within the boundaries of the present irrigation districts.

I'd like to ask another question, Mr. Chairman. Has the \$5 million that's going to be taken out of this \$14 million been expended by the irrigation districts at this point?

MR. MOORE: Mr. Chairman, to answer the last question first, I think it would be fair to say that although I don't have up-to-date figures they're now in the midst of spending that \$5 million. My understanding is that throughout the irrigation season they were not able to do a lot of things that can be done now that the crops are in and the irrigation season is over. My guess would be that they are kind of in the middle of having spent that and would complete their spending in that regard before the end of the calendar year. But I'd have to check on that. I do know for a fact that not all districts are the same. Some I know have completed their expenditures and others have barely started. So they vary a lot. In terms of where we would spend the dollars in bringing new land under, one of the things I talked about with all the irrigation districts in reference to expanding irrigated acres is what they call intensification. That simply means they will try, within the irrigation district, to bring under water land that has never been under water but is adjacent to water supplies. It is much less expensive to bring under water than some land which might be lying outside the district or in other areas.

The hon. member mentions a new district being anticipated or being asked for. However, I don't think it follows that over the course of a 10-year period no new districts or new lands outside of existing districts will be brought in. I think it really comes down to a point of consideration by the Department of Agriculture, the Department of the Environment, those affected, and those interested in the area as to what the total cost is. I don't know the answers to all these questions yet. Certainly in due course we hope to make some determination.

There may be an area where canals are available. It looks pretty simple to irrigate additional new acres within an irrigation district. But in fact that district may be short of water, and providing more water to them requires a pretty expensive water storage reservoir within their district, outside of it, or on some of our major rivers, which would be done by the Department of the Environment. On the other hand — and once again I don't know the answer — there may be areas that come to our attention where water supplies are adequate and there is presently no irrigation, and it would be feasible to go in and provide some irrigation, maybe in a small sort of way, because that front-end cost of bringing water to the system is simply not there. I think the hon. member knows what I mean.

So generally speaking, I would say our efforts will be in the direction of where it's least costly to bring additional acres under water, provided that those are the same kinds of acres in terms of their intensity of use. Quite naturally there's a difference between the

benefits you get from bringing 500 acres of hay land under irrigation as compared to 500 acres of intensive vegetable-growing land. But generally speaking, I think it is fair to assume that most of the new acres which are brought under water will be in or adjacent to existing irrigation districts. And if they are adjacent to existing districts, it will be our intention to make it a part of that existing district.

MR. MANDEVILLE: Mr. Chairman, just another further question. I wonder if there is going to be any further change in the formula as far as distributing these funds to the various irrigation districts. The formula, as it's been set up in the past, is pretty well the same for all districts whether or not they need repairs. There is a difference between the old districts and the new districts as far as need is concerned. So I was wondering if there is going to be any change in the formula and if this will be a cost sharing. Will the irrigation districts be paying their 14 per cent contribution to these dollars?

MR. MOORE: We established a formula for this year which was very much the same as the formula which previously existed and, as I indicated earlier, was dependent upon the per acre water charge that was levied. I expect to have that formula under discussion with the Irrigation Council again very shortly, in relation to whether or not that would be a permanent formula over the course of the next nine years as we provide these dollars to the irrigation districts. I would expect that formula is likely to remain somewhat the same.

Again this year, part of the work which was done in the districts, mainly bringing water to new areas or new works, was based on the 86-14 formula. Certain works were over and above a certain dollar level, and that depended again on irrigation districts being considered more major works and most often repair of existing structures. In that case we provided 100 per cent of the funds from the \$5 million I referred to earlier. However, I have asked the Irrigation Council and others mainly in the districts to reconsider again the 86-14 formula. Remember that formula was developed many years ago on the basis of the total value of irrigation to the community at large. It was determined that the provincial governments and the federal government between them should bear 86 per cent of the cost and the farmer 14 per cent of the cost of the total value of bringing irrigation into an area or irrigating land.

Since that time we've moved extensively away from that 86-14 formula by way of saying, for example in the Department of the Environment, that 100 per cent of the costs of providing water to the headgates of a district are paid by the Department of the Environment in terms of dams and so on. Then in the districts themselves, as I indicated earlier, we've been paying 100 per cent of the cost of certain rehabilitation projects. Then we apply the 86-14 formula. I've asked some staff of my department as well to review the previous study that resulted in the 86-14 formula to identify whether or not it is realistic today when you consider the amount of costs paid 100 per cent by government.

