

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Tuesday, May 3, 1977 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS****Bill 44****The School Amendment Act, 1977**

MR. KOZIAK: Mr. Speaker, I beg leave to introduce Bill No. 44, being The School Amendment Act, 1977. The bill would confirm the rights of holding corporations to signify their support either wholly to public or separate school boards, or partially to each, and confirms the validity of notices given by corporations applicable for the 1977 calendar year.

In addition, Mr. Speaker, the amendments would clarify the provisions of The School Act dealing with transfer of teachers, temporary contracts, and requirements for appointments to supervisory or consultative positions directly related to teaching functions and to the eligibility of trustees.

[Leave granted; Bill 44 read a first time]

Bill 45**The Universities
Amendment Act, 1977**

DR. HOHOL: Mr. Speaker, I beg leave to introduce a bill, being The Universities Amendment Act, 1977. Among the major principles in the bill are: one, a statutory base for the permanent establishment of Athabasca University; two, increased public participation on university boards of governors; and three, increased public participation on university senates.

[Leave granted; Bill 45 read a first time]

Bill Pr. 4**An Act to Incorporate
The Association of Registered
Professional Foresters of Alberta**

MR. APPLEBY: Mr. Speaker, I beg leave to introduce Bill No. Pr. 4, An Act to Incorporate The Association of Registered Professional Foresters of Alberta.

[Leave granted; Bill Pr. 4 read a first time]

Bill 240**An Act Respecting the Provision
of Child Care Services**

MR. NOTLEY: Mr. Speaker, I beg leave to introduce Bill 240, being An Act Respecting the Provision of Child Care Services. Basically the principles of Bill

240 would provide the administrative framework for universal accessibility to quality child care services. It would require the Minister of Social Services and Community Health to establish such a system through a combination of licensing private day care centres, certifying family day care homes, providing out of school care, and providing grants and loans to public and nonprofit day care centres.

[Leave granted; Bill 240 read a first time]

Bill 47**The Alberta Government
Telephones Amendment Act, 1977**

DR. WEBBER: Mr. Speaker, I beg leave to introduce Bill No. 47, being The Alberta Government Telephones Amendment Act. The purpose of the bill is threefold: one, to establish president and vice president positions instead of general manager and directors; two, to provide flexibility with respect to the number of vice-presidents to be appointed to the Alberta Government Telephones Commission; and three, to increase the size of a quorum from four members to a majority of the members of the commission.

[Leave granted; Bill 47 read a first time]

MR. FOSTER: Mr. Speaker, I move that Bill 47, The Alberta Government Telephones Amendment Act, 1977, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

Bill 48**The Department of the Environment
Amendment Act, 1977**

MR. RUSSELL: Mr. Speaker, I beg leave to introduce Bill No. 48, The Department of the Environment Amendment Act, 1977. The purpose of this bill is to provide amendments to the act that deal with land buying authority vested with the department and, under certain conditions, would permit the department to purchase companies whose only asset is land rather than the land itself in the cases of RDAs.

[Leave granted; Bill 48 read a first time]

head: **INTRODUCTION OF SPECIAL GUESTS**

MISS HUNLEY: Mr. Speaker, I beg leave to introduce to you, and through you to the members of the Assembly, students from the grade 9 class of Caroline school in my constituency. They are in the members gallery with their teacher Mr. Maki and their bus driver Mr. Ed Keim. I would ask them now to stand and be recognized and welcomed by the Assembly.

MR. DIACHUK: Mr. Speaker, today I wish to introduce to you, and to the members of the Assembly, a class of grade 6 students from Montrose school in the constituency of Edmonton Beverly. They are seated in the public gallery accompanied by their teacher Mr.

Brian Bonenfant. I'd ask them to rise and be welcomed by the Assembly.

head: MINISTERIAL STATEMENTS

Disaster Services

DR. HORNER: Mr. Speaker, in April the Premier and the Executive Council charged me with the responsibility of reviewing the government's contingency plans with regard to the low moisture conditions throughout the province and the probable impact on agriculture and forestry. The Premier indicated yesterday that a preliminary statement would be made today.

I directed Alberta Disaster Services to set up a team to undertake a review of the water situation and of the fire hazard situation in Alberta. On last Wednesday morning, Alberta Disaster Services held a meeting with representatives from a number of government departments with the express objective of assembling an inventory of provincewide resources that could be implemented in the safeguarding of our water supplies and for the containment of the current fire hazard situation. The inventory included a review of equipment — ranging from pumps and hoses to heavy dirt-moving equipment and aircraft that were available for water movement and fire suppression — held by the provincial government, counties, municipal districts, improvement districts, special areas, and private contractors who normally work under provincial government contracts and are committed to current contracts. I will be tabling this inventory as it now stands at the conclusion of this statement. It's being continually updated as we get additional information, particularly from the private sector.

Over the past several days contact has been made with the Alberta Association of Municipal Districts and Counties with requests for their assistance in surveying the present water supply situation in the province. The Alberta trucking industry has been contacted regarding the availability of equipment in the event of the need to move water. Additionally, the various railways operating in Alberta have been requested to spare no effort in controlling fires along their rights of way. All groups have responded favorably and with the utmost cooperation.

Under the authority of The Water Resources Act, the Department of the Environment is administering a two-part program of assistance to Albertans with respect to water.

First, for some weeks now reservoirs in the irrigation systems have been managed in an effort to fill them to capacity. Some are presently filled, and others are in a position to be topped by June 1. Consultation has been undertaken with the power companies respecting the management of their reservoirs, and we have received positive cooperation there.

Secondly, Alberta Environment has undertaken a complete review of its programs of assistance to our municipal governments. Municipalities with potential water shortage problems have been identified and possible means of assistance to each — such as pumping, trucking, ground wells — have been identified also. Pumping with portable equipment has been completed for two towns, and more will be assisted

on an ongoing basis. An additional 10 miles of portable pipe with extra pumps has been tendered in order to expand this program if the necessity arises.

Alberta Environment will be making up to \$1.2 million available for the immediate drilling, through the private sector, of up to 300 deep wells to help municipalities with their water supply. With additional temporary staff, Alberta Environment can assist in the identification of the needed drilling program.

Of particular concern to residents of central Alberta is the Red Deer regional water line. I am pleased to say today that that line will be brought into temporary early operation by June 15, some two months ahead of scheduled completion, at a daily capacity of 500,000 gallons; this will be about one-sixth of its final capacity.

Mr. Speaker, last Wednesday in this Assembly the Minister of Agriculture outlined the current moisture situation in Alberta, and announced that as a result of this situation the Alberta Hail and Crop Insurance Corporation would be extending the deadline for applications or renewals to May 6, 1977. Because of the comprehensive nature of the program offered by the corporation, Alberta farmers will have adequate opportunity to protect themselves from possible financial hardship should there be future crop losses caused by continuing low moisture conditions.

It is important, Mr. Speaker, that all Alberta farmers recognize the importance of this program and immediately avail themselves of the opportunity to purchase crop insurance protection. It is the government's view that the comprehensive nature of the hail and crop insurance program and its availability will negate the necessity for emergency government assistance to individuals in the event of economic suffering caused by cereal crop losses.

