

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Tuesday, March 29, 1977 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS**Bill 3
The Appropriation
(Interim Supply) Act, 1977**

MR. LEITCH: Mr. Speaker, I beg leave to introduce Bill No. 3, The Appropriation (Interim Supply) Act, 1977. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly. The purpose of the bill, Mr. Speaker, is to provide interim supply.

[Leave granted; Bill 3 read a first time]

**Bill 25
The Insurance Corporations Tax
Amendment Act, 1977**

MR. HARLE: Mr. Speaker, I beg leave to introduce Bill No. 25, The Insurance Corporations Tax Amendment Act, 1977. Mr. Speaker, the purpose of the bill is to clarify and put on the same basis for all insurance companies the premium tax on insurance premiums transferred to and received from facility.

[Leave granted; Bill 25 read a first time]

**Bill 208
The Service Station Operators'
Protection Act**

MR. NOTLEY: Mr. Speaker, I beg leave to introduce Bill No. 208, The Service Station Operators' Protection Act. Two amendments are contained in this act: the first would implement a form of functional divorce-ment, which would divorce refiners from retailers; the second would bring the wholesale price of gasoline under the purview and control of the Public Utilities Board.

[Leave granted; Bill 208 read a first time]

**Bill 12
The Colleges Amendment Act, 1977**

DR. WALKER: Mr. Speaker, I beg leave to introduce Bill No. 12, being The Colleges Amendment Act, 1977. The purpose of this act is to increase public membership on college boards, to provide for a statutory academic council, and to permit college funds to be kept in chartered banks, treasury branches, trust

companies, or credit unions. These amendments respond to requests from a variety of interest groups, including colleges.

[Leave granted; Bill 12 read a first time]

MR. HYNDMAN: Mr. Speaker, I move that Bill No. 12, The Colleges Amendment Act, 1977, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

head: INTRODUCTION OF SPECIAL GUESTS

MR. MANDEVILLE: Mr. Speaker, I would like to introduce to you, and through you to the members of this Legislature, 16 grades 5 and 6 students from the school at Gem. They're accompanied by one of their teachers Tom MacPhail, Agnes Braun, and Angela Plett. Mr. Speaker, they were brave enough to shovel their way out of the storm we had in southern Alberta and venture up here to see how we act in good old sunny Edmonton. I would like them to rise and be recognized.

MR. FOSTER: Mr. Speaker, there are 35 students in the public gallery from my constituency in the city of Red Deer. I take pleasure, sir, in introducing them to you and to the members of this Assembly. They are from the Eastview Junior High School, grade 9. They are accompanied by their teacher Mr. Roland Moore. Could I ask that they rise and be recognized by the House.

MR. ZANDER: Mr. Speaker, it is indeed a pleasure for me today to introduce 28 students from the Tomahawk school. To hon. members who do not know where Tomahawk is, it is not too far away from the present Keephills plant between the North Saskatchewan River and Wabamun Lake.

Mr. Speaker, having completed their studies in government, this is the climax of their studies. They're accompanied by their teacher Mrs. Zander, who happens to be a niece of mine, Mrs. Sheila Campbell, Mrs. Joyce Pischke and their bus driver Mr. Holland. They're seated in the members gallery. I'd ask them to rise and be recognized by the Assembly.

MR. TAYLOR: Mr. Speaker, I count it a real honor today to have the opportunity of introducing to you, and through you to the hon. members of the Legislature, Mrs. Stefaniuk the wife of our good Clerk, Mr. Stefaniuk, and their two children. I not only welcome them to the Legislature but express the hope that they will enjoy living in this wonderful part of Canada.

head: ORAL QUESTION PERIOD**Employment in Alberta**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Advanced Education and Manpower. It really touches on both facets of the minister's responsibility. Is the government of Alberta involved in any advertising or recruiting programs

aimed at attracting people living outside the province to migrate here to join Alberta's work force?

DR. HOHOL: No we haven't, Mr. Speaker. What we have is a service of information to industry, to commerce, and to anyone who would wish accurate and objective information about the circumstances relating to that particular enterprise in Alberta, and may assist entrepreneurs with this kind of information and other assistance in eastern Canada or abroad, through Alberta House in England for example.

MR. CLARK: Mr. Speaker, then a further supplementary question to the minister. Is the minister aware of the kind of advertising being done either by industry or Canada Manpower which really isn't pointing out to potential jobholders in Alberta the need for skilled tradesmen, as opposed to a marked shortage of opportunity for unskilled individuals coming to the province?

DR. HOHOL: Yes I am, Mr. Speaker. I try to be conversant with the nature of the advertising that affects the decisions of people coming to Alberta. We do what we can with our colleagues in Ottawa. We have a manpower office in Toronto which attempts to give precise and accurate information. I'm aware that Canada Manpower generally advertises in a generalized rather than specific way.

MR. CLARK: Mr. Speaker, has the minister been able to have some effect on Canada Manpower in the advertising of the information coming out from Canada Manpower with regard to perhaps a more accurate assessment of where the job opportunities are in Alberta? I raise the question in light of the fact that recent figures I've seen indicate that approximately 50,000 people would, I think, fit into the category of unemployed in Alberta, and the bulk of those people is in this unskilled area.

DR. HOHOL: Yes, Mr. Speaker, I would think the absolute numbers are somewhat lower. Nevertheless for the most part they are in the unskilled area. Our needs are specialized and peculiar to some industry during some parts of the season, but certainly not in the unskilled area. We've had some success, but not significant.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Has the minister made it clear to his federal colleagues that the federal/provincial hire-a-student program must give solid job priority to Alberta students from Alberta educational institutions prior to catering to students from outside the province for summer jobs?

DR. HOHOL: Yes, Mr. Speaker, that's one of four or five criteria that identify the student who has first choice on students.

If I could revert momentarily to the question about influencing Manpower and Immigration in Ottawa with respect to advertising, we made one signal point with them. Without being in touch with us Canada Manpower sent a significant number of unskilled people with one-way tickets on the plane. We simply asked Ottawa to ship them back, and they did. It's

this kind of thing that sometimes makes a point for two or three months, and then the general advertising begins again.

MR. CLARK: Mr. Speaker, to the minister. Does the minister have a commitment from the federal government that under the federal/provincial hire-a-student program Alberta students will receive priority?

DR. HOHOL: I should point out, Mr. Speaker, that the hire-a-student program which purports to be national is in fact effective, and extremely effective, only in Alberta. While Canada Manpower is involved, it is spearheaded by the chambers of commerce, trade unions, and our own educational institutions as well as our department on behalf of the government. It is extremely successful. So this particular program is not specifically influenced, nor can it be, by Canada Manpower — except to some extent, because some students will still go to Canada Manpower in preference to hire-a-student program offices, of which we have a great number across the province. So in this particular program, there is little opportunity for Ottawa to influence placement. To the extent there is, we are certainly making Alberta-first hiring clear to them.

MR. CLARK: Mr. Speaker, to the minister on the hire-a-student program. Has the minister had discussions with responsible people in Alberta — namely the trade union movement, the chambers of commerce, who are responsible for the implementation of the program here — that priority definitely will be given to Alberta students?

DR. HOHOL: Yes, we've had orientation meetings of some length and duration amongst all the principals noted by the hon. Leader of the Opposition. As I said some minutes ago, a fundamental criterion, one of about six, with respect to the assignment of priorities for employment of students in Alberta is an Albertan who has been here for a minimum period of time, plus certain other kinds of criteria.

MR. CLARK: Mr. Speaker, one last supplementary question to the minister. In light of the problem experienced with Canada Manpower and the kinds of false aspirations they're building in the eyes of a number of non-skilled people coming to the province, what kind of monitoring — or to be very frank about it, keeping an eye — is the Alberta government doing on the manpower advertising taking place, especially in central Canada? How is that being monitored?

DR. HOHOL: Mr. Speaker, as members are aware, Canada Manpower offices are across the nation. We in Alberta work very closely with the regional directorate, and the person responsible for Alberta for Canada Manpower in fact reports to someone in Winnipeg. Someone in Winnipeg reports to someone in Ottawa. But we have those working relationships. One of the constant items of discussion is the matter of unskilled and skilled labor components as we need them in Alberta. So the monitoring is pretty precise. It's pretty exact.

It's important to note one of the problems, Mr. Speaker. The federal Manpower and Immigration

people have one program in place for advertising for the whole nation. This has extreme difficulties and weaknesses. We're doing all we can, as I know other regions are, to tailor Ottawa's programs to fit regional conditions that lie within provinces.

MR. TAYLOR: Supplementary to the hon. minister. Will Canada Manpower actually do the hiring of the students?

DR. HOHOL: No, Mr. Speaker. I assume the hon. Member for Drumheller is asking about the hire-a-student program. The process very briefly is that following orientation, discussion, [and] applications in the hire-a-student office, the student goes to an employer who has filed his or her or the corporation's need with the hire-a-student office. If no particular need is specified for this kind of an employee, the hire-a-student consultants or counsellors attempt to arrange an employer, discuss the student candidate with the employer, and bring them together. The actual hiring is done on an employer/employee basis. We believe this is the way it should be.

MR. MANDEVILLE: A supplementary question to the minister, Mr. Speaker.

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

MR. MANDEVILLE: Can the minister indicate whether the student farm employment program will be continued this year, as it was last year and the year before?

DR. HOHOL: I think, Mr. Speaker, that the hon. member has now moved to the summer temporary employment program. That particular program is not at the present time in the plans. I should say that STEP itself, while it's worked out, is not yet operational. The students at the universities and high schools are still there. The determination of the amount of money, the kinds of jobs that will be open, and the kinds of youngsters who will be seeking them, will not be known for some time.

Calgary Municipal/Provincial Meetings

MR. CLARK: Mr. Speaker, I'd like to direct my second question to the Minister Without Portfolio responsible for Calgary affairs. Could the minister inform the House how many meetings have been held with the mayor and city council during 1977?

MR. McCRAE: Mr. Speaker, I will try to search my memory for that. I'm not sure we've had any formal meetings in 1977. We try to have quarterly meetings to discuss matters of mutual interest to us at the request of council or the MLAs.

MR. CLARK: Mr. Speaker, a supplementary question to the hon. minister. Has it been the practice for the city council and the mayor of Calgary to attend along with all the MLAs from Calgary the meetings which the minister organizes?

MR. McCRAE: Mr. Speaker, I appreciate the member's interest in this question. The MLAs come as

they are free to. Of course some have other duties that may keep them away on a given day. Members of council by and large have attended in good numbers. With respect to the mayor, I must say that the mayor has not always found it within his capability or time schedule to be in attendance at those meetings.

I would say, Mr. Speaker, that the Member for Calgary West has generally found it convenient to be at those meetings.

MR. CLARK: Mr. Speaker, I'd like to ask the hon. minister while he's gushing with information: has the mayor of Calgary attended any of the meetings held in 1976?

MR. McCRAE: Mr. Speaker, the mayor of Calgary has not attended any of the formal meetings in 1976 of the joint committee of council and the MLAs.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister discussed with the members of city council or the mayor the results of the public opinion survey taken with regard to Fish Creek Park? Is he in a position to indicate to the Assembly the results of those discussions with city council?