Quite frankly it's my opinion, and I expressed it to the Irrigation Council, that that formula is probably no longer realistic and it might well be something in the

order of 70-30 or 60-40. I express that view because it's my belief that as you put water on land you certainly enhance its productive value and its sale value. Some of the dry-land area in southern Alberta that may be worth \$200 an acre without the possibility of putting water on it certainly is tripled or may be four or five times greater in value once water is placed on it. I was hopeful that over the course of this winter we could have a good discussion and debate with the irrigation districts and the council on that formula. What it simply means is that if there are some areas where something more than 14 per cent could be paid by those individuals receiving the benefits, considering the obligation of the Department of the Environment to supply water and so on at 100 per cent cost, then we could do that much more. Instead of putting 1,000 acres under water, we could put perhaps 1,400 acres under water.

So it's not a matter of saving the government dollars, because we're committed to putting those \$90 million over 10 years into the districts in terms of rehabilitation and bringing new land under water. But if it's deemed that a little greater costs should be borne within the districts than our previous formula suggests, we do that much more and I think at least that's a worth-while objective to pursue. While it certainly is in no way finalized in terms of the formula, I anticipate having some pretty good discussions on it. As well, I anticipate being told that 86-14 is pretty good by some groups — and by others. Quite frankly, we had one group of farmers interested in moving very quickly early this year who said to us, we'll pay 50 per cent of the cost just to get going. That's the kind of interest there is in some people in recognition of the value of water.

MR. R. SPEAKER: First I'd like to say to the minister that I totally and whole-heartedly endorse the program, and I think his initiative and leadership in the area should certainly be commended. I can recall that when he took over the portfolio the question of irrigation was a big question. There were a number of unknowns. Since then, in talking to a number of the irrigation districts, the board members, they certainly appreciate the understanding he has at this time and the communication between himself and the irrigation districts. I think when someone does a good job, he should be complimented. However, the other side always holds true, and I certainly hope I rise in my place and say the opposite when things are not done well.

The areas I wanted the minister to clarify for me — he mentioned his department was going to initiate some programs. Part of the money allocated here would be invested directly by his departmental officials. I wonder if the minister could elaborate on that to some extent. I wonder if the type of thing they would be doing would be pilot projects on such things as delivery systems by cement, underground, or PVC piping; gravity types of systems in the delivery of water that can assist in creating pressure used in running irrigation systems. Maybe they have some other things in mind. But is that where the money will be used? Or will it be in projects comparable to the type being initiated this and next year by the irrigation districts?

Secondly — this is a little off-subject but I think a matter of concern — over the years some of the

districts, particularly the Lethbridge Northern Irrigation District, became very concerned about seepage claims. At one point they felt if they paid all the claims before them, they would be bankrupt. I recognize that this program will have an effect on that. I wonder at what point any seepage claims there will be paid. Will the districts be able to trade off with the farmer and say, look, we'll rehabilitate the ditch and drop the seepage claim? Is that type of thing possible?

The third thing is with regard to power lines. There are two questions. One, has the government given a directive — and I believe it has — that future power lines in irrigation districts should be run along the fence or road line? Two, is the minister at this point investigating the cost of relocating power lines? I had an estimate made just the other day on a power line I wanted to move, and the cost at present is around \$300 per pole. If you have one it's not bad, but if you have a number it's very, very expensive. In my estimation, some review of the procedure used by Calgary Power could cut the costs.

MR. MOORE: Mr. Chairman, first of all I don't anticipate that any of the work mentioned by the hon. member with respect to studies on the kinds of systems that might be best utilized — whether it's open gate, pivot, wheel, or whatever — will be taken in any way from the heritage savings trust fund appropriation. Indeed the current budget of the irrigation division of the department plus the knowledge we gained, generally from the northern United States and other irrigated areas, has in my view given us sufficient information. In my view, some of the larger districts like St. Mary's and the EID and so on have quite a lot of expertise in the various kinds of systems available.

Quite interestingly, they all have a place. I'm sure I'm not telling anyone from southern Alberta anything new, but if you go into the areas, you'll find farmers who can tell you in no uncertain terms that whatever system they are using far outweighs any advantages of the others. A few miles away you're told a different story about the pivot system and so on.

We're doing a lot of work in that area, but it's coming out of our current budget. In terms of the dollars that are here, the only exception I'm aware of at the moment — aside from providing the funds directly to the irrigation districts for bringing new land under and rehabilitation — is that the only dollars that will be used directly by the Department of Agriculture through the irrigation division will be those required for the air surveying program I talked about, which will cover basically all districts, and the possibility of power line removal. I'm not sure about that yet. We've not yet been able to finalize an agreement between the government and Calgary Power with respect to that removal. While we're on that subject, I'm not aware of the exact costs of power line removal. Of course it varies whether it's poles or the larger installation tower units and so on. But it is my understanding that if it's split three ways it's within reasonable reach of farmers who have land they want irrigated to move it.