In addition, the Department of Agriculture will monitor the production and availability of forage throughout the province. If supplies of forage are available to move from one area of the province to another, a feed and forage freight assistance program will be implemented.

The board of directors of the Agricultural Development Corporation has been requested to review loan repayments with a view to deferring where farmers have suffered loss of income and have used normal precautions to protect themselves from income loss.

A major area of concern is the provision of adequate water supplies for livestock. In the immediate future the Department of Agriculture will purchase six portable pumping units, complete with two miles of aluminum pipe, for location at each of the six regional offices of the department. This equipment will be provided to farmers for the movement of water to fill dugouts for livestock.

The grazing program planned for provincial grazing reserves will proceed as scheduled. We do not anticipate at this time any delays in entry dates nor any cutbacks on approved allotments. Special management practices will be required on dry reserves, however; and cows and calves will be given priority over yearlings for proximity to water.

Generally speaking, grazing reserve conditions today indicate that the areas west of Highway 2 are in fair condition, with a sufficient availability of water and forage. The situation east of Highway 2 is less promising, however; and water may very well have to be brought in to utilize existing pastures.

The field staff of the public lands division will be monitoring the situation on a continuing basis. Should there be no appreciable amount of moisture within the next month, patrons will likely have to be advised to remove their cattle from the dry grazing reserves as early as August.

The Minister of Energy and Natural Resources has requested the Energy Resources Conservation Board to undertake an immediate review of the water injection projects associated with oil field pressure maintenance. The ERCB will determine if there is water of adequate quality and quantity and in suitable locations that could be diverted temporarily to assist as an additional supply if required.

The fire hazard situation in all provincial parks and forest areas of the province is being monitored closely, and a state of alert preparedness is presently in effect. During the next several weeks, the occurrences of fire will probably reduce in frequency as the greening of the land continues. If precipitation is below average, however, we can unfortunately, perhaps, expect a second grass fire season.

Mr. Speaker, the government will continue to review the present situation in Alberta, both in light of a potential water supply problem and with respect to a grass/forest fire hazard. The two are interrelated, and all contingency plans will be updated along that basis.

Alberta Disaster Services has been directed to undertake the overall provincial coordination of our activities, and it has reacted decisively and quickly with a continual updating of available resources. Needless to say, with a geographical mass as large as Alberta, the situation can change daily and on a regional basis. A basic contingency plan will be issued to municipal authorities and agricultural services boards by Alberta Disaster Services within the next few weeks. The plan will identify methods and procedures for the use of all our available resources.

Mr. Speaker, citizens should be aware, however, that in situations of adverse climatic conditions, we will all have to cooperate to reduce the impact of these conditions on our people and on the environment in our province. Governments at any level can only do so much, and our government has reacted and will react quickly and flexibly to do what is reasonably possible.

MR. CLARK: Mr. Speaker, might I say in response that we on this side of the House welcome the announcement made by the Deputy Premier today. I'm sure I speak on behalf of all members when I say that the happiest experience we could all have would be that tonight, tomorrow, or in the next few days we'd find out that none of this was necessary. Hopefully that will be the case.

Going on from there, Mr. Speaker, I would say that it is our intention to designate Motion No. 14 on the Order Paper as a designated motion for discussion on Thursday of this week. We naturally note with some satisfaction that the items included in that resolution — freight assistance, concern with regard to loan payments to the Ag. Development Corporation and with well-drilling assistance programs — are in the government's announcement today, and we commend the government in that area.

Perhaps on Thursday, in addition to discussing those items in the motion raised by the Member for

Bow Valley, we'll be able to give a bit of attention to the longer range point of view, which all too often we're inclined to forget until we run into the kind of situation we're facing at this time. But we're pleased the government has made this announcement and look forward to the debate on Thursday.

head: ORAL QUESTION PERIOD

Northern Pipeline

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Energy and Natural Resources and ask if the government is in a position to indicate if it has established a preference for either the Mackenzie Valley line or the Alcan line. I ask the question in light of the announcement that emanated from the United States yesterday, having regard to the fact that the Prime Minister of Canada has indicated that Canada will be making a decision on this matter in either the late summer or the early fall.

MR. GETTY: No, Mr. Speaker.

MR. CLARK: Mr. Speaker, what form of representation will the government of Alberta be making to the federal government prior to the federal government making a decision with regard to which of the two pipelines — or the possibility neither pipeline — gets the approval from the federal government?

MR. GETTY: Mr. Speaker, we consider it to be a matter for federal decision. We'll probably be discussing it with them on an informal basis but not try in any way to alter or control their decision.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is it the intention of the government of Alberta to initiate any environmental impact study or any other types of studies that would examine the two areas which would be mostly affected regarding which route the federal government may choose and, as a result of those studies, make representation to the federal government prior to a decision?

MR. GETTY: Mr. Speaker, my colleague the hon. Minister of the Environment may well have some plans regarding environmental impact studies. I imagine they would be required under The Land Surface Conservation and Reclamation Act. Once a decision is made, or even prior to the decision being made, there may also be a general assessment of the preparation that might be needed within our province, should any pipeline be approved. However, at this point that is speculative and hypothetical, and it's difficult to respond.

MR. CLARK: Mr. Speaker, one further question to the minister. Mr. Minister, is it the position of the government of Alberta that Alberta will in fact make no representation to the federal government prior to the federal government making this decision, having regard for the impact it will have on Alberta?

MR. GETTY: Yes, Mr. Speaker.

MR. CLARK: Mr. Speaker, to the minister. Is the minister saying "yes", Alberta will do nothing until the federal announcement is made?

MR. GETTY: Mr. Speaker, I was following up on my previous answer in which I said that it is a federal decision and the government of Alberta does not intend to try to control or alter that decision.

MR. NOTLEY: Mr. Speaker, a supplementary question to either the hon. Minister of Energy or the Minister of Business Development and Tourism flowing from the minister's recent answer with respect to an economic impact study. Do I take it from the minister's answer that the government has not commissioned any economic impact study at this time and is awaiting the decision by the federal government, or is any assessment being made of the economic impact on the province of the two possible routes?

MR. GETTY: Mr. Speaker, the assessments any government department would be carrying out would not have to do with selecting one or other of the routes, rather with the preparation that might be necessary within the province — such as manpower or industrial activity, or environmental impact — in order to be prepared in the event a positive decision is made.

Native Development Corporation

MR. CLARK: Mr. Speaker, I'd like to direct the second question to the minister responsible for native affairs. Can the minister indicate to the Assembly if the Alberta Native Development Corporation has submitted to the government the answers to questions which are required by the Department of Advanced Education and Manpower. The question flows from the discussion of the minister's estimates last week.

MR. BOGLE: Mr. Speaker, the questions raised by the hon. Leader of the Opposition were directed originally by the Department of Advanced Education and Manpower and secondly by the Department of Business Development and Tourism. To my knowledge those answers have not yet been completed. I do not believe the audit of the past fiscal year has been completed either.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Advanced Education and Manpower. Has his department been satisfied by the answers it has received from the Alberta Native Development Corporation with regard to the specific questions the minister's department had about the operation of ANDCO?

MR. SPEAKER: With respect to the hon. leader, the question of whether or not a ministry or a minister is satisfied — I think we have referred to this in the past — is a matter of opinion which of course would lead to debate.