MR. McCRAE: Mr. Speaker, at those meetings we've had a number of discussions on a wide variety of topics. I would think we have probably discussed the Fish Creek problem, or situation I should say. It isn't a problem; it's a very happy situation.

Frankly, at this moment I'm not conversant with the survey he refers to. If he'd care to put it on the Order Paper, I'd certainly be glad to expand more fully.

MR. CLARK: Mr. Speaker, then a further supplementary question to the minister. Has the minister discussed with city council and the mayor the reason a separate transportation grant for the diversion of Deerfoot Trail around Fish Creek Park has not been allocated to the city of Calgary this year, as was earlier indicated by the government? In his capacity as the Minister responsible for Calgary affairs, has the minister had a chance to discuss that situation with city council?

MR. McCRAE: Mr. Speaker, I'd be quite happy to comment on that. The last occasion we had formal meetings with the representatives of city council, they were quite happy with the government position on the extension of the Deerfoot Trail. I think all members will recall, if my information is correct, that we had agreed to finance that to the extent of some 90 per cent of the cost. Beyond that, Mr. Speaker, I'm not quite sure of the import of the hon. member's question.

MR. LOUGHEED: Mr. Speaker, as both the leader of government and the MLA for Calgary West, I wonder if I might supplement the earlier answer given by the hon. minister with regard to these meetings. We've had a series of meetings between the MLAs from the Calgary area and the aldermen from Calgary. I think all the MLAs feel that the meetings have been very productive and useful in terms of communication. Frankly, we're very disappointed that the mayor of Calgary, Mr. Sykes, has not seen fit to participate.

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

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

MR. CLARK: I'll have to come back to it, Mr. Speaker. Mr. Speaker, then the last supplementary question to the minister. Just to rephrase the last question, has the minister had discussions with members of city council or the mayor in Calgary regarding the matter of no allocation in the budget for 1977-78 with regard to the diversion of the Deerfoot Trail around Fish Creek Park? Have there been discussions?

DR. HORNER: That's incorrect.

MR. McCRAE: Mr. Speaker, might I refer that question to the Deputy Premier and Minister of Transportation who has specific responsibilities in that area.

DR. HORNER: Well, Mr. Speaker, if the Leader of the Opposition would bother going through the blue books, he'll find a specific allocation in the budget relative to the major continuous corridors through the two cities.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. I'm not asking with regard to a broad, general program. I'm asking for a specific allocation in the budget for the diversion around Fish Creek Park in Calgary.

DR. HORNER: That's just what I answered, Mr. Speaker. If the hon. Leader of the Opposition would read the blue book and know what's going on, a specific allocation is in there for that particular project. [interjections]

Rent Control

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Consumer and Corporate Affairs. Has the minister received any representation from landlords criticizing the government for its failure to make a decision on rent controls?

MR. HARLE: Mr. Speaker, I'm sure a number of representations have been made. I'm sure my mail will be quite various.

MR. MANDEVILLE: Mr. Speaker, a supplementary question. Does the minister have any updated information with regard to either the vacancy rates in rental accommodations or any notices of rental increases?

MR. HARLE: Mr. Speaker, not since that matter was raised in a question period last week.

MR. MANDEVILLE: A supplementary question to the hon. Attorney General. Since some landlords are attempting to evade rent controls by switching from a monthly to a weekly arrangement, what is the gov-

ernment's policy with regard to the apparent loophole in the legislation?

MR. FOSTER: Mr. Speaker, I don't have any knowledge at this time of the apparent loophole to which the hon. member refers. If someone is going to change the tenancy relationship from month to month or from month to week or the like, it can be done legally or not. I frankly have not addressed my mind to the question of whether it can be done. I wouldn't want to leave the House with the impression, however, that I'm under the impression that it cannot be done.

Social Assistance Payments

MR. LITTLE: Mr. Speaker, may I address my question to the hon. Minister of Social Services and Community Health. Could the minister advise the Legislature whether it is the normal practice of her department to reduce the benefits paid to disabled persons under the social allowance program if they have received a cost of living increase from the Canada pension plan?

MISS HUNLEY: Yes, Mr. Speaker. It's our policy in social assistance that the cost of living bonus through the Canada pension plan is treated as income. Consequently the amount paid under social assistance would be reduced.

MR. LITTLE: A supplementary, Mr. Speaker, to the minister. In that case would the minister be prepared to review this policy? I humbly submit that this practice negates the beneficial aspects of the cost of living increase and, therefore, adversely affects the recipient who must already be ...

MR. SPEAKER: The hon. member has already completely asked the question and is now arguing in favor of his position.

DR. BUCK: Good speech, Andy.

MISS HUNLEY: Mr. Speaker, perhaps it would be in order to advise the hon. member that we also allow cost of living increases in our social assistance benefits. Those will come into effect April 1.

Coal Development — Grassy Mountain

MR. BRADLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Energy and Natural Resources. Could the hon. minister indicate to the Assembly the current status of Consolidated Coal's preliminary disclosure to government for application to develop a coal mine at Grassy Mountain north of Blairmore?

MR. GETTY: Mr. Speaker, a preliminary disclosure has been forwarded to the government by Consolidated Coal. It was reviewed by various departments as required under the coal development policy and has been approved in principle. I assume that Consolidated Coal will now proceed to take their project through the normal review and approval processes set out in the coal development policy.

Farm Capital Gains Tax

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Agriculture. When a farm must be sold to permit an industrial or energy project to go ahead, the farmer is required to pay capital gains tax on that farm which, many times, leaves him without sufficient money to purchase another similar farm. My question is: has any representation been made to the federal government to waive the capital gains tax in such relocations?

MR. MOORE: Mr. Speaker, I'm not exactly sure the hon. member's statement is entirely correct, in that it's my understanding that in cases of expropriation or attempted expropriation the capital gains tax can be waived when the individual is desirous of re-establishing himself in another area. As for representations, I have not made any direct representations to the federal government on this matter. But it may be that the Provincial Treasurer or some other minister has.

MR. LEITCH: Mr. Speaker, perhaps I could supplement that by saying representations have been made to the federal government on that point.

MR. TAYLOR: Supplementary to the hon. minister. Has the provincial government given any consideration to a farm-for-a-farm plan, which would allow a farmer to buy a comparable farm without paying capital gains tax on the farm he had to sell and without having it expropriated, which many governments, including this one, do not like to do?

MR. MOORE: Mr. Speaker, I don't know whether we've given a great deal of consideration to that matter. It certainly could be considered. I know the present Expropriation Act does take that into consideration, with respect to dwellings, in the house-for-a-house concept.

MR. ZANDER: Supplementary to the minister. Did I hear the minister say that in order to receive the tax exemption it would have to go through expropriation rather than negotiation?

MR. MOORE: Mr. Speaker, I guess that would rightly be considered a matter of law. Hon. members could perhaps pursue that themselves. I just indicate that that is my understanding of it. Perhaps they should check it.

Native Housing — Faust

DR. BUCK: Mr. Speaker, I'd like to address my question to the hon. Minister Without Portfolio responsible for native affairs. I'd like to know if the minister can report on the status of the native housing project at Faust, specifically on commitments made to native residents who declined to purchase poorly built houses built on their land under the Alberta housing program?

MR. BOGLE: Mr. Speaker, as that question relates solely to a matter under the auspices of the Minister of Housing and Public Works, I will refer the question to him — I'm not sure he is able to respond today.

DR. BUCK: Okay, fine. Will you try?

MR. CLARK: He didn't hear the question.

DR. BUCK: Mr. Speaker, to the silent Minister of Housing and Public Works, I'd like to know if the minister can report on the status of the native housing project in Faust, specifically on commitments made to native residents who declined to purchase the poorly built houses built on their land under the auspices of the Alberta Housing Corporation.

MR. YURKO: Mr. Speaker, I'll take the question under advisement and provide the House with a full report on the matter. I think the houses are all occupied, but I will attempt to provide an answer.

Home Insulation

MR. NOTLEY: Mr. Speaker, I'll direct my question to either the hon. Minister of Energy and Natural Resources or the hon. Minister of Federal and Intergovernmental Affairs. In view of the program between the federal government and the provinces of Prince Edward Island and Nova Scotia to provide incentives for home insulation, has there been any discussion by energy ministers or intergovernmental affairs ministers concerning possible extension of that program across the country?

MR. GETTY: Mr. Speaker, I haven't had a discussion with the hon. Mr. Gillespie in terms of extending the program throughout the country. I have heard the matter discussed generally at energy ministers' meetings. Last year it was discussed as a potential solution to the fact that at least two of the maritime provinces were relying heavily on burning imported coal to produce electricity, and that costs were going up dramatically as offshore oil costs went up. However, Mr. Speaker, the matter of extending the program throughout the country was not discussed. It is not on the agenda for the upcoming energy ministers' meeting.

MR. NOTLEY: Mr. Speaker, supplementary question to the hon. minister. Has the government of Alberta made any representation to Ottawa for a similar plan in this province? Or has any consideration been given, in view of the \$105 million shelter we are providing this year under the rebate plan, to encouraging people to improve home insulation? Have we given any consideration to a unilateral program in the province?

MR. GETTY: No, Mr. Speaker, we haven't at this time. It may be that over a period of time [as] energy conservation becomes more urgent at the consumer level, this type of program will be considered. For my own part though, I expect a great deal of individual initiative should be followed in matters like this. I think that individuals who find the cost of heating their homes is increasing should look into the ways they can reduce the consumption, lower their costs, and provide additional insulation as a part of their own individual initiative.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the minister. Has the government com-

piled any data or commissioned any studies, or has there been discussion at federal energy ministers' meetings where there's some kind of evaluation as to the energy savings of bringing insulation up to optimum standards?

MR. GETTY: Mr. Speaker, we're discussing with the federal government a potential program which would help individual home-owners judge the benefits to their individual residences. The proposal involves energy conservation buses which would go through neighborhoods. Any individual could have the bus assess the degree of conservation in the residence and get a report on the way they might improve their insulation and conservation of energy, and in that assessment also get some idea of the costs and savings. That is one program being discussed.

As far as any broad general statistics, it's my information that the federal government will be embarking on quite an increased advertising program in that regard to make sure Canadians as a whole are paying as much attention as possible to energy conservation.

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

MR. NOTLEY: Mr. Speaker, to the hon. minister. Has there been any assessment of overall cost-savings that could be undertaken specifically in the province of Alberta, and the impact of providing incentives on lower income people, who have the problems with poorly insulated buildings? My question really relates to the program in the two maritime provinces: what the cost is, and whether the federal program could at this point in time be extended to Alberta.

MR. GETTY: Mr. Speaker, there's a direct incentive in existence right now. If you do a better job of energy conservation in the manner of insulation or with your thermostat, it costs you less. It's a direct incentive.

I don't have any figures on a total Alberta-wide potential cost-saving. I know that in government institutions some dramatic efforts are being made for energy conservation. I know the Minister of Housing and Public Works has been carrying out studies along with the Minister of Government Services to have as great an energy conservation as possible in government buildings. I've been advised by my colleague the Minister of Housing and Public Works that he discussed the matter of better insulation in terms of building codes with the Hon. Mr. Ouellet in Ottawa as well. But other than that, Mr. Speaker, I can't provide any additional information.