The only other area where I anticipate — perhaps even this coming year — the possibility of expenditure of funds by the department is in other parts of Alberta where we are doing some experimenting, not

so much with respect to the type of system but to the potential of irrigation. That largely falls into the category of some of our river valleys. For example, in the Peace River country where we want to develop rather intensive market gardening in some of our irrigation districts, through some irrigation projects we will largely pay for we will be trying to determine the value of irrigation to market gardening in an area where you perhaps have 18 inches of rainfall annually. That won't be a large expenditure you know. We could do a lot in that area with \$100,000 or \$200,000.

MR. NOTLEY: How much?

MR. MOORE: I say we could do a lot in that area with \$100,000 or \$200,000 over the course of two or three years. It really is difficult, depending on where you're at in the province when you consider heat units and so on, to determine the value of irrigation to a market gardening development without actually going in and doing it. We don't always know.

Finally, with respect to the relocation of power lines — whether or not we've been able to convince the utility companies to run them on the straight where they do interfere quite extensively with irrigation and other farm operations, as above ground structures often do. My understanding is that the power companies are much more sympathetic to that idea than they previously were. I think the amendments to The Surface Rights Act which were introduced last week do have a message in that respect. Depending on the judgment of the Surface Rights Board in handing down a ruling, above ground structures will be subject to annual compensation. When you have annual compensation with a periodic five-year review as compared to a lump sum payment under the old expropriation act, I'm quite sure there's a message there in terms of making sure that power lines don't interfere extensively with farming operations.

MR. BRADLEY: Mr. Chairman, I'm very pleased to endorse this appropriation as it relates to irrigation rehabilitation and expansion, particularly with regard to increasing efficiency of water use and rehabilitation of the existing distribution systems and canals. I think it's very important that we decrease our losses from seepage and correct some of the salinity situations we have in our soils through upgrading these canals and distribution systems.

I just want to ask the minister in terms of the multi-year program: what is the total commitment in funds from this appropriation towards rehabilitation of our existing systems? Also, what are our priorities with regard to irrigation rehabilitation and expansion? Is the first priority to rehabilitate the present system before we engage in extensive expansion of the existing systems?

MR. MOORE: Mr. Chairman, of the \$200 million approximately \$90 million will be expended by the Department of Agriculture in two areas: to bring new land under irrigation, and to upgrade and improve existing irrigation works. I should add that the division there is tentative. It was developed more than a year ago. Fifty million dollars of that could be used in bringing new land under irrigation and \$40 million for rehabilitation of existing works.

Whether or not those figures stay in the balance I mention now will depend to a large degree on the kinds of discussions we have with the irrigation districts and the costs incurred over the whole period in rehabilitation and bringing new land under water. Again, recognizing it's not always easy to identify costs as specifically for upgrading existing works or bringing new land under in that some works we're talking about upgrading and improving will be enlarged and made to operate better so downstream we can bring new land under, one has to get in, then, and try to identify what portion of the costs resulted in new land coming under and so on. But generally that's the allocation — you might say about 50-50 in terms of bringing new land under water and rehabilitating existing works.

In terms of priorities, there's no question that the initial priority is the rehabilitation of existing works. That is the area where you get the most benefit for the fewest dollars. The second is to bring new land under irrigation by what I referred to earlier as intensification. That means putting water on land currently within existing irrigation districts. The final priority is bringing new land under water which is perhaps adjoining but outside existing irrigation districts.

MR. BATIUK: Mr. Chairman, I too would like to just express my appreciation of the direction of irrigation rehabilitation and expansion. I feel that any member in this House who had not had the opportunity to see the benefits of irrigation could not fully understand the merits of it.

Just a couple of years ago there were delegations from Lac La Biche all the way to Strathmore facing the federal Minister of Agriculture for an allocation of approximately \$200 million to improve the solonetz soils. It's already been proven that maybe at the cost of \$20 per acre these soils could be made to produce just as well as No. 2 soil.

A few years ago I was in southern Alberta, around Fort MacLeod, as a member of an agricultural service board. It was very gratifying to see that on one side of the fence where dry-land farming existed, the yields were any place between 8 and 11 bushels per acre. Just across the fence, where there was irrigation, the wheat yield was from 60 to 100 bushels per acre.

On grazing land, here again it came out to about 1.5 acres of good pasture for cattle required where there was irrigation. Yet across the fence the carrying capacity was 40 acres for one animal. I'm sure we could agree that an animal that has to cover 40 acres for pasture should be kept in good shape. However, with the several hundred thousand acres in southern Alberta, I'm sure this land could produce a lot more in many other areas.

We saw quite a concern from the people in the Dodds-Ryley area because of the Calgary Power plant. Now I think production could be many times more than there would be on this approximately 45,000 to 50,000 acres that was involved.