MR. CLARK: Mr. Speaker, then let me rephrase the question to the minister this way. I ask the minister if he is in a position to indicate to the Assembly today whether the information presented to the minister's department by the Alberta Native Development Corporation has been of such a nature that the minister's

department is now in a position to recommend to the minister responsible for native affairs that financing for the Alberta Native Development Corporation can go ahead.

DR. HOHOL: Mr. Speaker, to the best of my knowledge, the information from ANDCO is not yet lodged with the department. I'm certain if it were, it would be brought to my attention right away.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister's department not received a response from the Alberta Native Development Corporation to the questions asked by Dr. Mansfield?

DR. HOHOL: Mr. Speaker, we have an initial response. That response was sufficient with respect to parts of the questions we put to ANDCO. But the whole of the response was not there. There are several outstanding issues on which ANDCO would have to satisfy my department and me before I would recommend further activity on the part of my colleagues.

MR. CLARK: Mr. Speaker, to the minister. Are the minister's concerns, which are yet to be satisfied, in addition to the audit which I believe is now in the process of being finalized?

DR. HOHOL: Going somewhat by memory, Mr. Speaker — and there's a certain amount of risk in that — not all the questions posed by my department would be covered by the audit. There were additional, different kinds of questions as well.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Business Development and Tourism. Is the minister in a position to indicate to the Assembly that any concerns his department may have with regard to the Alberta Native Development Corporation and the proposed funding program have been satisfied?

MR. DOWLING: Mr. Speaker, they have not. But just recently, with the concurrence of the minister responsible for native affairs, I drafted a letter to the principals of ANDCO asking them to satisfy both him and me with regard to those shortfalls in information which existed when the Minister of Advanced Education and Manpower had the responsibility. We expect a further response from ANDCO within the next few days. However, they must satisfy both the minister responsible for native affairs and our departmental officials with regard to the detail of the audit and other questions before we can proceed further.

Being responsible ministers, we want to make sure the public interest is looked after.

MR. CLARK: Mr. Speaker, a supplementary question to the same minister. Mr. Minister, I take it from your answer that your department has outlined those areas of concern, and that that letter is on its way to the organization?

MR. DOWLING: Yes, Mr. Speaker. We had a meeting some time ago with members of ANDCO at which we outlined, as the minister responsible for native affairs

has indicated, certain requirements that must be fulfilled by ANDCO. Since that time we have been in correspondence with the organization and have assured them that the documentation they provide us must satisfy both the minister responsible for native affairs and me before we can proceed further. However, you recall that during the estimates of the native affairs branch, the minister indicated he was prepared to recommend that certain funding arrangements would take place if those requirements were complied with.

MR. CLARK: A supplementary question to the Minister of Advanced Education and Manpower again. Is the minister in a position to indicate to the Assembly if he would send a letter to the Alberta Native Development Corporation delineating those areas the department still has concern about?

DR. HOHOL: Mr. Speaker, this was done quite some time ago.

Antiinflation Program

MR. R. SPEAKER: Mr. Speaker, my question is to the Provincial Treasurer with regard to the finance ministers' meeting. I wonder if the minister or the government has developed a policy or position paper concerning the decontrol mechanisms under the anti-inflation program.

MR. LEITCH: Mr. Speaker, the meeting to which the member refers is being attended by my colleague the Minister of Federal and Intergovernmental Affairs. I'll take the question as notice, and refer it to him on his return to the Assembly.

MR. R. SPEAKER: Mr. Speaker, to the Provincial Treasurer. Is the minister aware of situations where persons holding land for development, particularly in urban areas, are withholding the land from the market because the profits realized from the sale of such land would be in excess of the regulations under the Anti-Inflation Board guidelines?

MR. LEITCH: Mr. Speaker, I haven't had any such situations called to my attention.

MR. NOTLEY: A supplementary question to the hon. Provincial Treasurer. In view of the meeting taking place today, is the Provincial Treasurer in a position to advise the Assembly of the position of the government of Alberta with respect to a date for beginning decontrol? The date October 14 has been discussed.

MR. LEITCH: Well, Mr. Speaker, I'll take that question, couple it with the one that started this series of questions, and refer them to the Minister of Federal and Intergovernmental Affairs when he returns to the Assembly.

Cancer Drugs

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Social Services and Community Health. It flows from the fact that many Albertans and Canadians suffering from cancer go to Mexico to seek treatment with a drug called laetrile.

In view of the fact that a number of Albertans are going down to take this treatment, has the government of Alberta been able to conduct any assessment as to the effectiveness of this drug?

MISS HUNLEY: I'm not sure what research has been done, if any, through the Cancer Society. My colleague the Minister of Hospitals and Medical Care may be more involved in cancer research. I know he's been working with them on that. Of course the hon. member will realize it's a federal government responsibility under the Food and Drugs Act. I would expect that any announcement, concurrence, or acceptance of that drug would come from the federal government.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether this matter has been discussed at federal meetings she has attended representing the government of Alberta?

MISS HUNLEY: No, it has not been discussed. It has not been on the agenda at any meeting I have attended, Mr. Speaker. It may have been discussed by officials, and I would have to check with them to see whether it was an additional item on the agendas.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Hospitals and Medical Care. Is the minister in a position to advise the Assembly whether it is the intention of the government with respect to cancer research to see whether or not laetrile does have any merit?

MR. MINIELY: Mr. Speaker, I would repeat what my colleague the Minister of Social Services and Community Health has said. The control of cancer drugs or any other drugs is federally administered under the Food and Drugs Act.

As far as research in Alberta is concerned, the Provincial Cancer Hospitals Board funds the research and priorities under the general purview of the federal legislation on drug treatment. But basically the responsibility for the administration of those programs rests with the Provincial Cancer Hospitals Board. A proper research protocol must be filed with the Provincial Cancer Hospitals Board and the faculties of medicine before any drugs are administered in Alberta.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether this matter has been discussed by the officials the minister mentioned?

MR. MINIELY: Mr. Speaker, not at a meeting that I have attended. The matter has not been discussed by me.

MR. NOTLEY: Mr. Speaker, one final supplementary question to either minister. I'm not sure this information would be available, but I put it to either minister. Does the government have any information on the numbers of people in this province who in fact are going to Mexico? One hears of people all over, but do we have any compilation as to numbers?

MR. MINIELY: Mr. Speaker, I do not because as I implied earlier in my question, it neither qualifies for health care insurance, nor is it funded through the provincial cancer programs unless it complies with the national drug regulations and is properly determined under a research protocol with the Provincial Cancer Hospitals Board.

DR. BUCK: A supplementary question to the minister, Mr. Speaker. In light of the fact that benzene is a well-known carcinogenic agent, is the minister in a position to indicate what studies have been done by the minister's department, or by the Minister of Labour under the occupational health and safety section, to find out what carcinogenic effects benzene and its derivatives have?

MR. CRAWFORD: Mr. Speaker, I would have to review the studies and information available on that subject through the occupational health and safety branch. There is quite a bit of information available. I'd have to refresh my memory, and would be glad to do so, on just exactly what form it is in.

DR. BUCK: Mr. Speaker, a supplementary to the Minister of Consumer and Corporate Affairs. At the same time can the minister find out from his colleague if any studies have been done on the effects of benzenes in ordinary usage as solvents and glues? Can the minister check those too?