I think we should remember, though, that Albertans are not energy-short. If we are selling 85 per cent of our energy outside the province, they will probably have to be convinced that those outside the province are not wasting it while they are being very diligent about conserving it.

Tax Discounters

MR. STROMBERG: Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. I was wondering if the minister has considered the possibility of attaching to every income tax return form a statement advising persons to retain their T-4

slips and avoid the exorbitant charges of tax discounters, as has been done in 1977 in British Columbia.

MR. HARLE: Mr. Speaker, I'd have to take that question as notice and take a look at it. I'm a little lost in the drift of the question.

Calgary Stampede Facilities

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the hon. Minister of Agriculture. Would the minister affirm if, according to the news media in Calgary, they've reached an agreement on building the new arena?

MR. SPEAKER: If the hon. member will refer to 171 of *Beauchesne* he will find express reference to asking ministers to confirm news reports. Does the hon. member wish to rephrase the question?

MR. KUSHNER: Yes. Mr. Speaker, I wonder if the minister is in a position to inform the House if the construction of the arena will proceed in 1977.

DR. BUCK: Take it up in the estimates.

MR. MOORE: Mr. Speaker, yesterday during the course of debate in the estimates of the Department of Agriculture there was considerable discussion relative to the future plans of the Calgary Stampede board. At that time I indicated that they may in fact be able to put some of their existing structures to different or expanded uses in the event that a new coliseum or arena type structure was developed in Calgary. I did not indicate that the Stampede board had any plans to build that structure. So far as I'm aware no one else has any firm plans to build it either.

Natural Gas — Alexander Reserve

MR. PURDY: Mr. Speaker, I'd like to direct a question to the Minister of Energy and Natural Resources. I wonder if the minister could inform the Assembly if any other sources of natural gas are available for the area that is affected in my constituency where the residents of the Alexander Indian Reserve are not allowing employees to enter the compressor station.

MR. GETTY: Mr. Speaker, I'm not aware of the specific compressor stations that may be being blockaded, if that's what is happening. I am aware that the Alexander Indian Reserve inhabitants are concerned about a natural gas contract they've entered into with a purchaser, evidently upon the advice of the federal government. They're now concerned that the price is too low, and they are doing whatever they can to renegotiate a new price. I assume they're doing whatever they can within the legal restraints that all of us must live up to and within the contract they have with the purchaser. If they aren't, I would assume the purchaser will take whatever recourse is open to him under the contract.

MR. PURDY: A supplementary to the minister. So the minister indicates then that the minister or his de-

partment will not be involved in any renegotiation of a wellhead price?

MR. GETTY: Mr. Speaker, it is a matter between the seller and the buyer.

Culture Grant — Calgary

MR. MUSGREAVE: Mr. Speaker, I'd like to pose this question to the Minister Without Portfolio responsible for Calgary affairs. Could the minister advise what progress is being made by the city of Calgary with regard to the building of a performing arts centre in the city under the major facility capital grant program of the Department of Culture?

MR. SPEAKER: Unless I've [misapprehended] the situation, it would appear to be a question that might be directed to someone at the city of Calgary.

Industrial Development Policy

MR. DONNELLY: Mr. Speaker, my question is to the Minister of Business Development and Tourism. Mr. Minister, on large business projects in Alberta, does the Alberta government have a policy regarding Alberta content?

MR. DOWLING: Mr. Speaker, yes we have. Some time ago the government of Alberta developed a policy that is reflected in industrial development permits. It indicates that the permittee, who must apply through the ERCB to use a source of energy, must satisfy our department regarding Alberta energy, Alberta labor content, Alberta materials, Alberta supplies, those kinds of things.

We've been relatively successful in that, Mr. Speaker. For example, at December 31 I think the Syncrude project had something in the order of in excess of 75 per cent Alberta labor content, and in excess of 54 per cent in dollar contribution to that major project.

In addition, however, that policy is reflected in areas where we do not have an industrial development permit system, as in the Diamond Shamrock project just outside Edmonton. There was a time when we were concerned about the Alberta content in that project. We visited the principals of the company. As a result of that visit, they changed their position substantially so the Alberta content was increased to our satisfaction.

We go through a rather specific procedure in the department. Prior to the issuance of an industrial development permit, [we] first inform the company, the permittee, regarding our policy as a government and what we expect of them. When the permit is issued, our officials visit the principals of the company and determine what they propose to do relative to Alberta content. I then write them a letter and say, would you put that in writing. They respond in writing to our request. When we find that meets with our approval, we tell them to proceed.

However, it doesn't stop there. It's for the life of the project. We monitor on almost a daily basis, Mr. Speaker.

MR. DONNELLY: A supplementary, Mr. Speaker. Through your examples, Mr. Minister, I gather you

consider the policy is working. But I'd just like you to reaffirm . . .

MR. SPEAKER: Would the hon. member please use the ordinary parliamentary form in addressing the minister.

MR. DONNELLY: Sorry, Mr. Speaker.

To the hon. minister: does this policy continue right through the project, be it engineering, construction, and the purchase of equipment?

MR. DOWLING: Yes it does. Sometimes in the beginning of a project there is some displacement of figures. For example, preliminary engineering might be undertaken. In the Alberta Gas Ethylene project approximately \$25 million was preliminary engineering before the project got under way. Laying that aside, at the moment there is almost \$45 million, which is really a 50 per cent contribution to the dollar volume in that project. That is ongoing. It continues through the life of the project, through the construction phase and naturally the operating phase.

DR. BUCK: A supplementary question to the minister, Mr. Speaker. Mr. Minister, that plant just outside Edmonton happens to be in Fort Saskatchewan, the Diamond Shamrock plant. Just for the record, Mr. Speaker.

But the question I'd like to address to the minister: has it been brought to the minister's attention specifically by the Johns-Manville plant in Fort Saskatchewan that in supplying material to Syncrude they have given a bid identical to a firm in Sarnia, and the product was taken from Sarnia, not from Alberta?

MR. DOWLING: Mr. Speaker, as normal, there are all kinds of rumors which are unsubstantiated. If the hon. member from just outside Edmonton, Fort Saskatchewan, has some specific he would like to bring to my attention, I will examine it in the normal course of events and make sure he gets a proper answer.

Provincial Park Security

MR. PLANCHE: Mr. Speaker, my question is for the hon. Solicitor General. I wonder if the minister could advise the status of negotiations between the city and the province as to the policing of Fish Creek Park?

MR. FARRAN: Mr. Speaker, in the past two years the city of Calgary has had in excess of \$12 million from the province in law enforcement grants. Only Alberta cities enjoy such generosity from the province. They've also received extra enhanced policing grants, which have primarily gone for crime prevention.

In 1975 I had correspondence with Chief Sawyer, who agreed that a special mounted patrol using horses in the summer and snowmobiles in the winter was needed for their large parks such as Fish Creek, Glenmore, and Nose Hill. Incidentally, I also believe such a patrol is needed in Edmonton for the deep ravines and river valley.

But in the interests of local autonomy, Mr. Speaker, I can lead a horse to water, even a police horse, but I can't make it drink. Neither city has gone along with the suggestion. Both cities are responsible for law enforcement within their boundaries. This year Cal-

gary city police have accepted responsibility from the RCMP for a small portion of Fish Creek Park outside the city limits. In my view, Calgary and Edmonton can properly police their big parks only with a special patrol, and they can't be properly policed from patrol cars.

MR. CLARK: Mr. Speaker, a supplementary question to either the Solicitor General or the Minister of Recreation, Parks and Wildlife. Has either minister had representation from Calgary with regard to Fish Creek and that portion of Fish Creek which was to be left as a wilderness area? The question really deals with the deterioration of the wilderness area as a result of vandalism and the lack of a watchful eye as to what's going on in that portion of Fish Creek Park.

MR. FARRAN: As a result of our negotiations, Mr. Speaker, the city did block the entrance to the former Sullivan property — I think it's now owned by some strange company like West Indies Airlines — privately owned property where the vandalism was taking place, and this is now substantially reduced and the area has been cleaned up. However, the city took the view that their police would only respond to complaints and would not put on a permanent patrol. But the barriers have stopped cars from getting into that particular area.

MR. PURDY: A further supplementary to the Solicitor General or the Minister of Recreation, Parks and Wildlife. Will the two departments give serious consideration to allowing the park rangers in these parks more power so they can enforce some of the provincial and Criminal Code statutes?

MR. FARRAN: Mr. Speaker, within the city limits the only police empowered to enforce the Criminal Code will be the city of Calgary police and the city of Edmonton police.

MR. ADAIR: Mr. Speaker, if I may respond in addition to that. I think the powers are there for the officers within park boundaries. One of the concerns we have had in that area being negotiated for purchase is that in fact it isn't within the park boundaries right now. That precipitated the discussions between the Solicitor General and the Calgary city police.

MR. PLANCHE: One last supplementary if I may, Mr. Speaker. Has it then been established that the city of Calgary will be responsible for the area within the boundaries of that park, even though it is a provincial park?

MR. FARRAN: Yes, Mr. Speaker. I would just repeat that the Calgary city police are responsible for policing entirely within the boundaries of the city of Calgary. This park largely falls within the boundaries. The small piece outside the city limits will also be policed by the city of Calgary police, and not by the RCMP, by special agreement.

MR. YOUNG: Supplementary, Mr. Speaker, to the Solicitor General. Is it the policy and procedure that in provincial parks which are heavily used there should be police patrols which are other than automobile patrols?

MR. FARRAN: Mr. Speaker, no we haven't got special RCMP park patrols in other parks. But the situation is a little different with a large park in a metropolitan area, where the population is very dense and people can walk from the urban area into this rough sort of territory. Certainly we haven't got mounted RCMP patrols in provincial parks in other parts of the province, in the eastern slopes for instance. There the policing, so far as by-laws and provincial statutes are concerned, is done by wildlife officers from the Department of Recreation, Parks and Wildlife. Enforcement of the Criminal Code is still done by the RCMP from patrol cars, unless some incident takes place where they have to move on foot into the rough natural areas.

MR. SPEAKER: We have a very short time left. If the hon. member can ask a very short question which might elicit a very short answer, we can fit it in.

MR. CLARK: Mr. Speaker, having regard to the fact that the question is to the Minister of Housing and Public Works, and having regard for his voice and the fact that the question deals with the Airdrie mobile-home park, there's no way it could be a short answer.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

MR. FOSTER: Mr. Speaker, I move the following motions for returns stand and retain their place on the Order Paper: 101, 115, 127, and 128.

[Motion carried]

132. Dr. Buck moved that an order of the Assembly do issue for a return showing:

- (1) the name of each legal firm engaged by the Alberta Opportunity Company during the period April 1, 1976, to March 1, 1977, including the name of the specific lawyer or lawyers dealt with in each case;
- (2) the nature of the service supplied by each legal firm referred to in (1), including the amount of the fee charged for each such service.

[Motion carried]

133. Mr. Mandeville moved that an order of the Assembly do issue for a return showing:

- (1) the name of each legal firm engaged by the Agricultural Development Corporation during the period April 1, 1976, to March 1, 1977, including the name of the specific lawyer or lawyers dealt with in each case;
- (2) the nature of the service supplied by each legal firm referred to in (1), including the amount of the fee charged for each such service.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

1. Moved by Dr. Backus:

Be it resolved that the Legislative Assembly urge the government of Alberta to consider enabling legislation and other measures to identify donors of human tissue for organ transplant, and for the rapid collection and transportation of these donated organs.