So as I say, I'm really pleased. Even though there is no irrigation in my area, I'm very pleased. This is the right step for food production in the future.

MR. NOTLEY: Mr. Chairman, just very briefly. I certainly agree with the remarks made by the hon.

Member for Vegreville concerning full support for irrigation and rehabilitation expansion. It's amazing how agreeable we can all be when we aren't talking about rural gas co-ops. [interjection]

I have just one quick question for the hon. Minister of Agriculture, and that's a simple procedural question. Is it the government's intention to finance the entire \$200 million program through the heritage trust fund, including the \$90 million through the Department of Agriculture, the other amount you mentioned? Is it the intention at this time to finance the entire project from the heritage trust fund over the next decade?

MR. MOORE: Well, Mr. Chairman, over a period of 10 years it's our intention to take \$200 million from the heritage trust fund. But that will not by any means be our total contribution to irrigation. For example, certain agreements were reached between the province and the federal government. We talked about them the other day in the Legislature with regard to the rehabilitation or repair of the Brooks aqueduct. There was discussion on the Bassano Dam as to whether those funds should be utilized there, or at a new site and so on.

In addition to that, by way of agreement in the current budget of the Department of Agriculture, on an annual basis some \$2 million still exists for rehabilitation within the districts which is in addition to this amount. Then of course there are various ongoing costs of the whole irrigation division of the Department of Agriculture, and I know the hon. Minister of the Environment has those costs too. So without doing some figuring I couldn't tell you what the total expenditure will be over the course of 10 years. But it would be considerably in excess of \$200 million. Over 10 years it's our intention to fund \$200 million from the heritage trust fund, divided roughly as \$90 million through the Department of Agriculture and \$110 million through the Department of the Environment, which will be responsible. One hundred per cent is our policy outline for the delivery of water to the irrigation districts.

Agreed to:

Irrigation Rehabilitation and Expansion	\$14,000,000
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MR. RUSSELL: Mr. Chairman, because I've listened to some of the questions and comments, I think it would be timely to quote a one sentence paragraph for the reminder of members sitting here. I'd like to read as follows:

Because of the impact of a major investment on water resources and irrigation works to the long term benefit of the Province, it would be our intention, if re-elected on March 26th, to invest a significant portion of the Alberta Heritage Savings Trust Fund in water resources and irrigation projects.

That's a paragraph from the hon. Premier's speech in Taber, February 27, 1975. It just occurred to me, Mr. Chairman [interjections] that a few people in this room are taking quite a lot for granted. You know, talking about \$200 million as if it's pretty easy to come by. I think it would be appropriate tonight if we just stopped and remembered where over the last

four or five years that \$200 million came from, how the concept of the heritage savings trust fund was possible, and the fact that in the few months since that statement was made the heritage savings trust fund has been put in place and the first capital division of that fund is before the Legislature. I just thought we were being a bit blase talking about a \$200 million irrigation project as if that's something that kind of comes and goes in the normal course of events. It doesn't.

I think the reason little chirpy chipmunk over there is sitting where he is and the rest of us where we are is because . . .

DR. BUCK: Tell us about it.

MR. RUSSELL: . . . a few people had the foresight to recognize the value of trying to put some of these funds aside in long-term investments. I only made those comments, Mr. Chairman, because I sense that not just on that side but perhaps on all sides, and I include myself in that group, we tend to be a bit blase talking about a \$200 million program. But I like to think that if I'd gone to the Provincial Treasurer or the budget bureau two or three years ago and said, I need \$200 million to do something, a few eyebrows would have gone up. It's because we've got some pretty far-sighted thinkers in this province that the kind of things we've got in here are possible. I thought it timely to remind the hon. members of that.

I think we've had a good preliminary introduction to the whole irrigation thing with respect to the comments, questions, and answers that flowed with respect to the hon. Minister of Agriculture. I'd like to answer any detailed questions that members might have. The \$9.5 million is essentially for headworks rehabilitation among the various irrigation districts in the amount of \$9 million up to the period March 31, 1978. The other half million is for continued planning and preliminary work on the Oldman River flow regulation project. That's essentially how it's broken down.

I do have some detailed figures with respect to the disposition of the \$9 million. The largest figures are \$3.1 million going into the Waterton-St. Mary headwork system, and \$4 million is going into the Lethbridge-Northern. There are lesser amounts adding up to \$9 million going into headwork systems which cover, in total, all the irrigation districts.

MR. MANDEVILLE: Mr. Chairman, on this particular vote, I think this \$9.5 million to be spent on capital works is a good start in the right direction. However, I do realize that it's not going to go very far if we start developing dams on our rivers. I'd like to have seen more money — I realize there is going to be \$110 million spent in this area over a period of time, but if we could possibly speed this up it would certainly help.