MR. HARLE: I can take the question as notice, Mr. Speaker.

Metric Conversion — Oil Industry

MR. ZANDER: Mr. Speaker, my question is addressed to the Minister of Energy and Natural Resources. Could the minister advise if he has reviewed the plans for metric conversion in the oil industry in Alberta?

MR. GETTY: I have reviewed it on a preliminary basis with the Energy Resources Conservation Board and the department, Mr. Speaker. I'd say that I find it extremely complex, very confusing, and horribly expensive. And I don't like anything about it. [laughter] You may detect a touch of personal opinion there.

MR. ZANDER: Supplementary to the hon. minister. Are there any indications that some federal government funds may be available to cover the costs of conversion?

MR. GETTY: Mr. Speaker, I'd have to check into that. I guess if what I said first was the bad news, the good news is that the planning is going ahead very smoothly.

Mental Health Personnel

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Advanced Education and Manpower. It concerns the severe shortage of psychiatrists and psychologists in the province. Is the minister or his department endeavoring to attract psychiatrists, psychologists, and other mental health workers to the province?

DR. HOBOL: Mr. Speaker, I would first have to check the files to confirm, within certain kinds of definitions, the adequacy of those two professions; and secondly, if that were to be the case, where there is a matter of distribution, whether most of them are predominantly in large urban centres, but that in fact there could be enough of both professions.

Senator Patrick Burns Trees

MR. PLANCHE: Mr. Speaker, my question is for the Minister of Transportation. It is my understanding that for the sake of highway safety south of Alberta's largest city, some trees on the Macleod Trail, planted in memory of Senator Patrick Burns, must be removed. Will the Department of Transportation immediately make preparations to replace them at a suitable location relative to the new Highway 2?

DR. HORNER: Mr. Speaker, it is true that a portion of the east row of the Senator Burns trees has been removed on grounds of traffic safety, because of the necessary four-laning of the highway in that area and the very narrow median. In addition to that, these are poplar trees. They have an average lifespan of about 35 to 45 years. The Senator Burns trees are between 60 and 70 years old, so they are being removed. We will be planting new 10 to 12-foot trees to the east of the new alignment. The western row of the Senator Burns trees will remain in place.

MR. PLANCHE: Mr. Speaker, supplementary. Would it be fair to say that Calgary's good climate caused the longevity of these trees?

DR. BUCK: It's the fertilizer from the members from Calgary.

MR. GHITTER: Mr. Speaker, by coincidence my question as well relates to the lack of sensitivity of the Department of Transportation relative to the Burns trees. I was wondering — as what I suppose is a supplementary — if the hon. minister could advise us why they could not have retained the trees, kept them on the median, and built the road on both sides of the trees so the beauty of the entrance to Calgary would not be desecrated for purposes of mere pavement.

DR. HORNER: Mr. Speaker, I hope the hon. member took the opportunity on one of the past couple of weekends, as I have, to go down and have a look at the situation. If he had, he would immediately see the very major danger to traffic constituted by trees of that size in a median on a four-lane highway. That's really the question, aside from the fact that the trees have outlived their usual age. We will be planting new trees at an appropriate spot on the east side, which will not affect traffic safety.

MR. GHITTER: Supplementary, Mr. Speaker. Not to debate such a very important issue with the hon. minister, but it would be hoped in future situations that the hon. minister would possibly consider some variety in the placement of roads . . .

MR. SPEAKER: Order please. Possibly the hon. member could ventilate his hopes outside the question period.

Water Allocation

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of the Environment. Could the minister indicate whether the government is formulating an overall water policy or setting up a water resources board for the province?

MR. RUSSELL: Not at the present time, Mr. Speaker. We have looked at the concept of regional boards related to each major river basin, but a provincewide board is not under consideration.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Has the department formulated a method of determining how it is going to ration water to irrigation districts?

MR. RUSSELL: I don't know if that's quite the term we'd want to use, Mr. Speaker. According to a legislative list of priorities under The Water Resources Act, the government does have the authority to prorate the use of water according to users. Irrigation is third on that list.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Will the farmers who have permits be allowed to pump water out of the rivers if there is a shortage of water in the river?

MR. RUSSELL: Again, Mr. Speaker, that's laid out in The Water Resources Act. Very briefly, domestic purposes come first, then municipal, irrigation, power, and industrial. So it would depend on what purpose the permit was issued for. If it's domestic, probably the farmer wouldn't need to worry.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Will the announced \$1.2 million that is going to be put into drilling 300 wells be administered by the municipal governments, and will the wells be owned by the municipalities?

MR. RUSSELL: Mr. Speaker, the wells would all be for some sort of communal use. These are not private wells on individual parcels of land, so they would either be municipal wells or where some communal or community use could be made of them.

Crop Insurance

MR. COOKSON: Mr. Speaker, I'd like to ask a question of the Minister of Agriculture. In view of the really important role the Crop Insurance Corporation will likely play in agricultural production this year, could the minister indicate whether he has had any discussions with regard to the event that crop insurance claims exceed the funds within the Crop Insurance Corporation?

MR. MOORE: Mr. Speaker, yes. Not recent ones, but the agreement between the government of Canada and the province of Alberta with respect to the provision of all-risk crop insurance provides for protection in four different ways, in the event that the total payout exceeds premiums in a year of crop losses greater than normal. The first provision is that the Alberta Hail and Crop Insurance Corporation provides

for reserves roughly equal to half one year's premium. In the event that payout exceeds premiums in that year, the reserves of the corporation are first called upon. Today they amount to \$7.2 million.

In the event that is not sufficient to cover the total payout, two reinsurance funds are established under the agreement between Ottawa and Alberta. One is called the Canada reinsurance fund for Alberta, and the other the Alberta reinsurance fund. Fifteen per cent of premiums paid each year are put in each fund, making a total of 30 per cent of the premiums going into those reinsurance funds. The Alberta reinsurance fund has \$9.9 million in it at the present time; the Canada reinsurance fund for Alberta has just over \$14 million.

In addition, Mr. Speaker, in the event that all those funds are used, the province of Alberta and the government of Canada are called upon to advance interest-free funds to the corporation to cover the extent of their liabilities.

Perhaps I could say by way of example that in 1977 we could cover a payout of \$50 million and still have in excess of \$4 million in the Alberta reinsurance fund. In the event that we had a real disaster in terms of crop loss, and it amounted to \$100 million, that could be covered by the reserves of the corporation, plus the 1977 premium, plus the Alberta and the Canada reinsurance funds, with the province of Alberta and the government of Canada providing interest-free advances to cover the balance. If that were to happen — which is unlikely — the total amount required to be advanced by this government for a \$100 million payout would be about \$7.8 million. So, Mr. Speaker, we're well protected.

MR. COOKSON: Perhaps I could just ask a supplementary to that, Mr. Speaker. I wonder if the minister could indicate — perhaps it's too early — what the trend is with regard to applications at this time of the year, perhaps in relation to other years.