DR. BACKUS: Mr. Speaker, it may be felt that this topic is highly technical and of rather narrow interest. In fact it may even be felt that I have some personal interest and conflict of interest in it. But I can assure hon. members I don't do heart or kidney transplants in my spare time. Because of the apparent narrowness of the subject, Mr. Speaker, I trust you will forgive me if I'm a little philosophical to begin with.

It has been said that to understand life we must first consider death. Death is no punishment, nor does it cause pain or suffering to the person who dies. It's really those who are left behind who suffer. All death does is apply a full stop to the history of that person, and he or she can neither add to nor subtract from the good or the evil, the love or the hate, he has provided during his life. It is not what we have achieved that lives on, but how those achievements have affected others. Therefore, in most respects our credit and debit accounts are closed with death.

However, Mr. Speaker, there are two ways a person might still make some contribution after death to those who live after him. First, through a will, he can bequeath all his worldly goods to those he loves or respects and, in this way, can make some further contribution to mankind. However, very often this contribution to mankind has been anticipated, is often fraught with considerable friction, and sometimes does not provide the contribution that person would like to give.

The second is the donation of some part of his physical remains by deciding before death that when his body is to be committed with due reverence to a land fill operation or to an incinerator, he would like to preserve some part of his remains for furthering education, helping medical research, or providing other people with some vital parts they require due to disease.

These contributions have become extremely important in the days of modern surgery. Eyes can be contributed, and corneal transplants can be undertaken. To give you an idea of its importance, I would like to point out that over the last few years — let's take 1973: 106 eyes were received, 67 transplants were done, and 15 people were still waiting for suitable eyes for transplant, because not all donated eyes are suitable for transplant. In 1974 there was an increase to 140 in the number of eyes. But there was also an increase to 27 in the number waiting. Last year there was a falling off of the number of eyes received. It came down to 84. Although 42 transplants were done, 99 were waiting. This can make a vital difference to a person's being able to see or not.

The same problem arises with regard to kidneys. There are many people whose normal life depends upon receiving suitable kidneys for transplant, and a very limited supply of kidneys is being provided.

The same also applies to the pituitary gland, in that the extracts which can be obtained from pituitary

glands can be used to relieve people suffering from a lack of pituitary hormone and bring them to a normal growth and development. If they do not receive this hormone their growth and development will be stunted and impaired. So one can see that all these donations are tremendously important to people in this province and all over the world.

I think too that the people who are prepared to make these donations are rather special. I think they have to be a special type of person. Not too many of us sitting around, when we start thinking of having our eyes plucked out or some portions of our anatomy taken, can think of it with any enthusiasm during our living days.

DR. BUCK: How about hair transplants?

DR. BACKUS: We'll come to that. It's always a joy to have the hon. Member for Clover Bar contribute to the debate. I believe he enjoys sort of reaching in there and grabbing hold of those pearls of wisdom. With that flick of his wrist that's such an accomplishment amongst people of his profession, he wrenches them out, looks at them, often with disdain, and throws them aside in the cuspidor or whatever it is they have to throw the teeth in.

DR. BUCK: We're doing transplants.

DR. BACKUS: I would point out that whenever he does this, he leaves a great bloody hole. I say "bloody", meaning it in the way it's meant to be used. However, I must say that very often when the hon. Member for Clover Bar contributes to the debate, his contribution leaves a bloody great hole.

I think the need for these is very apparent. But I would like to point out too, as I said at the beginning, that it's not the person who dies that suffers; it's those who are left behind. I think the idea of a person donating some part of [himself] in this cause is more of a hardship to those people. For that reason, very often people who would be quite willing to donate kind of hesitate to do so because they know their loved ones may be very upset by it. However, when a person has reached that decision himself and persuaded those he loves to make that sacrifice also, I think it is tremendously important that we give him the opportunity to do so.

Now, there are some real difficulties in this. First, it's very important that we can make the decision that a person is in fact dead.

This brings me to the account I heard of the doctor who was urgently called to a patient's house because the wife was very ill. When he arrived there, the husband met him at the door and told him he was too late. He went up and checked, and sure enough, the wife had died. So to relieve the husband of any distress, he called the undertaker. The undertaker happened to be in the area, and came straight away and collected the body. But it was a rather narrow staircase. As they were coming down, the stretcher on which they were carrying the wife tipped over, and she fell and struck the stairs. Somehow this stimulated her heart and her respiration again. She made an amazing recovery and in fact continued for another year until a similar situation occurred. The doctor was again urgently called to the house. He arrived, again too late, and once more called the undertaker.

The undertaker was in the process of bringing the body down the stairs when suddenly the husband rushed forward and said, for goodness' sake be careful, a year ago we had a terrible accident.

However, I think you can leave the problem of deciding on death to the more technical aspects of the medical profession.

The next problem is really the early identification of the donor. I have had instances where people have made this donation to help others. Because it's very important that these parts are obtained very soon after death, one pretty well has to know that that person is going to make the donation within an hour of dying, and sooner if possible. I have known several cases — one or two of them myself — where patients have died and maybe it's not until the wife is looking through her husband's papers that they've discovered that he had in fact donated for transplants. Of course, this was too late to do anything about it.

It's therefore very important to find some way of identifying donors. It has been suggested that one way would be for persons to always carry some special identification which indicates they are prepared to donate, and those parts of the body they are prepared to donate. It is certainly very important that they have this available at all times. On the other hand, even if they carry it in the back of their wallets where it probably gets pretty dog-eared and not very legible, one isn't going to look for it unless something draws one's attention to the fact that they are carrying this card.

Some people have suggested attaching it in some way to a person's driver's licence. We often look at drivers' licences, and sometimes the people die in road accidents. It's from these people, if they have donated some part of their body, that you may be able to recover a healthy organ for transplant. They feel that because they're in a car accident, we're going to look at their driver's licence and find out they are prepared to donate.

However we also use the driver's licence for identification for cheques and for policemen to identify us, whether we're old enough to drink and things like that. It is my personal feeling that the driver's licence is not the particular document that should carry the indication that the person will donate organs for transplant. Most people who are prepared to donate end up in hospital either before or soon after death, and the one document that is nearly always examined on a person's admission to hospital is his Alberta Health Care Insurance card.

Now Alberta Health Insurance is trying to persuade people to carry their identity cards with them and have them available at all times. I think these are not used for any purpose other than medical treatment. If we could in fact have Alberta Health Care Insurance add a suffix to the number on your Alberta Health Care number, maybe add D at the beginning, it would be an indication that this person is a donor and, therefore, we could look further to find out what particular organs he was prepared to donate.

This suffix would be recorded in hospital whenever they're admitted. It would be recorded in the doctor's office whenever they attend there. Therefore it would be known ahead of time that that person was prepared to donate. I think this would be a much better way of identifying the donor because, as I say, if somebody is rushed to the hospital on the point of

death from whatever cause, whether it's a road accident or just a sudden illness, nobody is going to look at their driver's licence or examine their wallet to see whether they are prepared to donate organs or not. But we will notice their Alberta Health Care number.

The next problem is the early collection and transfer of the organs. I think if the person can be identified rapidly, there would not be too much of a problem collecting the organ. I think the various hospitals throughout the province could establish appropriate teams to collect the organs individuals wish to donate for transplant. If they were then able to collect them, we then have the urgent transportation of these collected organs to centres where the actual transplantation would be done. This probably requires the development of some teamwork and organization, and I think would entail certain expenses on the part probably of the government, unless we could get it from such organizations as the CNIB or the Alberta kidney association. But it would require very definite organization, something in the realm of emergency or ambulance service, so these organs could be rapidly transferred from outlying areas to Edmonton or Calgary which are the only areas where transplants are being done at the present time.

It is a matter of either achieving this or of saying there is no point in anybody donating these organs if they're going to die anywhere but in one of the large hospitals in Edmonton or Calgary. I feel that people who are going to make this donation — make this gift of sight, gift of life to other people — are very special and are people not only prepared to make this sacrifice to some extent themselves, but are prepared to have their loved ones make the sacrifice as well of having these organs collected. I think these people should not be denied by the mere difficulty of instituting a proper program. They should not be denied the opportunity to give this very significant gift. I would certainly want to encourage people to give the gift. I'd certainly want to encourage those who are prepared to by showing them that something really can be done about it if they are prepared to make this fantastic donation to other people's lives.

Thank you.

MR. MUSGREAVE: Mr. Speaker, I would like to add just a few words to what the hon. Member for Grande Prairie has said. I think support of this resolution by this Assembly would, if nothing else, publicize The Human Tissue Act and perhaps bring to the attention of the public the desirability of donating organs, particularly those of younger people. I think it would be most helpful if the idea of organ transplant donations became more universally accepted.

By adopting this resolution I think many of us would feel that doctors are the logical people who should be promoting this idea. However most of us appreciate how busy they are. There are a lot more laymen than doctors, so perhaps this should be a responsibility taken on by laymen to promote the idea of donating organs of those people who die — healthy if they're of old age, or prematurely from accidental death if they're younger.

Unfortunately in our society there's a reluctance to accept death, and some of us won't even write wills. Part of the reason is we don't want to pay the exorbitant fees charged by lawyers, but I think basi-

cally most of us just don't want to accept the fact that we're not going to be here forever. As the hon. member pointed out, certainly kidney transplants would release people from dialysis machines, would give them a new lease in life, and I can't think of anything more helpful than providing sight for the person who has been blind for many years.

One area I'd like to consider, though, rather than go the route of identification the hon. member suggested, is that we could hark back to the old idea they used in the armed services. We used what they called dog tags — and they're not for dogs, they're for human beings — tags everyone wore all the time, first of all to identify you, but they have been used for other purposes. Perhaps we could adopt the idea of a bracelet that a person could wear. They could wear it around their ankle or their wrist, or they could have a necklace around their neck, whichever they chose. It could have a metal tag on it that would have different colors for different categories of organs people may want to donate. I think it would be a very quick way of determining the donors' wishes and it could be a program that could be kept current. You don't have to rely on a computer centre; you don't have to rely on someone making phone calls; the evidence is right there before you. I think this kind of approach might be the answer to the quick identification which is so important in the effectiveness of this program.

I think the hon. member covered all the other points. I think it's such an excellent idea that I hope it passes this Assembly and receives strong support throughout the community.

MR. FARRAN: Mr. Speaker, I'm most grateful that the hon. Member for Grande Prairie brought this subject up in the House. Nothing is more certain in life than death. People worry about declining birth rates, but the death rate remains at 100 per cent. So far as I'm concerned, if anybody has any use for any part of this old body of mine when I'm done with it, they're welcome to it.

DR. BUCK: Nobody would want it, Roy.

MR. FARRAN: In this province The Human Tissue Act is the pervading legislation, which provides that any person over the age of 18 may, in writing at any time or orally in front of two witnesses at the time of last illness, donate his body or any specific part of his body for medical education or research. This is held to cover transplants.