I would like to ask the minister a question. Has he negotiated with the federal government and will the federal government be cost sharing, or are they through with the cost sharing with the agreement they had here two years ago? Will the province be negotiating with the federal government in the cost sharing of these projects?

MR. RUSSELL: Mr. Chairman, as soon as the federal government completes its commitments under the agreement negotiated by my predecessor, Mr. Yurko, they're out of it. It's then entirely managed, owned, and funded by the province.

MR. MANDEVILLE: I certainly hope that the federal government isn't out of it. I would certainly be disappointed if they were. I'm thinking of just one dam I'm involved with in my own constituency, the Eyremore Dam. It could cost up to \$50 million just to build the Eyremore Dam. It would be prohibitive for the provincial government to get involved in developing such dams, and I think we need many dams.

I certainly hope that the federal government isn't out of it when they have fulfilled this new agreement and the projects they're going to work on now. One of them is on the aquaduct and one of them is on the rehabilitation of the present Bassano Dam. I certainly hope that the minister will use what powers he has to see that they don't rehabilitate the Bassano Dam. If they do, it's going to cost approximately \$20 million to rehabilitate a dam that's not going to store any water. It's only going to be a diversion dam. I think it would be \$20 million that wouldn't be spent wisely.

If they are going to go ahead with development of the Bow River project, I would certainly like to see that they build the Eyremore Dam. I realize it's going to cost more money, but they're going to be able to store water and put more acres of land under the ditch. They're going to have something permanent where they can store water. I realize there's a study on at the present time to determine whether they should rehabilitate the Bassano Dam or build the Eyremore Dam. So I ask the minister again to see that we get the federal government involved in cost sharing as far as capital works on our headwaters are concerned, and also that they go ahead with the building of the Eyremore Dam instead of the rehabilitation of the Bassano Dam.

MR. TAYLOR: I would like to commend the government again in regard to this particular item, but there is a point I would like to mention. It may not be possible to do it now, but I think it's wise in carrying out the studies — a number of which are already being carried out by the Department of the Environment — as to the future needs for water and the place from which the water is going to come.

More and more of our communities are reaching the point where their water supply will not be able to meet the demand. That means communities are going to have to go farther to rivers, lakes, irrigation canals, or some other place where there is a stabilized supply of water. This is going to cost an increased amount of money. The point I would like to emphasize is that if we can combine two or three other items useful to the province with irrigation and with the storage of water, and increase our buoyancy over the next few years, it's well worthwhile. For instance, by moving water from an irrigation canal to a lake that hasn't got enough water — and I'm talking via pipeline, not an open ditch — and on the route being able not only to irrigate some farms but also to supply water to some communities — in other words, I think a multi-use of water should be looked at very carefully.

This matter of water is so important. As a matter of

fact it's life and death for any community whether they have water. The studies the department of resources is carrying out, sometimes at the request of communities, sometimes at their own initiation, are very important. I don't think we should be rushing these studies. I'm not suggesting the department is, but sometimes the people are inclined to rush us to get these studies completed. But I think it's very important for us to know the long-term view of where our water's going to come from and how big the supply is going to be. And if we can tie irrigation water in with the replenishing of lakes which give the community a better lifespan of water supply, along with supplying water to hamlets and villages and small towns, I think this multi-use is going to pay even greater dividends than just supplying water for straight irrigation, important as that is.

DR. WALKER: Mr. Chairman, I would like to reiterate what the hon. Member for Bow Valley has said: southern Alberta needs water, it needs it very very badly. This year we got by because we had a fairly wet summer, but we have barely enough to get by. At the moment we are looking at many, many thousands of acres that could be irrigated and are not being irrigated because we don't have the water storage there to do it. When we talk about conservation of water we have to speed it up as much as possible. Let us get these public hearings under way; let us get the thing built no matter where. As far as the hon. Member for Drumheller is concerned, you say the studies go slowly. They've been studying these things since 1921. They're making tracks and they're following each other up the same track doing study after study after study till you're sick to death of studies, and nobody does anything. We are now getting to the point where we might get something done. Don't forget this is a renewable resource; it's renewed year after year after year.

The small amount of irrigated land in southern Alberta produces 40 per cent or more of the food supplies in Alberta. We also have to find a way of getting that food out of here rapidly before it perishes. We must store water on the Oldman River. But then the hon. Member for Drumheller wondered where all the water would come from. The dams we're talking about will store less than 1 per cent of the water flow of the Oldman River. It is that small. This is why they cannot be used for flood control.

When we get into multi-purpose uses, it becomes a nightmare. You want to use it for flood control: 1 per cent doesn't make a hoot of difference in a flood. You want to use it for recreation: the water level drops 12 or 16 feet during the summer just when you need it for water skiing or swimming. You want to use it for electrical power development: whenever you need the power, the water's down. It's very, very difficult to get multi-purpose use into these dams. I feel that if they're going to be built for irrigation, they should be built for irrigation and not with the idea of three or four things. Build other dams for recreation and so on, yes.