MR. MOORE: Mr. Speaker, we expect a considerable number of applications to come in during the balance of this week, and indeed [there were] a good number last week. I've asked the corporation staff to concentrate on contacting farmers who are not presently covered by crop insurance. Perhaps next week I'd have some figures on the total number who've taken out applications. I don't have them at the present time because the priority is on getting the news out, and not counting the numbers.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. In light of the announcement the government made last week with regard to extending the deadline to May 6, I believe, we've had some representation asking if that could be extended perhaps a week longer, because in a number of areas it's been some time until the word has gotten out to farmers involved. Is the minister prepared either to extend that another week or to take a rather generous interpretation of May 6 as a deadline?

MR. MOORE: Well, Mr. Speaker, first of all I considered with the staff and management of the corporation, the board of directors, extending the deadline for two weeks beyond May 1. But some of my experience in deadlines is that a lot of people unfor-

tunately wait to the last day. I understand from the corporation that it would pose some difficulty for their operations in terms of the whole scheme of checking with respect to seeding intentions, and the planting report that has to be provided by farmers, and so on, if we extended it beyond May 6. So we made that decision to extend it until this Friday. I've no doubt that applications will be flowing into the office in Calgary from field offices into the following week. You have to appreciate that's the deadline for farmers to approach the district office. It may take a week to get those all into the head office.

However, I wanted to say that we have already embarked on a pretty extensive radio advertising program to be carried throughout the balance of this week. In addition to the news coverage we gave the matter last week, we have all our 52 district offices contacting farmers whom we know are not covered by crop insurance. We're hopeful, Mr. Speaker, that between now and Friday night we will do a first class job of getting the word to everybody and getting most people who are interested in coverage to come in.

Alberta Economy

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Labour. I have been informed by a responsible source [interjections] that the Northern Telecom company is experiencing a slowdown in economy right across the country, and eight workers are being laid off in Calgary. I wonder if the minister could inform this Assembly if in fact other companies are experiencing the same, and if it's going to affect the economy in Alberta.

MR. SPEAKER: With great respect, the Chair has some difficulty connecting the question directly with the official duties of the minister. Certainly the latter part of the question, asking for the minister's prognosis as to the effect it may have on the economy, would be out of order in any event.

MR. KUSHNER: Well, Mr. Speaker, I wonder if the minister in fact has any studies or any communications with reference to companies experiencing the slowdown of the economy in Alberta?

MR. CRAWFORD: Mr. Speaker, the prime concern of the Department of Labour in cases where layoffs occur is to be sure the regulations in regard to termination of employment are in fact followed by the employer.

As to the continued general healthy state of the economy of the province of Alberta and the many, many opportunities in Alberta in that regard, I think my colleague the hon. Minister of Business Development and Tourism would be more likely to have the study the hon. member suggests.

MR. KUSHNER: Mr. Speaker, does the Minister of Business Development and Tourism have any of these studies as far as the slowdown of the economy of this province is concerned? I'm basically concerned if the minister is in fact monitoring some of the companies coming to Alberta, or some of the companies that are slowing down as far as the economy is concerned.

MR. DOWLING: Mr. Speaker, we have no indication or no communications indicating there has been a major slowdown in any of the areas the hon. member alluded to. In fact, the contrary is the situation. I still believe we're in an expanding economy in Alberta, contrary to what is happening in other provinces in Canada.

Home Care

MR. R. SPEAKER: Mr. Speaker, my question to the Premier is with regard to the conference he will be attending in a few days. The Premier of British Columbia announced an extensive home-care program with regard to their health package. I wonder if this would be one of the items on the agenda for discussion with the other premiers of western Canada, specifically with Premier Bennett.

MR. LOUGHEED: No, Mr. Speaker. We keep an ongoing review with regard to activities and legislation programs of other provincial governments. It would not be the sort of subject that I anticipate would normally be raised at the western premiers' conference. As the hon. member is aware, and as the Minister of Social Services and Community Health commented upon in this House last fall, I believe, it's a matter of ongoing review and assessment by this government.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Minister of Social Services and Community Health. Since the earlier questioning of the minister, has she any further cost/benefit studies or analyses that could be tabled in the Legislature at this time?

MISS HUNLEY: No, Mr. Speaker, I do not. I note with interest that each time I'm quoted they only quote part of my response. So this time I'll reverse it and say there would be a long-term payoff as a result of a home-care program, but the immediate payoff would be an increased expense. That doesn't mean we aren't considering it, and that socially and philosophically we don't agree it would be desirable.

Mental Health Outpatients

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Social Services and Community Health. Since the time following release from hospital is critical, will the minister and her department be expanding outpatient mental health treatment in Calgary following the opening of the new psychiatric facilities there?

MISS HUNLEY: Mr. Speaker, the total area of mental health and the development of community resources is very important to us. We are working on that on an ongoing basis. Given the opportunity and the manpower, we feel that we can have a very effective community resource program, not only in Calgary but throughout the province.

Electroconvulsive Therapy

MISS HUNLEY: While I'm on my feet, Mr. Speaker, perhaps I could reply to a question yesterday, reasserting part of the answer. The hon. Member for

Drumheller was asking me about electroconvulsive therapy. I would respond that the guidelines set out by the College of Physicians and Surgeons governing the administration of ECT are followed to the letter by Alberta Hospital, Edmonton.

The hon. member asked me about written consent. When it's not possible to obtain consent from a patient who the psychiatrist or the doctor feels requires ECT, we get written consent from the next of kin. If we receive concurrence from the next of kin, a second psychiatric opinion is sought before the treatment is given.

MR. TAYLOR: A supplementary to the hon. minister on the last point. Has the department made any evaluation of the effect of these shock treatments some period after they have been administered?

MISS HUNLEY: That was another portion of the question, to which I do not yet have the answer. I've taken it as notice and will be replying to that particular section when I have the information.

Suffield Block Grazing

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Deputy Premier. Could the Deputy Premier indicate whether any government representation has been made to Ottawa in regard to whether the 600,000 acres of grass in the Suffield Block could be used by ranchers this summer?

DR. HORNER: Perhaps I could refer that question to my colleague the Minister of Agriculture.

MR. MOORE: Mr. Speaker, yes. I believe I indicated earlier this week in the House that representations have been made to the Department of Regional Economic Expansion and others in Ottawa, also their district offices here in Edmonton, with respect to the Suffield reserve. It's my information that the federal government is now considering the opening of that particular reserve for grazing this year, although a final decision has not yet been made.

Mr. Speaker, I'll be pursuing the matter further a week from tomorrow while on another trip to Ottawa with respect to some other matters.

Calgary General Hospital

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Hospitals and Medical Care. Mr. Minister, as a follow-up to your letter to the General Hospital with regard to the new psychiatric ward, is it your intention now . . .

MR. SPEAKER: Would the hon. member please use the ordinary form of address.

MR. CLARK: Mr. Speaker, is it the minister's intention to meet with the board of the Calgary General Hospital, as a follow-up to his letter, to facilitate getting the beds on stream?

MR. MINIELY: Mr. Speaker, I'm fully satisfied to this point that the matter — and the manner it was raised — has absolutely no bearing on the opening and operation of the facility when in fact construction is

actually completed. My position at the current time, which is indicated in the letter, is that I have asked officials to work with the administration and the chief of psychiatry to answer the questions which remain not satisfactorily answered, as I point out in the letter; as to why the operating budget has grown so substantially in a very short period of time.

Until such time as I have satisfactory answers to that basic question, I do not see any advantage in a meeting specifically between the board and me. I think the officials of Hospitals and Medical Care and the administration of the hospital should get together to answer that basic question satisfactorily.