When I assumed responsibility for this portfolio some two years ago, I was approached by several organizations interested in the donation of human parts, which drew my attention to a new program in Ontario where a donor form is attached to a driving licence. Apparently this has had a remarkable effect on the number of donations in the province of Ontario. They were at a very low ebb. The number of donations went up remarkably when the hon. Mr. Rhodes, the Minister of Transportation at that time, agreed to the attachment of this form to the driver's license.

It was drawn to my attention that there's a great need in Alberta, particularly for eyes. The more glamorous transplant operations like kidneys, liver, and heart are very much in the public mind, but they're comparatively rare compared with the great

number of eye transplants that take place. In Alberta during 1976, 84 eyes were received, 42 transplants were done, and 99 were waiting. Since 1967, some 927 eye donations have been received and 452 transplants have been done, which is a remarkably high number over a 10-year period.

The people who drew this proposition to my attention included the Memorial Society of Edmonton, Dr. Clark of the AMA, the Human Parts Banks, the Eye Bank, and the CNIB. They also pointed out that a similar program existed in Nova Scotia and was operating successfully. There were a small number of objections from people who thought it somewhat ghoulish to solicit human parts, but this was considered insignificant in the Ontario and Nova Scotia experience.

Our problem was that we had taken the modern route toward a plasticized driving licence, onto which it is especially difficult to make an attachment when a photograph has to be imposed at a later date and sealed in a special unit by heat process. So we looked at the possibility of doing it with the certificates of registration for the motor vehicles. But those concerned didn't think this was appropriate because it was too far away from the person, more attached to the vehicle than the person. We thought of a possible attachment to pink cards across the country. This met with the same objection, that the driving licence was the one document that seemed to be carried by everyone.

This very day we have been meeting with people concerned, with a view to giving serious consideration to the introduction of such a plan next year. They are wondering whether it can be done roughly as follows, because of the difficulty of the plasticized driving license. A special donor card would be given to everybody renewing their driving licence. The card would indicate vital statistics of the licence holder, including the driver's licence number. It wouldn't contain a photograph, nor would it be plasticized. Both the organ donor card and the plasticized driving licence would be placed in a little vinyl folder for convenient carrying in the pocket.

We're hopeful that this program will be ready for institution next year if the costs are within reason and if it meets with the approval of everybody concerned. The other alternative, if this is not thought to be a proper course to follow, is that the motor vehicles branch could give away separate literature at the time licence plates are sold.

I think it's a most worth-while cause, and one that really does deserve support. I congratulate the hon. member for bringing this in and the hon. Member for Calgary McKnight for giving his support, and I urge all members to signify their approval by agreeing to the motion.

DR. WALKER: Mr. Speaker, as the hon. Member for Grande Prairie suggested in his philosophical remarks, this is a very morbid subject. Nevertheless I think in this debate we must be very careful not to lose heart — or if we do, we'd better make it identifiable.

The biggest single problem with organ transplant surgery is overcoming the delay in identification and the legal process when a person has donated some or all organs to assist the living in the case of his death. In a recent case under my own care, a young man

had a massive stroke and the only compensating factor in the whole sad situation was the fact that two other people benefited from the transplanting of his kidneys. Fortunately he lived for several days, in the sense that he breathed and his heart kept beating, and therefore his kidneys also stayed viable until everything could be arranged for transplant into the beneficiaries.

There has to be some sort of rationale in the donation of human tissue. Corneal transplants to restore sight of the injured, referred to by the hon. Solicitor General, must be done within a matter of hours of removal from the deceased donor. While it may be very magnanimous for Albertans to go around donating their eyes, by the time they are transferred to a large centre for transplant the tissue is of no value. The only cornea donations of any value are those from victims who die very near the surgical centre.

There are all sorts of suggestions to arrange rapid identification in transfer of tissues. The hon. Solicitor General suggests drivers' licences; the hon. Member for Grande Prairie suggests Alberta Health Care cards. You can have universal donor cards, registers, and all the rest of it. I personally feel some sort of identification band or necklace, such as the Ident-A-Bands presently in use, must be provided. Changes should be made in our legislation to allow a medical doctor to go ahead with tissue transfers without further legal obstacles, should the donor be involved in a fatal accident or other misadventure befall him or her.

Heart transplants are a thing of the very near future in Alberta. So we must make it legally, morally, and ethically possible for such rapid transfer to take place. Perhaps the awful pain and waste of a young life can be turned into something useful to another human being.

Some young people in our province are unable to grow into normal, healthy, full-grown adults because of lack of the growth hormone — the one referred to by Dr. Backus — produced by a little gland in our brain the size of a pea. The only source of this hormone is human pituitary glands. Is there any way we can legislate to allow a pathologist to remove the glandular tissue routinely from subjects of his autopsies, and then process it for extraction of the growth hormone?

The medical and legal professions throughout the world have been wrestling with the very major problem of trying to define death. Until the days of transplant surgery, death was amply defined as a cessation of breath sounds and heartbeats. But with modern technology the breathing can be artificially maintained, the circulatory system kept functioning normally for days, months, and even years after all brain function has ceased, which is now reckoned in most countries as technical death.

But just as the opposite used to apply during a heart operation, respirations were stopped as well as heartbeats for fairly long periods of time, and under the old definition the patient was technically dead for several hours. This caused very great consternation amongst the theologians as they sought to find out what happened to a man's soul during this period of apparent death.

During the introduction of The Human Tissue Gift Act in Ontario, the medical/legal joint committee in Ontario recommended that donations for *intra vires*

transplants be limited to those persons who had attained the age of majority. This recommendation was also implemented in the provisions of Section 3 of The Human Tissue Gift Act there in 1971, and adopted in Section 3 of the model act of the conference.

I would have no hesitation at all in recommending that the Assembly adopt this resolution introduced by the hon. Member for Grande Prairie asking the government to consider legislation to identify donors and to accelerate the collection and transfer of such donated organs.

Thank you, Mr. Speaker.

DR. BUCK: Mr. Speaker, I would like to say a word or two on this resolution.

First of all, I would like to say to the hon. Member for Grande Prairie that I was serious when I thought that possibly he and I and several other hairless members of the Assembly could use hair transplants.

But seriously, Mr. Speaker, I think the greatest problem we have is basically the fear of the people who are potential donors. I know the medical people are going to say, well after the person is dead he's not going to show any fear. But it's the fear process before the person is convinced he should be a donor. It's rather like the problem the Red Cross has when it is asking for blood donors. People are actually afraid to become a blood donor because of their practically inborn fears of anything medical. We even have that problem in my profession with patients who neglect to come to the dentist for years and years and years because of this abnormal fear.

So the portion of the resolution I would like to try to promote is that the government or the people who are concerned with donation of human tissue carry out a campaign, first of all to indicate to the people of the province how essential it is that they act as donors and how it can help someone who is still living. At the same time we do this and promote the use of donor tissue, as was mentioned, we must have a system of getting the donated parts to the centre very, very rapidly.

This brings up a resolution, Mr. Speaker, that this government has not acted on, a resolution passed by this Legislature that we have some type of grid system of ambulance services throughout this province. Some day, Mr. Speaker, on a different occasion, I am going to ask the Premier of the province what has happened to that resolution. Because that is a direction given by this Legislature to the government asking them to act on a grid type of ambulance service.

So, Mr. Speaker, the problems are: first of all, to encourage the people of this province to act as donors. Secondly, there must be a mechanism in place so we can bring the donors to the recipients in the least possible time.

The problem of course was mentioned of how to identify who wishes to be a donor. Of course I think the system the hon. member from Calgary Mr. Musgreave mentioned, the identification bracelet, seems to be the most practical. Because with that you could also incorporate people who are allergic to certain drugs, and other medical problems — people who are using insulin. In many instances people will collapse on the street from lack of insulin, or who are epileptics and you don't know what has happened to them.

For the layman, to have a person collapse in front of you is certainly a frightening experience. I remember very vividly when I was finishing my training at the university. We were going to a show on Jasper Avenue. All of a sudden this fellow rocks on the back of his heels, and he starts going down like he's been poleaxed. His little 5-foot wife grabs him on the way down. Well, he practically shattered the concrete with the back of his head because he was having an epileptic seizure. Fortunately this gentleman was with his wife, so she knew what to do with him. But had this occurred when he was by himself, it certainly would have posed a problem. So if we had the identification bracelet, these things could certainly be on the bracelet, as well as the fact that the person wants to be a donor.

So, Mr. Speaker, I think the resolution is certainly timely. If there is anything we can do by passing a resolution such as this to indicate to the people of Alberta that the shortage of donors is very, very acute and constant and chronic — it's always with us — whatever we can do in this Legislature to promote the donation of live tissue, Mr. Speaker, would certainly be worth while. I certainly support the resolution and thank the member for Grande Prairie for bringing it in.

Thank you, Mr. Speaker.

Supplementary: they do transplant teeth too.

[Motion carried]

2. Moved by Mr. Stewart:

Be it resolved that the Legislative Assembly request the government of Alberta to review the policy of lease assignment on public lands.

MR. STEWART: Thank you, Mr. Speaker. In moving this motion, I would first like to review what has taken place on lease assignments over the past years.

In 1959 the grazing lease assignment regulations were revised to authorize the collection of 50 per cent of the net consideration paid for any grazing lease. The net consideration did not include improvements on the lease or any portion of the actual assets that were part of the sale agreement. This involved a considerable amount of investigation to qualify the actual net value of the lease assignment. When transfers were being made, it was the subject of much controversy and a great delay in time.

In 1976 there was a revised system of grazing lease assignments. This incorporated a new set of regulations that had several basic factors comprising a formula that would set the assignment figure on grazing land. The base figure of this formula was the average actual consideration paid for grazing leases during the base period 1973 to 1975. Other items in the formula were the carrying capacity of the land, the average sale price per pound of cattle in Calgary in a market period from July to December, the grazing district in which land was located, and the annual weighted average grazing land value in each district. These factors comprised a formula which would be reviewed from year to year.

This formula — varying from zone to zone, and carrying capacity within the zones — made an assignment charge variation from 11 cents an acre to \$8.98 an acre. This has met with some criticism by interested people, such as the association of municipi-

palities and counties, who believe the assignment fee is not high enough in view of the value placed on grazing leases.

Mr. Speaker, I believe the whole formula and philosophy of grazing leases in Alberta has evolved from the fact that we felt a lot of our land was not suitable for agriculture and should be carried in the form of grazing land for the conservation of soil. I think we have to review the fact that as land values on private land throughout the province have risen, there has been a tendency over the last few years for people to bid very high for the privilege of obtaining grazing leases.

This is reflected in young people starting out in the industry being bid out of the market and out of the opportunity of using a large portion of the land in this province that's still held as public land. It's my view that we should consider a more equitable way of assigning these leases so that younger farmers and ranchers who are coming on and taking over in this province have an equal opportunity of getting started in areas where a majority of the grazing land is Crown land.

I think consideration should be given — I'm not really definite in my own opinion on this — to maybe putting some of this land up for sale over a period of time. There are ways of controlling grazing and land use in this province other than keeping it Crown land, and I think these should be given consideration.

We're looking at possibly having to spend government funds to improve large areas in the northern part of our province to the point where they have any value for grazing. There are certainly opportunities there for young people to get into the agricultural and livestock industry. But in the parts of the province where we have traditional grazing leases that are trading for high values — unless they're passed on within a family, where the assignment fees are limited to a maximum of \$50, where the assignment is within a family and no assignment charge is made for the transaction — I believe we've got to give our young farmers the opportunity to share in the chances of obtaining these Crown leases.