As far as the benefits to cities are concerned, surely it's a big benefit to cities and towns that are downstream. But it is not and never was in any way, shape, or form intended to provide water for industry in Lethbridge, Medicine Hat, or anywhere else. If it comes as a side effect, fine, but it is not with that

purpose in mind, as some people in southern Alberta would seem to think.

There's a great hue and cry about putting the dam at the Three Rivers site because that seemed to be the best site economically and the study said this is the place it should be. If they don't want it, fine. The Peigan Indians on the reserve want it in the worst way. Maybe we should be like the city of Calgary. It's the only place in the world that ever said to British Airways, please bring your Concorde in, we want you. They were surprised to find that anybody wanted them in any shape or form. Maybe we should look at that again, even though it is more expensive and doesn't store as much water.

But if the Indians want us there, maybe that's the way of getting the feds back in again. Maybe we can set up a deal with the federal government that they share part of the cost. The ownership of it isn't really that important, as long as it's there. But we could maybe get back into it in that way. The Minister of Federal and Intergovernmental Affairs might investigate some of the ramifications of this for us, as to what would happen if we build a dam on federal government property. They seem to have no qualms about doing some of their stuff on provincial property. When it comes down to national parks and stuff, they just say that's it. I'm not too sure someday they aren't going to say the whole of Alberta is a national park, and take it over when we get too nasty with them.

But before this dam is built, these people of southern Alberta will be crying for another dam. Now whether it's the Eyremore or not, whether it's the Gap site, no matter where, before this dam is finished they'll be ready for another one. It's just expanding that quickly, and we are looking for more and more water. I would hope the minister is working, long before this one is even started, on a second dam on that Oldman River system.

Thank you.

MR. R. SPEAKER: Mr. Chairman, I want to respond to the minister's initial comments. The minister stands in his place rather indignant and flustered and concerned about our sort of blase approach to \$200 million. Then he brings up a quote from a document of 1975 that says, we thought of this idea and we announced to the people we're going to spend \$200 million dollars, and we did it in Taber in the heart of the irrigation district just before some election. It's sort of unfortunate that that's the way administration of this government occurs — just before an election. Fortunately, the money was in the coffers, and we knew at election time there was \$1.5 billion available.

DR. BUCK: Could almost get by.

MR. R. SPEAKER: That approach to announcements and government concerns me. But I think there's even something a little more serious than that. In that statement the minister did not have the ability or judgment to recognize the real people who originated that idea, who put the work into the concept, thought about it, knew it was a good idea that would help to develop food for the world and particularly help to develop the lands in southern Alberta. That group of people composed the boards of the various irrigation districts. Those were the people who did it.

DR. BUCK: Not the PCs.

MR. R. SPEAKER: Not the Conservative caucus, not the Minister of the Environment, not the former minister of the environment.

MR. R. SPEAKER: That idea was originated by the irrigation districts back in the 1960s . . .

DR. BUCK: Hear, hear.

MR. R. SPEAKER: . . . proposed to us as the government.

DR. HOHOL: Why didn't you do it, Ray?

MR. R. SPEAKER: Right. Fine. And why didn't we do it?

DR. BUCK: Didn't have the billion and a half dollars, Bert.

MR. R. SPEAKER: Let me tell you why we didn't.

MR. CHAIRMAN: Order.

MR. R. SPEAKER: I recall when I first ran into the idea. It was presented to me in the little town of Iron Springs by the Lethbridge Northern board. At that point they wanted \$40 million. Well sure, it was brought back to cabinet. It was looked at in the budget. We didn't have \$40 million in '69 and '70.

AN HON. MEMBER: You gave it away.

MR. R. SPEAKER: Oil just didn't — revenue and so on just wasn't the same. We didn't have \$200 million to announce prior to election. I recall we were trying to look for \$20 million and we didn't have that. We had to balance our budget and be very responsible in our budgeting. Those were lows in '69 and '70. But I just raise that as information and certainly it's vulnerable information in debate.

But the point is that the minister can stand in his place, indignant, concerned, not recognizing the real people who count in this province who suggest good ideas. When they do, they should receive that recognition. I think that's just not responsible at all on the part of the minister: to stand in his place and make the statements he did. I think it's just not fair, and I certainly hope my remarks go back to the irrigation districts. Maybe they think they're rubber stamps and what they say doesn't count because somebody else is going to put their stamp on the good idea anyway. That's unfortunate.

MR. NOTLEY: I think we're in for it.

MR. R. SPEAKER: Mr. Chairman, there were some other questions, but that's the point I want to leave at this time.