Agriplast Ltd.

MR. MOORE: Mr. Speaker, the hon. Member for Bow Valley asked me a question yesterday with respect to the current status of Agriplast Ltd. The problems regarding the technical deficiency in the appointment of the receiver in the Agriplast situation have been overcome, and the amended receiving order has been issued by the court with no objections being raised by third parties. This clears the way for future legal action when deemed appropriate by the receiver or the Agricultural Development Corporation.

Mr. Speaker, new investigations are being carried out by the receiver, which may result in the selling of the plant intact. In the event these negotiations do not succeed, the Agricultural Development Corporation would in all likelihood proceed with the normal methods of disposal of the assets, subject of course to court approval.

Calgary General Hospital

(continued)

MR. CLARK: Mr. Speaker, I would like to direct a supplementary question to the Minister of Hospitals and Medical Care. Having regard for the minister's answer, the supplementary is: despite what's happened, is the minister prepared to take the initiative and ask the board of the General Hospital to meet with him immediately to try to get this matter resolved? Despite differences in point of view, the real question is to get the beds in use.

MR. SPEAKER: With respect, it would appear the hon. minister has answered precisely that question in covering rather fully the reasons he would not meet with the board at this time.

Speaker's Ruling

MR. SPEAKER: Hon. members may recall a question, asked of the hon. Premier by the hon. Member for Spirit River-Fairview, concerning alleged provincial representations to the federal authorities on the subject of statements said to have been made by His Honour the Lieutenant-Governor.

Insofar as the question contains a preamble and refers to news reports, it is of course out of order. Disregarding these extraneous aspects of the question asked, it is in essence an inquiry about provincial

representations or advice to His Honour the Lieutenant-Governor. It is further alleged that such representations were made via federal authorities.

This point of order is unusually difficult. It is also unusually important. *Beauchesne* says, in Citation 171(ii):

A question oral or written must not . . . introduce the name of, or contain reflection on, the Sovereign or Royal Family, or refer to influence of the Crown.

There is reason to doubt that this citation from *Beauchesne* can be taken literally. If it were, the result would be somewhat extreme. A mere mention of a member of the Royal Family would be out of order. For example, a question inquiring about the date or possibility of a royal visit could not be asked. Not even a question about the government's information concerning the health or safety of a member of the Royal Family, or of the Lieutenant-Governor, would be allowed.

It is therefore necessary to examine the above citation from *Beauchesne* more critically. *Beauchesne* obviously copied this citation verbatim from an older parliamentary reference work published in the United Kingdom. This text, by Campion, was not available in our library and had to be obtained by an interlibrary loan, so the source of *Beauchesne's* citation could be checked. Campion, however, gives no basis for his statement. He does not show whether it is related to anything that happened in the British House of Commons. It could well be that he made the statement on his own and obviously in a very sweeping way. He indicates no parliamentary precedent for this rather sweeping observation.

The parliamentary reference book entitled *Parliamentary Practice*, by Sir Erskine May, is known and respected all over the Commonwealth as an authoritative text on parliamentary procedure. At page 328 of the nineteenth edition of Sir Erskine May, the following appears:

Royal Family. — No question can be put which brings the name of the sovereign or the influence of the Crown directly before Parliament or which casts reflections upon the sovereign . . . or the royal family. A question has been altered by the Speaker's direction on the ground that the name of the sovereign should not be introduced to affect the views of the House.

The text continues on the same page with the following:

Royal Prerogative. — Questions may be asked of the Ministers who are the confidential advisers of the Crown regarding matters relating to those public duties for which the sovereign is responsible.

As indicated in the footnotes to this quotation, these statements of principle are based on precedent.

I have not the slightest justification for being convinced that a representation of the kind alleged in the question we are examining was ever made. Even if such a representation were made, it would not concern any public duty of His Honour the Lieutenant Governor. Therefore, by necessary implication from the above quotation, the question is out of order.

Sir Erskine May's text continues on the same page 328 as follows:

It has been ruled that the Prime Minister cannot be interrogated as to the advice that he may have

given to the sovereign with regard to the grant of honours . . . or the ecclesiastical patronage of the Crown . . . or the appointment and dismissal of Privy Councillors . . . or the dissolution of Parliament.

Obviously it would be wrong to conclude that the list of prohibitions I have just quoted is exhaustive or complete. It is, rather, a list illustrating a principle.

That principle is applicable to the question on which I have been asked to make a ruling. Hence, because the question asked by the hon. member does not relate to any public duties of His Honour, it is out of order. It is also out of order because it purports to deal with advice or a representation by confidential advisers of the Crown concerning a matter of a kind which, by parliamentary tradition, has been ruled not to be a proper subject for a question.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

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

The names of the school divisions, counties, urban counties, city school districts, town school districts, village school districts, consolidated school districts, rural school districts, and regional high school districts, which experienced a surplus, together with the amount of the surplus for each, for the fiscal year 1976 (January 1 to December 31).

MR. KOZIAK: Mr. Speaker, I have an amendment to Notice of Motion No. 146, which basically incorporates the request contained in the hon. member's motion; however, it makes clear that in the motion for a return we are dealing with the school portion of the operating surplus, particularly in those jurisdictions that have both municipal and school functions. I have written copies of the amendment, and perhaps I could provide those to one of the pages.

MR. SPEAKER: While the amendment is being brought to the Chair, could I repeat a suggestion I believe I made some time ago. If hon. ministers or members are aware of an intended amendment in sufficient time to give the Chair notice to be able to read it in advance, that would be very much appreciated.

The amendment not having been read, perhaps I should read it. It is moved by the hon. Minister of Education that Notice of Motion for a Return No. 146 be amended as follows:

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

Those school jurisdictions under the following categories: divisions, counties (school fund), city districts, town districts (includes Devon urban county school fund), village districts, rural districts, consolidated school districts, regional school districts, which experienced a 1976 operational surplus, together with the amount of the surplus for each.

Is there any debate on the amendment?

MR. TAYLOR: Mr. Speaker, the amendment appears satisfactory. Does the fiscal year 1976 appear in that amendment?

MR. SPEAKER: It says "a 1976 operational surplus". Presumably, according to a kindly interpretation, that might refer to that fiscal year.

[Motion as amended carried]

MR. FOSTER: Mr. Speaker, I move that Motion for a Return 147 stand.

[Motion carried]

head: **GOVERNMENT DESIGNATED BUSINESS**

head: **GOVERNMENT BILLS AND ORDERS**

(Second Reading)

Bill 2

The Appropriation Act, 1977

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 2, The Appropriation Act, 1977. This act authorizes the expenditure of the funds which have been under consideration by the Committee of Supply, less those funds already authorized by The Appropriation (Interim Supply) Act, 1977.

[Motion carried; Bill 2 read a second time]

MR. FOSTER: Mr. Speaker, I move that you now leave the Chair and this House resolve itself into Committee of the Whole for the purpose of considering bills on the Order Paper.

MR. SPEAKER: May I say before I leave the Chair that if it's for the purpose of considering Bill No. 2, I think there is some parliamentary authority which deals with the first, second, and third reading, as well as the committee stage, as being the stages of the reading of a bill. It may take unanimous consent to go through more than one stage in one day.