There's no doubt in my mind that as time goes on, it's going to become more difficult for young people to get started in this industry. The escalation in private land values over the last four years has made it almost prohibitive for young people to start farming in some areas. I believe this should be considered. Possibly we can still encourage our young people to participate in this industry if there's some manner of assignment of leases that will give consideration to the younger generation coming up.

I would encourage the rest of the members to express their points of view on this subject. Possibly some new ideas can be developed.

Thank you.

MR. HYLAND: Mr. Speaker, as I rise to take part in this debate, I'd like to thank the Member for Wainwright for bringing forward this motion so we are able to discuss fully the lease assignment situation.

I realize that a short while ago the assignment fees were reorganized and a set amount regulated so as to cut down on the time previously needed to get it through. Also the proper amount paid was open to great interpretation by many people. For a while in the old system of lease assignments, a lot of people

were paying a lot of money for what they were getting. With the present cattle situation, they are probably having a hard time paying it back. But now the assignment fee schedule is out. When one goes into a deal, he knows what he has to pay for his reassignment fees.

I think a committee should be set up, not just within the department, but with a number of people: legislators, ranchers, and even some small cattle operators who have grain farms as well as a number of cattle and maybe some leased land. We do it with a number of other things in this House; we set up committees to study various things, supposedly to give a different slant on the problem at hand. I think it would be very beneficial to do this with lease assignments, to look at assignments as well as the use of the land. If you take assignments literally, I suppose you could say the use to which the land is assigned as well as the amount of money in the assignment. I believe a committee would be very beneficial in studying this. They could hear a number of presentations from various people in various walks of life, and would be able to make recommendations to the department or even to this body.

Another area I'd like to touch, Mr. Speaker, is the present system of the 10-year leases. I don't know if there has been any trouble for young farmers who have been buying ranches or parts of ranches; what trouble they're finding in obtaining a loan with a 10-year lease and a mortgage with a 20-year repayment, as in a great many land deals. I'm not sure what this involves, but I would ask the minister if at all possible to write something into the lease so that if a farmer or rancher, once he obtains the lease and is awarded a lease, continues to operate he would have the ability to renew it, thus maybe making it easier for him to obtain his mortgage.

Mr. Speaker, I believe that of all the grazing leases that have been assigned through the activities of the Department of Energy and Natural Resources, many of these have been manipulated in a great many ways. People with a high assignment fee have done a great many things to keep the price of the lease down; for example, raising the price of their deeded land to whatever the guy would pay for it and keeping the lease assignment down, and deals like this. I think a new schedule will help these kinds of deals considerably, because whereas the lending institutions will only lend so much per acre of deeded land and they know what the cost of transfer fees will be, it will help considerably toward the transferring of fees.

Another point of the assignment fees is one which has come up this year. I don't know how far the amount of snow we had down south will go toward curing the problem, but I believe the department and the minister should look at some sort of special consideration toward those who are in trouble with regard to watering supply for their stock. Even though the grass may be there, it isn't much use to you if you've got no place to water your cattle. You've got to have water as well as grass. I would ask the minister to take some sort of consideration into effect to help alleviate part of this problem. Mr. Speaker, I do realize the price per acre of grazing is pegged to a formula on cattle prices and cost input, but with the way the water situation is right now I would ask him if he would consider looking at this input. A number

of ranchers have said that even in the '30s, when we didn't have too much rain during the year, in most cases there was sufficient run-off to keep a reasonable amount of water in these areas.

Also under the assignment, I suppose one could say: who should leases be given to now that negotiations have been conducted to keep the herds of large ranches trimmed to a certain number? At some time in the future large amounts of land will be up for reassignment to somebody. I would request the minister and the department to actively consider that these lands be made available in the form of community pastures so the greatest number of people could get use out of them. Be it a grazing reserve type or a community pasture association, a group of people would rent or lease the land. Members would administrate the total operation themselves, and the government wouldn't be involved in any way. I would hope that the reassignment of these lands goes in this direction instead of reassigned to one group or another in particular.

Thank you, Mr. Speaker.

MR. SPEAKER: Are you ready for the question?

MR. WOLSTENHOLME: Sorry, Mr. Speaker, I was a little slow on the draw.

Mr. Speaker, it's my pleasure to make a few remarks on Motion 2. I'd have liked to have seen it a little broader. I'd have liked to have seen it cover a little more than just assignment. So as not to repeat what has already been stated, my remarks will be short.

I've never had any experience with leased land, so I must rely on representations made to me by some of my constituents. It is generally known that ranchers and farmers are individualists, so of course I've got a variety of remarks and concerns about this problem — well it's not really a problem — but about leased land and assignments. It's reasonable to assume that when land is leased, under the present system of assignment the person leasing the land has quite an outlay and quite a bit of money involved. So it would be reasonable to assume that with this type of investment they would have to have a fair length of lease time in order to plan properly for the future.

Another concern voiced to me by a number of my constituents, and particularly by one of my ADC boards, was about the leased land that becomes surplus when an owner is deceased or retires. The estate or retired person then sells the rights to the leased land along with his own deeded land. It hardly seems fair that these lands which belong to all Albertans should be auctioned or sold to the highest bidder, thereby making considerable extra money out of land that belongs to all Albertans. I would urge that any action or change that would assist young people or small operators to acquire leased land be encouraged. These are just some of the concerns that have been posed to me by my constituents, so I would readily endorse this motion.

Thank you.

MR. THOMPSON: Mr. Speaker, I too would like to support this resolution. Before I start on it, I would like to say that I support the concept of grazing leases the way they are operated in the province. I think grazing leases are a necessary part of Alberta, and as

far as the beef industry is concerned, grazing leases have always been part of this area.

If it wasn't for the amount of Crown land we have in Alberta at the present time, many community pastures would not be able to get organized because they wouldn't have a chance to get a grazing lease. As far as this resolution is concerned, the regulations were changed in 1976. The length of the lease was reduced from 20 to 10 years, and the assignment fee was changed to a per-acre basis which varies from year to year.

I know the rates were set by regulation, Mr. Speaker, but I have some trouble understanding the drastic variations. Basically the province is split into three zones: A is the southern zone, B the central zone, and C the northern zone. Besides this, Zone A is split into two parts, A(1) and A(2), by Highway 2. But I'd like to give the Assembly some figures. I will use rates for comparable land, that means in every zone. In the figures I'm using here, it takes 24 acres to support a cow and a calf at foot. In Zone C the assignment rate is 27 cents per acre, or a total of \$6.48 per grazing unit. In Zone A(2) the assignment rate is \$8.98 an acre, or a total of \$215.52 per grazing unit. This is over 33 times what it is in Zone C. I can't say whether one is too high or the other too low, but I really believe the variation is too great. Even on the east side of Highway 2 it is less than half what it is on the west side. Mr. Speaker, that isn't a very wide highway.

I also realize there is far more Crown land in the north than in the south. This affects the assignment fee to some extent. But as the resolution states, I feel some review should be made on this situation.

Incidentally, I am happy that legislation is being introduced which will allow the minister concerned to buy land as well as sell it. This will allow consolidation of scattered blocks of either Crown or deeded land, and I feel will allow both the government and private individuals to benefit. For example, in the M.D. of Pincher Creek 268 quarters of Crown land are surrounded or partially surrounded by deeded land. It could be an advantage to try to collect this land into blocks, some Crown and some private blocks.

Therefore, Mr. Speaker, I thank you for your attention.

MR. HORSMAN: Mr. Speaker, in rising to take part in this debate on this matter of very great concern to many people in Alberta, I wish to commend the mover of the motion for having brought it forward to the Assembly for the opportunity of debate.

May I say in preliminary remarks that this has been a matter of considerable concern to me for a number of years, in view of the fact that the southeastern corner of Alberta is largely dependent on agriculture for its economic health, in particular upon the beef cattle industry which has been of very great importance in the development of my constituency of Medicine Hat-Redcliff. Even though I do represent the city of Medicine Hat and the town of Redcliff, the economic well-being of the beef cattle industry has played an important role in the growth of my constituency.

When it comes right down to it, Mr. Speaker, I suppose it is fair to say that the health of southeastern Alberta for a number of years has been dependent upon the beef cattle industry and natural gas. It is true that irrigation is now moving into our area and

has been for the last 20-odd years. That has changed the picture considerably. Nevertheless it is still very true that agriculture is the base industry of the province of Alberta. Whether we are representing urban or rural ridings, we must all be cognizant of that fact.

In my practice as a solicitor in the city of Medicine Hat it has been my lot to deal with the question of grazing leases and assignments thereof over a large number of years. When we are discussing this issue, I think it is useful to review the situation which existed prior to July 1 last year so that members of the Assembly are aware what the procedures were before the changes were made, understand why it was necessary to make the changes that were made, and decide whether or not it is advisable to return to the old system or to formulate new policies to deal with this matter.

It is quite clear that the large beef cattle ranches in southeastern Alberta are dependent in large part upon the use of public lands by the ranchers. Many ranches in southeastern Alberta are comprised of very little deeded land, registered in the names of the ranchers, and in large part by large grazing leases to form economic units where the former Department of Lands and Forests determined that 600 cow head would be the maximum size. Therefore the amount of land available, either deeded or grazing lease land, is based upon the carrying capacity of the land up to a certain number of cow/calf units.

There has been concern going back some 20 years or more that when holders of grazing leases transferred or assigned them to new purchasers, they were realizing substantial profits. I might say at this stage, Mr. Speaker, this really has never applied to assignments from father to son or from estates to the beneficiaries of the estates, when it was clear that the new holders would be the operators of the ranching properties. So there has never been a real concern on the part of the government with regard to those particular changes in the lease holdings. That is true today under our new assignment policy, and has been true for a number of years.

What really has been of concern is the question of a person going out of the ranching business, selling to another person at arm's length or to a third party, and then realizing substantial gains on what really is not his property to sell, namely the property of the Crown.

In order to deal with this problem, the previous administration instituted a plan which required filing with the department a document entitled form 22. I wish to assure hon. members that anyone who ever had to deal with a form 22 had something very difficult to deal with. Because it really required the parties to a transaction in the sale of a ranch to do a little juggling of figures, to put it in the nicest possible terms. I can't really go into too much detail, because I don't have all the time in the world, to explain how one went through a form 22 in order to arrive at that magic figure which was deemed to be the true consideration paid for the assignment of the grazing lease.

Once that figure was arrived at, however, the document was submitted to the government. The government assessed an assignment fee of one half of the net consideration. That's all very well and good, and I think it served the purpose intended: to prevent the holder of the lease from realizing all the

profit on the assignment.

However, many problems were associated with that method, not the least of which was that before the fee was assessed by the department, it was necessary for the lease inspectors working for the Department of Lands and Forests to go out and inspect the lease. Regrettably, these assignments couldn't take place as quickly as everyone would wish. Sometimes they were delayed for many weeks, and in some cases in fact for many months.