MR. RUSSELL: Well, Mr. Chairman, I couldn't agree more with some of the remarks the hon. member said, but I think he missed the important point. That was that I read from an election speech which was a commitment to the people in southern Alberta: if you vote for us, one of our platform planks will be to

institute a \$200 million irrigation project. We said we'd do it and we're doing it. That's the point I tried to make.

Insofar as giving credit to the people who thought of the idea, the question has already been asked. What happened the 35 years before 1971 to all those people with the good ideas? Not too much. But I'll tell you one thing. One of the first things that happened after the election was a series of trips, by me and the Minister of Agriculture, to every irrigation council in southern Alberta asking for their further input and saying, finally boys, after all these years you're going to get it. That's the point I'm trying to make.

MR. YURKO: Mr. Chairman, it's necessary to bring in a little bit of history. Because indeed when this government came into being in 1971, there was a negotiation that had been going on for years with the federal government, while the Bassano Dam was falling apart and was in danger of falling apart.

SOME HON. MEMBERS: Hear, hear.

MR. YURKO: Indeed there were several structures in southern Alberta that were so rotten they were falling apart.

AN HON. MEMBER: Shame, shame.

MR. YURKO: The federal government was willing to sign an agreement to commit funds for years. In the process all that happened was discussion back and forth. There was a great scheme called PRIME that was being worked on from one end of the province to the other. Millions of dollars were being dedicated to PRIME and nobody in that government was paying attention to the structures falling apart in southern Alberta, for which the federal government was willing to provide money to rehabilitate. It wasn't until this government took over that in fact some of these agreements were consummated immediately and some of the repair work begun.

MR. R. SPEAKER: The minister can stand and say that. Certainly the agreements were consummated after they had taken power. But there were certain rights of Alberta we were attempting to protect in those discussions. That's why they were delayed. The minister can say all he wants.

Agreed to:
Irrigation Headworks Improvement \$9,500,000

Renewable Resources Improvement

HON. MEMBERS: Agreed.

MR. GETTY: Mr. Chairman, I was just going to thank the committee for approving the appropriation so quickly. Then I was going to ask, because of some responsibilities which I have with the Japanese trade mission tomorrow, whether the committee would agree to deal with the Alberta Oil Sands Technology and Research Authority at this time.

HON. MEMBERS: Agreed.

Agreed to:
Alberta Reforestation Nursery \$9,000,000

Development of Oil Sands Technology

MR. GETTY: Mr. Chairman, it seemed to me as members dealt with the resolution prior to dealing with these estimates that there was pretty much of a consensus. They felt the Alberta Oil Sands Technology and Research Authority was a natural investment to have in the Alberta heritage savings and trust fund capital projects division. Just to put into perspective the challenge that faces the Technology and Research Authority and the size of the prize, if you like, should we make the breakthrough the authority is charged with, should they establish through their research a commercial means of producing that part of the oil sands that must be produced through the *in situ* method — in other words, is not capable of being surface-mined — on a very conservative recovery estimate Alberta would be able to produce the equivalent of the average production per day in 1976, which is 1.3 million barrels a day. If we were to make the breakthrough on the *in situ* part, we could produce for 420 years. Mr. Chairman, the concerns many people are expressing that Canada and Alberta have a declining source of crude oil — if this breakthrough can be managed, we could have a supply of crude oil to meet our needs for as far in the future as any of us could possibly want to look. I suppose you could use any multiple of those figures. In other words, we could produce double what we are producing now for 210 years.

The only reason I'm bringing this matter up now, Mr. Chairman, is to make sure that the committee appreciates the perspective and the size of the challenge the people managing the Alberta Oil Sands Technology and Research Authority are facing.

MR. NOTLEY: Mr. Chairman, last spring during the sub-committee estimates, the chairman of the authority indicated — I'm not quite sure of the exact amount, but my memory has it somewhere in the neighborhood of \$30 million worth of applications from various concerns for funding from the Oil Sands Technology and Research Authority. First of all, the question I would put to the minister is: have there been any additional applications?

Secondly, how does the government foresee the investment of this additional \$44 million? Will that in fact be used by and large to accommodate our share, as a province, of the applications the chairman mentioned last spring? Or are there any new initiatives for funding that have come from the private sector?

MR. GETTY: Mr. Chairman, when we were dealing with the matter in estimates last spring, Dr. Bowman mentioned that the technology authority had before it requests for expenditures on a project value of \$714 million. The grant requested from the Alberta technology authority would come to roughly half of that. It's pointed out in the annual report which I'm referring to now — about \$304 million.