MR. FOSTER: Mr. Speaker, if so, may I ask for the unanimous consent of the House to so proceed?

MR. SPEAKER: Does the hon. Acting Government House Leader have the unanimous consent requested?

HON. MEMBERS: Agreed.

head: **GOVERNMENT BILLS AND ORDERS**
(Committee of the Whole)

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of the Whole Assembly will come to order.

Bill 2

The Appropriation Act, 1977

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

DR. BUCK: Mr. Chairman, I guess we were all a little confused about what was really happening. The Leader of the Opposition left a request with me just before I went up, because we didn't think we'd be going into committee on Bill No. 2 at this time. He has some remarks he'd like to make, Mr. Minister and Mr. Provincial Treasurer. Is it that important that it go through today?

MR. FOSTER: Make them on third reading, Doc.

DR. BUCK: He can't do it on third reading.

MR. FOSTER: Why not?

DR. BUCK: Some of the debate we'd like to have could occur only in committee, Mr. Acting House Leader. Otherwise I wouldn't have given unanimous consent at the time. I'm no expert on the rules, as some other honorable gentlemen are — or are not, I guess. So if the minister would consider holding it until tomorrow, we would certainly appreciate it. Otherwise I have to talk for an hour. [laughter]

MR. MINIELY: We don't want to listen to that, Walt.

MR. FOSTER: Mr. Chairman, I move the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

DR. McCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration certain bills, begs to report progress, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

head: **GOVERNMENT BILLS AND ORDERS**

(Second Reading)

(reversion)

Bill 4

The Alberta Loan Act, 1977

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 4, The Alberta Loan Act, 1977. This act authorizes the government to borrow a sum not exceeding in the aggregate \$200 million, and is a companion act to similar legislation we pass each year.

[Motion carried; Bill 4 read a second time]

Bill 5
The Alberta Municipal Financing
Corporation Amendment Act, 1977

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 5, The Alberta Municipal Financing Corporation Amendment Act, 1977.

This bill increases the corporation's capacity to borrow funds from its present level of \$1.9 billion to \$2.2 billion, and is necessary to meet the anticipated borrowing needs of municipalities and those bodies to which the financing corporation makes loans.

DR. BUCK: Mr. Speaker, I'd like to make a point or two on this bill. I guess it's a habit of all politicians to tell the municipalities how well they're being treated. The former government did that, and the present government is doing that. But at the same time we do that, Mr. Speaker and members of the Assembly, I think it's about time we in this Legislature really sat down with the rural municipalities and city municipalities and just had a heart-to-heart talk about where we're heading as far as the debt picture goes.

As just a small example of an issue in one of the communities in my constituency, in Bruderheim they're now looking at preparation of a bylaw to go ahead with a very major street-paving program, with gutters and everything. It's quite a hot political issue at this time. Of course what concerns the people in the area is that the taxes for a modest home are approximately \$200 now, and they'll go up to about to \$800.

So, Mr. Treasurer, I really think it's time we sat down with the municipalities and had a good look — yourself, the Minister of Municipal Affairs, and the municipalities — to see just how heavy the debt load is on our municipalities. We look at the affluence in Alberta, but sometimes we have to sit down and do a little hard thinking about some of the debt we have. You can never borrow yourself into prosperity. That seems to be the route we're taking in the debenture issues in some of the municipalities.

So I would just say to the Provincial Treasurer, Mr. Speaker, that what is happening is a real concern to me and to other people. Possibly the time is not that far away when we may be looking at the use of the heritage trust fund to write off some of the debts of some of the towns, villages, major centres, and rural municipalities, because after all, that heritage trust fund belongs to all of us. I know we think that in our wisdom we probably have better usages of the heritage trust fund than people in the municipalities would have. Some time down the road, I think we should assess the entire debt situation with the towns, villages, cities, and rural municipalities. At the same time we may have to look at — as was mentioned the other day in one of the debates — the heritage trust fund being used for the rural gas coops.

But these are all debts. So when we're looking at Bill 5, raising the capacity of the Municipal Financing Corporation from \$1.2 billion to \$2.2 billion, we had better just have a look at the entire debt situation with all the municipalities.

Thank you, Mr. Speaker.

MR. TAYLOR: Mr. Speaker, I'd like to say a word or two on second reading of Bill No. 5. A great number

of our municipalities are growing, and they have growing pains. The things they are doing are going to pay off in the future. But they have to have operating capital for water and sewer, for subdivisions, for extending lines, for getting roads. Eventually these things will all pay for themselves, but in the meantime they have to have operating capital. Consequently, I support the bill.

I think the bill is good. It's going to permit greater amounts of capital to be loaned to our municipalities having growth pains. I think that's very different from a community that's going downhill. These communities are going uphill, and they need money with which to grow.

Many people have said that Canada was built on credit. There's a proper place for credit. When the municipalities see that these things can be properly paid off in time, I think the money should be made available. If it can be made available through AMFC, it's the best possible service we can do at this time for the municipalities in the province.

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

HON. MEMBERS: Agreed.

MR. LEITCH: Mr. Speaker, I think the hon. Member for Drumheller made some very valid points. I would endorse what he said about the need for municipal expenditures in a growing province, particularly in a province where a substantial part of the growth is taking place in the smaller centres.

In response to the comments of the hon. Member for Clover Bar's, I should say that I think we're all properly concerned about growing debt levels. I'm sure all of us would like to see all governments without debt, but that's just impractical. And it's probably not a very good way of financing anyway, in the sense that much of the debt is incurred to provide a facility which is going to be used by future generations and there is a substantial argument that those who use such capital facilities ought to pay for them while they're using them. But I simply want to draw these points to the attention of members of the Assembly, arising out of what was said by the Member for Clover Bar.

I think if we're talking about municipal debt in the province of Alberta, one place we have to start to get an appreciation of the situation is to compare it with municipal debt in other provinces in Canada. I endeavored to do that on a number of occasions over the past couple of years and found the statistics unreliable, in the sense that they're not compiled on a basis that makes comparison easy. That is now changing, and I think we'll shortly have in Canada a basis for comparing municipal debt across the nation.

Nonetheless, the comparisons I was able to get indicated that Alberta compared very, very favorably with the rest of Canada in respect of the size of the municipal debt per capita. Certainly if you added a factor that accounted for our more rapid growth than a number of other areas in Canada, we would compare very favorably indeed.

Mr. Speaker, I also did some work on this question, trying to compare the situation today with the situation, say, 10 years ago with respect to the municipal tax load being borne by municipal taxpayers. As

might have been anticipated by Members of the Legislative Assembly, I found that if you took, say, the year 1965 you would find that a person in an average income range, say a mechanic or someone of that nature, living in a modest three-bedroom bungalow might have paid something like 7 per cent — and I'm quoting the figures from memory, so they may not be the actual ones — of his disposable income in municipal taxes. By 1975, the tax bill of that same person living in the same kind of accommodation had dropped to 3 or 4 per cent of his disposable income. So the municipal tax bill was bearing on him much less in 1975 than it had in 1965. That indicates a capacity to take care of a debt load.