However, once the lease inspector had inspected the lease proposed to be assigned, he came up with a figure which in his opinion was the true consideration for the assignment of the grazing lease. From that opinion there was no appeal that I am aware of to anybody, except perhaps to the minister. I never had the occasion to pursue that route of appeal. Perhaps I wouldn't have been received too well. I don't know. At any rate, there was no appeal. Therefore the lease inspector would say, the true consideration for the assignment of this grazing lease is \$10 an acre. Therefore the assignment fee to be paid is \$5 an acre.

Now keep in mind that this fee assessment never came about until many months after the transaction had taken place. It led to a great deal of uncertainty. Furthermore, it led to problems with regard to the payment of the purchase price by the new owner or holder of the lease and deeded land to the vendor. One never knew quite when to pay that consideration to the seller. So in many cases the funds for the sale of the ranch property remained locked up in the hands of the lawyers in their trust accounts.

Of course this didn't benefit anybody. It certainly didn't benefit the lawyer, because as everyone is aware, lawyers do not receive interest on moneys held in their trust accounts. That is something some people erroneously believe — why, I don't know.

MR. GHITTER: Speak for yourself.

MR. HORSMAN: Well, if other lawyers practise in that method, I suggest they read their code of ethics. However, I won't get involved in that.

AN HON. MEMBER: Tell us about it.

MR. HORSMAN: When this happened, however, it certainly led to a great deal of uncertainty and unhappiness on the part of the vendor of the land. He never knew when he was going to get his money. Furthermore, he didn't know how much he was going to have to pay in the way of an assignment fee. Really the intent of the previous regulations was that the seller of the property would pay the assignment fee, because he was the person who in fact was receiving the benefit of the sale.

But in fact what was happening was that the purchaser was paying the assignment fee, either directly or by having the amount added to the purchase price and having it calculated that way. So in effect the purchaser was paying the assignment fee and the person who was really supposed to be paying it was not being required to pay it. So a very unhealthy situation had developed.

Other difficulties were associated with this which I would like to point out to the members of the Assembly. Before we urge going back to the previous

system, I should just like to refer to a few of those problems.

First, there was a very serious lack of uniformity in applying the assignment fees. There were differences in the length of the lease and the term it might run. There were differences in regard to the carrying capacities of the lease land. In these transactions of course, the assignment fee was based upon the ruling of one man, an appraiser in the person of the lease inspector, from whom there was no appeal. As I have already said, those appraisals were time-consuming, and lengthy delays were occasioned.

In addition, it is worth while to note that in a large part of southeastern and eastern Alberta, there is a large area of land known as the special areas. My colleague the Member for Sedgewick-Coronation is very well aware of that. Perhaps I shouldn't be too anxious to get into his territory.

However, in the special areas, those extensive grazing lands were managed by the Special Areas Board under the Department of Municipal Affairs. There the assignment fee for grazing leases was based upon flat rates related to carrying capacities established by the Special Areas Board, which really had no reflection on the profit which might be realized by one person selling his interests in the land, which in fact were far lower than any assignment fees charged for adjacent land under another jurisdiction. That of course added a great deal of concern. A man across the river might be required to pay as little as 50 cents an acre for an assignment of a grazing lease, and a man on the other side of the river might be required to pay as high as 10 times that much. It led to a great deal of inequity.

As I have already said, the assignment fees were frequently — and I would suggest almost invariably — added to the total purchase price paid by the purchaser of the land, and added in fact an inflationary factor to the question of land value — particularly, I might point out, when it became necessary for land to change hands frequently. This of course was attempted to be covered by a ruling — and I quite agree with this — that lease assignments could not take place for a period of three years after the lease had last changed hands. But there are escape provisions from that: in the case of illness or other difficulties, the lease could be assigned. Therefore it was possible for leases to be assigned several times.

As I've already indicated, grazing lease areas do not have the same capacity. They vary from 24 acres to 60 acres per head per year. That created difficulties as well.

There were problems as well with regard to whether leases should be assigned only to what would be known as a *bona fide* farmer or rancher. I think that problem requires assessment by the department. I trust the minister will give consideration to that.

However, that becomes a very difficult thing to do. I recall several discussions, Mr. Speaker, when we have attempted to define a *bona fide* farmer. We've always run into some problem or another in seeking that definition. So I certainly commend to the minister a good study of that subject. This afternoon I would not be so bold as to try to spell out to the minister what is in truth a *bona fide* farmer or rancher. As I've said, however, it is an interesting matter.

AN HON. MEMBER: Give us a legal definition.

MR. COOKSON: A man out standing in his field.

MR. HORSMAN: My colleague from Lacombe suggests that one definition of a *bona fide* farmer is a man outstanding in his field. [laughter] If hon. members still laugh at that old joke, perhaps I'd better ...

AN HON. MEMBER: Get a new one?

MR. HORSMAN: ... get a new one. Mr. Speaker, I'm getting lots of assistance in making my remarks to the Assembly this afternoon, and I really appreciate that a very great deal. Thank you very much.

MR. DIACHUK: We're just paying attention.

AN HON. MEMBER: Glad to help.

AN HON. MEMBER: You need it.

MR. HORSMAN: That's right. Having looked at some of the disadvantages of the previous system, I think it is useful to understand what changes were brought about this last year. At that time consideration was given to the grazing zones of Alberta, which have been in existence for a number of years. The department compared the considerations paid over a period of years for assignments of grazing leases within those zones and, applying a formula based on the carrying capacity and the price of cattle and so on, came up with a proposal to standardize the per-acre assignment charges in each of the zones.

It appeared that over the period 1970 to 1975, there had been an average consideration — in Zone A, for example, where the carrying capacity was 24, it was \$8.13 per acre. From 1973 to 1975, a three-year period, the average consideration had risen to \$14.18 per acre in that particular zone, based on that carrying capacity. Looking at it on the basis of a six-year period, as opposed to a three-year period, a suggestion was made that the assignment fee in that area could be \$3.26 per acre. On a three-year basis, it would be \$5.50 per acre. That was based on what had been taking place within those zones in the preceding years. As well, there was consideration of the current weighted price of beef and the weighted beef price in the base period, and so on, which is a fairly complicated formula I won't outline. It's available to hon. members to consider.

The hon. Member for Cardston referred to the question of Highway 2. It became apparent there was a considerable variation in assignment fees paid west of Highway 2 compared to assignments paid in the zone east of Highway 2, also a considerable difference with regard to carrying capacity. It was decided that a differentiation had to be made between the west and east parts of the zone.

A standard set of fees was established and came into effect on June 22 last year. We now have a standard assignment fee per acre based upon the zone, Zone A being split into Zone A(1) and Zone A(2), based on the carrying capacity. So in Zone A(1), where the carrying capacity is 60 acres per head, the assignment fee is a flat \$1.39 per acre. In Zone A(2), west of Highway 2, with the same carrying capacity,

the assignment fee is \$3.59 per acre.

I'm not going to get involved this afternoon in trying to assess whether or not those fees are fair or whether or not they reflect the proper consideration. The important thing I wish to emphasize this afternoon is this: anyone now proposing to deal with assignments in grazing leases within the zones knows before he proceeds with his assignment how much the department will charge him for the assignment. That has removed a great deal of uncertainty and allows transactions to proceed regularly in much the same fashion as one would register a transfer of deeded land. You submit a grazing lease assignment to the department. It is assessed the fee which you know in advance you will be required to pay. Then it is returned, within a very reasonable time, without the necessity of a lengthy examination by the lease inspectors and waiting around while the money sits in a lawyer's trust account.

A beneficial side effect is that it normally doesn't cost as much in legal fees to the vendor and the purchaser. I applaud that because I think the fees in the past were unnecessary charges on vendors and purchasers. I say that with some trepidation, having regard to my standing within the profession in the province.

MR. GHITTER: You just lost it.

MR. HORSMAN: I look forward to hearing the views of other members of the legal profession on this subject, if they have had any experience in this field.

Mr. Speaker, perhaps I've gone on too long with regard to what has taken place. But I think it's important that we realize the new system, which was introduced less than a year ago, has had several beneficial effects. The uncertainty as to the time for the transaction to take place has been removed. The uncertainty as to the amount of legal fees and assignment fees has been removed.

However, another problem has arisen, and I'm sure the minister is well aware of this; that is, the vendor or assignor of the grazing lease may be receiving an excessive amount in the way of consideration for the assignment of the grazing lease. In other words, people who hold lease are selling something they really do not own and are achieving undue profits for that transaction. This problem has been brought to my attention, and I agree with those people who raise it that it could be a serious problem. I certainly recommend to the minister that this matter be examined carefully. But before we go back to the old system or one like it, we should ascertain that these allegations that undue profits are being made are in fact correct.

I realize that various organizations, and so on, have raised concerns to the minister in this area. But I think we should proceed with a great deal of caution before we change something we changed only last year. We should see whether or not the new system is working. I certainly feel the benefits to date — in terms of certainty, in terms of being able to proceed efficiently and effectively in concluding ranch sales, including grazing leases — far outweigh any real disadvantages I have learned of at this stage. So I think the matter should be allowed to work.

Before I conclude, Mr. Speaker, there's another aspect of the resolution I would like to touch on

briefly, and that relates to the question of length of grazing leases. For a long time it had been the policy to have these leases in effect for up to 20 years and longer. Lately it has been the policy of the government to restrict the length of grazing leases to a term of 10 years. I suggest that be considered very carefully as the minister proceeds in this area. Because it may very well be necessary that people legitimately involved in raising beef cattle and planning the type of operation required for success may require a period longer than 10 years on their grazing leases in order to effectively plan their operation. I'm not convinced, Mr. Speaker, and I hope the minister isn't entirely convinced that a period of 10 years is long enough.

One other area, before I conclude, relates to the question of operating under the system of grazing permits, which are one-year permits renewable from year to year. I suggest to the minister, Mr. Speaker, that that matter be carefully reviewed with the object in mind of incorporating grazing permits within the grazing leases wherever practical and possible, which would once again allow for planning a beef cattle operation with a great deal more certainty than is presently available.

Mr. Speaker, I realize I have very little time available. May I just conclude by saying that anyone who thinks this matter is of little concern in this province is mistaken because in fact — and I wish I could put my hands quickly on the figures — there are thousands of acres, thousands of leases, thousands of permits involved in this whole question throughout the width and breadth of this province in all the zones, involving hundreds of thousands, in fact millions of acres. Public grazing lands statistics for '75-76 — which I have just come upon — indicate that in fact there are over 6 million acres involved in public grazing lands in the province of Alberta, affecting in excess of 5,000 grazing leases, in excess of 1,400 grazing permits, and in addition to that, grazing reserves, forestry grazing licences, and forestry grazing allotments.

Mr. Speaker, this is a matter of real concern to the people of Alberta and in particular to those people actively involved in the cattle-raising part of the base industry of the province of Alberta. I commend the hon. Member for Wainwright for having introduced this topic to the Legislature, and I commend [to] the hon. minister a serious study of this whole question.

MR. DIACHUK: Mr. Speaker, will the hon. member permit a question?

MR. HORSMAN: Yes, Mr. Speaker. It's a privilege I haven't had before.

MR. DIACHUK: I wonder if the hon. member would advise the Assembly whether lawyers had difficulty with forms 1 to 21 inclusive, as they had with form 22?

MR. HORSMAN: Mr. Speaker, I cannot tell the hon. member the answer to that question, because I don't think I ever ran across any forms below the number 22. Perhaps they were confidential interdepartmental forms not available to the legal profession.