The authority assessed those 21 applications and determined that eight of them merit their support. The eight are a variety of research projects. The \$44 million can be considered in addition to the \$100 million already taken care of through The Alberta Oil Sands Technology and Research Authority Act. So members should consider that there will now be a commitment by the Oil Sands Technology and Research Authority to \$144 million, which will generally be matched by industry. So there will be close to \$300 million spent in research to try to establish the breakthrough I mentioned earlier.

That \$144 million of the technology authority's grants will go into a matched program on eight projects. The projects will consist of two prototypes. One will be with Shell Oil in the Peace River deposit. The other will be with Amoco Canadian Petroleum Company Ltd. in the Athabasca deposit.

There will also be support of promising processes with British Petroleum in the Cold Lake deposit, Texaco Exploration Canada Ltd. in the Athabasca deposit, and Chevron Standard Ltd. in the Athabasca deposit. Then they will also support a group — Atlantic Richfield Company, Canada-Cities Service Ltd., and Imperial Oil Limited — in an Athabasca deposit project.

They will support a new idea. An applicant proposes a method of preheating the oil sands in place by alternating electric current. The heated oil would be displaced by steam. This is In Situ Research and Engineering Ltd., a smaller company, that will be supported. Then Numac Oil & Gas Ltd., an Edmonton company, will be supported with a proposal in an Athabasca deposit.

So the research authority will be making a total commitment to what they would call a phase, a stage where they could in fact stop if they feel the research proposals are not successful, or they can make a judgment at that stage that they should pursue any one of them further. Then of course they would be approaching the Legislature to acquire additional funds to carry any one of these projects to a more final disposition.

MR. NOTLEY: Could the minister very quickly break down in dollar terms the amounts for each of the eight projects please.

MR. GETTY: The total amount estimated for the Shell Canada Ltd. project is \$150 million; the AOSTRA share, \$75 million. The Amoco Canada Ltd. proposal, \$72 million; the AOSTRA share, \$36 million. British Petroleum, Cold Lake deposit, \$21 million; the AOSTRA share, \$10.5 million. Texaco Exploration Canada Ltd., the Athabasca deposit, \$30 million total cost; the AOSTRA share, \$15 million. Chevron Canada's Athabasca deposit project, \$8.7 million; the AOSTRA share, \$4.4 million. Atlantic Richfield, Cities Service, Imperial Oil group, Athabasca deposit, \$16 million; the AOSTRA share, \$8 million. The In Situ Research and Engineering Ltd. proposal, \$6.4 million; the AOSTRA share again 50 per cent, \$3.2 million. The Numac Oil & Gas Ltd. proposal, Athabasca deposit, \$20.9 million; the AOSTRA share, \$10.4 million.

One thing I neglected to mention, Mr. Chairman, is that all the technical know-how and patent rights arising from these projects will be owned by the

authority. It's the authority's intention to make this technology available to all interested parties, worldwide under suitable licensing arrangements, and the licensing income will be shared with the company partner. The company itself will have the right to use the technology in their own commercial plants on a licence-free basis. This arrangement was worked out by the authority with industry, puts the authority in control of the technology itself, and provides for an equitable distribution of the income.

MR. NOTLEY: Mr. Chairman, first of all, could the minister advise the committee what the share is of the licensing income? Is it 50-50, 60-40, 70-30, or has that been worked out? Is that something that has to be negotiated?

MR. GETTY: Fifty-fifty.

MR. NOTLEY: The second question then: I wonder if perhaps he could expand a little on one point mentioned in the initial remarks about cut-off if particular projects don't seem to be working out. Now I take it that the projects we have already agreed to fund will vary in time all the way from a few months to, I would imagine, five years or more. So what is the mechanism? Is there an ongoing review, and just at what point once we get into a situation — let's take Shell for example. We've agreed to finance half of this project up to \$75 million. But suppose two or three years from now the Peace River project just doesn't appear to be workable, yet the company is into it for the bulk of the \$150 million. How are you going to cut out at that stage?

MR. GETTY: The authority has negotiated these arrangements with the various companies which approached them for the dollar support, Mr. Chairman, and has worked out, as I mentioned, a phased type of investment so the authority can assess after a certain period of time. Each one is different, as the hon. member acknowledged. You will end a phase at a certain period of time; it may be five years or three, or it may be eight. But at each one the authority has built in a time when they feel they will then have sufficient knowledge to make a decision as to whether they want to continue further, perhaps to a full-scale development. I don't have each one individually, as to when the year of each of those eight proposals I mentioned comes up. But I could get that.

Agreed to:	
The Alberta Oil Sands Technology and Research Authority	\$44,000,000

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

[Motion carried]

[Dr. McCrimmon left the Chair]

[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of Supply has had under consideration certain resolu-

tions, begs to report progress, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

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

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

HON. MEMBERS: Agreed.

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

[The Assembly rose at 10:06 p.m.]