MR. MANDEVILLE: Mr. Speaker, I want to make a few comments on this resolution. I think it's a good resolution to air an area that many of us do not understand. I'm sorry I missed the comments of the hon. Member for Wainwright on the resolution. I would have liked to have been here to hear him. However, I did appreciate the comments from the hon. Member for Medicine Hat-Redcliff as to the transfer and assignment of leases.

One of the comments I have — I would like just to bring a few points — is on the new policy of the government establishing length of tenure of leases at 10 years. I hope the minister will take a good look at this before setting restrictions or policy restricting these leases to 10 years. I don't think this is long enough, especially for some of our young farmers or ranchers who are getting involved in leases. They get mortgages on their leases for 20 or 25 years. If they can't have the lease for over 10 years, it's going to restrict their putting mortgages on these leases. I hope the associate minister in charge of grazing leases will take a look at this area.

Another situation is going to [exist] for one getting involved in the ranching industry. I don't think 10-year tenure is going to give our young people wanting to get involved in the ranching industry time enough to set up a viable ranching operation. Also I think some of our more established ranchers would like to be more secure in their operations. To keep them more viable and secure, I certainly hope the minister will take a look at this area. I think they can control our leases in many areas now. For example, if someone is misusing a lease it can certainly be cancelled under the present regulations.

Another area I disagree with: I realize some ranchers are taking lease land and then taking in cattle on shares — on shares it's not so bad — or on a rental agreement. I think this is an area we should be taking a look at. If they've got so much lease they can take in cattle on a lease agreement from other areas, I think this should be looked into.

Another area that gives me some concern as far as our leases are concerned is the method of selling some of our agricultural or grazing leases. If they were to auction these leases instead of by sealed tender, I think it would be more satisfactory to the people involved. Sometimes they decide to sell a quarter section in the centre of a rancher's lease; if it's by sealed tender, it's an asset for the rancher to get it. But someone else can come in and buy a quarter section of land and he's not aware of what he has to pay. If it were by auction it would be out in the open, and they would certainly know what they had to pay to retain this particular piece of land.

I would certainly agree we shouldn't be selling our Crown lands. I think we should be retaining them, keeping them under the jurisdiction of the government. I think this is a good policy. However, in some cases the government sees fit to sell, and I hope the minister will look at selling them by auction instead of by sealed tender.

I agreed a few years ago, when they decided to put an assessment on Crown leases. There were lots of complaints from the ranchers at the time. However, I felt it was fair that the government get a fair return from this land. As it sits, they can put on an assessment of 50 per cent. I can recall that before they put this assessment on, some people who had

their own land would pay more on taxes than one would for a Crown lease. So I had to agree with that step. I know some of our ranchers were concerned when this happened.

I was just reading a piece in the paper, where in Manitoba — and I hope we don't have to go to this in Alberta; our markets in cattle are as depressed here as they are anywhere in Canada — anyone owning Crown leases didn't have to pay any leases on their Crown land last year. I don't think we have to get involved in a situation such as this, because I think lease land is made available to our ranchers at a reasonable rate.

Again, Mr. Speaker, I would like the minister to take a really good look at setting the policy at 10 years, because I don't think it's satisfactory. As it's set up now at 20 years, and [with] the controls they have, I think we can leave it at 20 years.

MR. COOKSON: Mr. Speaker, the clock moves rather slowly this afternoon.

AN HON. MEMBER: You're in tune with it, eh?

MR. COOKSON: It's a pleasure to rise and say a few words about the resolution this afternoon. I put all my notes away hoping that the member for Brooks would carry on until such time as we could adjourn. I was sorry the Member for Hanna-Oyen wasn't able to be here this afternoon to speak on this resolution, because a large part of the area he represents is grazing lease and special areas. Certainly he is well qualified to speak on the lease assignment procedure. I was hoping he might be here this afternoon so I could throw a few choice tidbits his way and have him rise to his feet and challenge some of the comments I would like to make.

I think it's important to know the origin of leased land in Alberta. If you go back into the history of Alberta — and we're going back now to the 1800s — a person by the name of Captain Palliser made a tour through western Canada to determine the areas the British government of the time thought would be fit for putting into production. He was involved with the railways and was sent out to make a review of the area.

It's interesting to note — and it's been some time since I read the history of Captain Palliser — that he devised an area known as the Palliser Triangle which has its base at the bottom of the province, covers part of Saskatchewan and part of Alberta, and peaks close to Lloydminster. In his recommendations he said that this particular area did not readily lend itself to cultivation. It was termed the Palliser Triangle at the time.

However, as we well know the west began to develop. A lot of people didn't really heed this wise gentleman's recommendations. Consequently, as the huge monsters driven by steam worked their way across the prairies, they moved into these areas that he recommended should be left as they were, and huge tracts were broken up. Now the sad story about all this was that of course we found this land was not capable of any amount of grain production. It had a very low humus content. It had little protection from the elements, primarily wind. The results or, I suppose, conclusions of all this were the tremendous storms of the '30s when a lot of this land was pretty

seriously disrupted.

There's no need to relate here in the Legislature the heartbreak, the tremendous difficulties, the pioneers of that time became involved with because of this period of drought in the history of Alberta. The experience from that was that these areas should never have been broken up. Subsequently a lot of them, especially in the special areas, reverted to the Crown. In some cases the municipalities concerned took them over and formed special areas to regulate the operation.

Now, at the time of breaking up, these areas contained large amounts of what we now call prairie wool, a type of grass common to the area which has high protein content, and which really has been the mainstay of the cattle industry in a large part of these assignment areas. Unfortunately, it takes many, many years for prairie wool to establish itself again once it's been cleared out of an area. Consequently there was a period when many of these areas had no production at all.

Fortunately in a sense, the province saw fit at the time to organize these particular areas and redirect them through legislation [or] whatever was necessary, making considerable restriction on clearing and breaking up this land and putting it into production. So we have today, Mr. Speaker, a very large lease area, not totally restricted to the Palliser Triangle but certainly — as the Member for Medicine Hat has suggested — involving a large part of the area he represents and going on up to the Alberta/Saskatchewan border.

I think it was suggested that in terms of acreage, the grazing leases involve almost 6 million acres — with the exception of forestry grazing licensed areas — and over 6,000 leasing permits. So, as was suggested, we're not talking about a small area. It's a tremendously large area, and it's in a tremendously important part of Alberta.

Now, one of the problems that has occurred — which I guess is always a problem when government gets involved in decision-making — is that of politics. So we have decisions made more for political expediency, perhaps, than for the long-term benefits that could accrue to an area such as I'm describing. There's a delay because it has to be a political decision.

So we have a situation like this: we have a large area of the province of Alberta that is deeded land, owned by private individuals. Then we have a large area that is really Crown land. It remains in the name of the Crown, and individuals lease it from the province.

Now the province attempts to recover from this land a reasonable return on the property, which is what we who own deeded land attempt to do: recover a return on our investment. However, a large group of people who lease this property make a pretty good case for making sure that adjustments are not necessarily made in terms of the formula which was described, I think, by the Member for Medicine Hat-Redcliff and the Member for Wainwright. This is a natural effect of the province having to set the rate.

Now the rate is set on a number of factors, as I understand the assignment procedure. It's calculated on the carrying capacity of the land. It also includes the sale price per pound of cattle, other than slaughter steers and heifers, grades A-1 and A-2, sold in the

Calgary Livestock Market during July to December of the preceding year. The calculation takes into consideration the grazing district of the province in which the land is located. It takes into consideration the annual weighted average grazing-land value in each district. It takes into consideration the average consideration paid by assignees for grazing lease assignments during the base period '73-75. Finally, it takes in the weighted average price of beef during the base period '73-75. All those subsections to some degree lend themselves to some forms of manipulation, depending on the kinds of pressures on the people who have to make the decisions on the rate.

We made adjustments to this formula a year or two years ago, I think, and we thought we had come up with an acceptable kind of formula that would in fact keep these rates, the final analysis of the combination of these calculations, in line with Crown land that is leased. My information is that even today — and we had hoped to avoid this — when a person has a lease on a parcel of land and assigns that to another individual, this other individual pays the assignment fee which is laid out in the calculation. But in many instances, in and above this he pays an additional price to the person who has assigned over — as the assignor or the assignee, whichever term is used — an additional sum.

MR. HORSMAN: Say seller and buyer.

MR. COOKSON: Seller and buyer. Thanks. That's a better term.

Mr. Speaker, I ask myself why this should be so, because this is Crown land. This land is totally owned by the province, and it's leased to this individual who in turn sells it to someone else. That someone else pays the fee on the calculation. But in addition the purchaser also pays a sum to sell it. It seems to me that if the rates are calculated and are actually right, there really shouldn't be any capital gain in the value of that lease, because the individual didn't own the property in the first place. I could see a capital gain in deeded land. We have this. But I just can't see it in a piece of property that is not owned. So we have a problem shaping up. We seem to be developing a gap between the cattlemen who use grazing leases and the cattlemen who pasture on deeded land. That really shouldn't be so. And I see this happening.

It wasn't very long ago that I noticed a resolution by the Cattlemen's Association which suggested there should be no more land opened up in Alberta. I guess they were thinking in particular of everything north of Red Deer that would be community pasture. As you know, we have assigned \$4 million toward development of community pastures in these specific areas that don't readily have access to leases.

I ask myself the question: why does the Cattlemen's [Association] pass that kind of resolution? Is the intent to discourage expansion of cattle in the province of Alberta? Is the intent to discourage expansion of livestock north of Red Deer? Is some

defensive mechanism developing amongst them that says, well if we can keep our grazing leases down in these large areas and discourage everything to the north or wherever, maybe the problem of surplus cattle will go away — particularly north of Red Deer — and we'll be back where we can realize a reasonable profit? We also see this kind of split occurring between the two farm organizations in Alberta, the National Farmers Union and the farmers' union of Alberta, Unifarm. If this is occurring, my contention is that possibly it's occurring on the basis that this is just one of the issues. But I think it certainly is an issue.

As one of the members said this afternoon in the discussion about assignments, grazing leases, and deeded land, I think the province would probably be better off if they really got their fingers out of the business and devised some way whereby the people who participate in these Crown leases might have an opportunity to purchase the property and get into deeded land, the same as in many other areas in the province.

Mr. Speaker, knowing what we do about the productivity and capability of the various soil zones in the province, I don't think that at this stage of the game we as a government should have to dictate to these people how they should graze their land or handle their land or whether so many cows are allowed here. I think we've gone through that kind of experience. I think we should just withdraw from the business and encourage private ownership of the property. I'm sure they'll find a way to get maximum production out of that land without government or anyone else telling them how they should do it.

In conclusion, Mr. Speaker, I would like to add to what I said earlier about the Member for Hanna-Oyen, who is not able to be with us this afternoon. Mr. Butler is feeling quite a bit better and hopes to be out of the hospital shortly.

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

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

HON. MEMBERS: Agreed.

DR. HORNER: Mr. Speaker, I understand both sub-committees are sitting this evening at 8. I move the Legislature adjourn until tomorrow afternoon at 2:30.

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

HON. MEMBERS: Agreed.

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

[The House adjourned at 5:32 p.m.]