I think one needs to keep two other things in mind in connection with Alberta taxpayers' capacity to discharge municipal debt. We in the province have a lower tax base than anyplace else, in income tax and things like that. So more disposable income is available to Alberta people than to their counterparts in other provinces. In addition, we have one of the lowest unemployment figures in the nation. That means more people are employed, earning salaries, so there's a greater total capacity to discharge municipal debt.

So while recognizing the concern raised by the hon. Member for Clover Bar, I think one needs to weigh that concern by a comparison with other municipalities in the nation. In that comparison, I have no doubt that because of circumstances here, Alberta municipalities have a much greater capacity to carry debt than those in other provinces, and that our debt loads would compare very favorably even with the best of the other provinces.

DR. BUCK: Just before the minister reports, Mr. Speaker, may I ask the minister a question? On a point of clarification, Mr. Minister, did you say our per capita debt was one of the lowest in Canada? The statistics I have, the ones available from '72, put us pretty close to the top in per capita debt load.

MR. LEITCH: Mr. Speaker, what I was saying, in connection with the material we have been able to gather in an effort to compare municipal debt loads across Canada, is that we found the statistics were just not reliable, in the sense that they are not compiled on a common basis. For example, you have to take out utility debt load. And you would find the utility debt load would be larger in many jurisdictions than in others. Even in Alberta, the utility debt load for Edmonton is much different than it is for Calgary. I think utility debt load has to be treated differently than general municipal purposes debt load.

As I was saying, we expect statistics will be compiled in the coming year which will enable us to provide an accurate comparison. I think when that occurs we will find the municipal debt load in Alberta compares very favorably with the rest of Canada. In addition to that, you have to keep in mind that in some other jurisdictions the provinces rather than the municipalities carry the debt load, so it's not an easy comparison to make.

[Motion carried; Bill 5 read a second time]

Bill 6
The Statutes Amendment
(Grant Provisions) Act, 1977

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 6, The Statutes Amendment (Grant Provisions) Act, 1977.

I do not intend to say a great deal in moving second reading of this bill, save to point out to the Members of the Legislative Assembly that it really does two things. In certain acts that now do not have a grant provision, it inserts a common grant provision. By that I mean a grant provision that we started to insert in a number of departmental acts in the spring of 1975. In addition to that, Mr. Speaker, it deletes some granting provisions and replaces them with a common granting provision which provides that the Lieutenant Governor in Council may make regulations with respect to grants, and then further provides if the Lieutenant Governor in Council has passed such regulations, the minister may make grants within the authority granted by those regulations. The adoption of this common grant clause was a recommendation of the Provincial Auditor.

[Motion carried; Bill 6 read a second time]

Bill 8
The Alberta Opportunity Fund
Amendment Act, 1977

MR. DOWLING: Mr. Speaker, I move second reading of Bill No. 8, The Alberta Opportunity Fund Amendment Act, 1977.

The purpose of this bill is to provide a mechanism whereby you can deal promptly with applications. Some of the factors that have gone into establishing the Opportunity Company . . . we appoint members to the board on a geographic basis from places like High Level, Fort McMurray, Fort Vermilion, Calgary, Lethbridge, and so on. On this basis it's sometimes extremely difficult to call those people together for a very quick meeting to accommodate such things as an application that might deal with a firm price within a particular time frame. If that kind of application comes forward at that time, the application will have to be deferred a month and the price is lost, so the cost to the borrower is higher. We are attempting to expedite applications through the Opportunity Company board and therefore be a better service to the public.

MR. NOTLEY: Mr. Speaker, I intend to vote for Bill No. 8, but I would like the minister to answer a couple of questions of assurance when he concludes debate. I can understand the argument that it might be better to have a small committee to deal expeditiously with those applications. Obviously you are not going to be able to bring in the entire board from throughout the province.

The only concern I would express, however, is that we have to be very careful that that committee of the board, if you like, does not in itself become almost a cabinet or an inner cabinet vis-a-vis the Legislature. When he concludes his remarks, I would like the minister to assure us the board will still be holding regular meetings — I believe regular monthly meetings are held, are they not — and it would be the

intention of the board to continue holding those meetings, and that the decisions would be fully reviewed at the subsequent board meeting.

DR. BUCK: Mr. Speaker, I have the same concern as the hon. Member for Spirit River-Fairview, in that the next thing we may find is that this executive body may end up making all the decisions. There's that danger. We have to remember, Mr. Minister, that these are public funds which we are lending.

I realize the ministers don't like the hassle they have to go through to get their estimates passed. It would be very nice just to have an executive council go ahead, draw up the budget and pass it, and for us to come in here, vote on it and let it go. There is always the danger when we start allowing these short cuts that the short cuts become accepted practice. Because if I go for a loan from the Alberta Opportunity Company, it's always one that I need right now. But if you go to the bank, that's fine if you can convince the banker you have to have \$100,000 right now because you can take advantage of a deal that's going to make you a quick \$10,000 or \$20,000, and two weeks one way or other is going to make that difference. But when we are an institution lending public funds, we just can't go ahead and rush into these things with this executive committee.

I know I have hassled the minister that these things take too long. But what I mean by "too long" is two years: to me 24 months is too long. If it is a matter of its having to be done today or three days from now, that somebody is going to miss an opportunity, I hesitate to give the minister that kind of support on a bill such as this.

I would really indicate to the minister that there is an area of concern here. I hope this doesn't become the body that will be making all the loans. It's always easy to say well, it's hard for the fellow to get in from the north, the east, and the west. But I'm sure these people are being adequately compensated. And we do have air travel now, because we bought PWA to provide this type of rapid service, so the facilities are there to get to Ponoka. [interjections] So I would like the minister to explain to us more fully than he has in the bill, to reassure us that it will not happen that these decisions will be made too often by this executive committee.

MR. TAYLOR: Mr. Speaker, I don't know whether hon. members have had applications before the Alberta Opportunity Fund or not, but I have certainly had some in which I've been very interested. When you have to wait for the next board meeting, it's pretty frustrating and irritating to the people who have to have an answer. Whether the answer is yes or no. I can understand people who have never had any experience in dealing with large corporations. But I know in the Department of Highways it was necessary in the public interest to have committees to deal with items. You just can't get the whole group together all the time.

The main thing is responsibility. This bill sets out the responsibility very clearly: "The Executive Committee . . . not less than four directors including the chairman and the Managing Director." I can't see a thing in the world wrong with four directors dealing with it. There are a number of other safeguards as well.

So I support this. I just don't like going to my people and saying, well it looks favorable but it has to wait till all 12 directors get there. If we did that in our public accounts, or our private bills, we wouldn't have very many meetings. You have to have a quorum. A quorum is a sensible arrangement. A quorum is a sensible arrangement in this Legislature in the Committee of the Whole. A quorum is a sensible feature in the House of Commons. They go too far; out of the number they have, their quorum is pretty small, but still they have a quorum so business can be moved ahead.

In my view, we should not put handcuffs on the Alberta Opportunity Company that are not on other businesses which are in competition or which are dealing with the same matters. I think it's a sensible, responsible arrangement, and I think it will give greater satisfaction to the people of the province.

MR. GHITTER: Mr. Speaker, I'd like to make a few remarks because I don't share the concern of the Member for Clover Bar and the Member for Spirit River-Fairview. Probably the greatest criticism I hear of the Alberta Opportunity Company on many occasions is their seeming lack of ability to process applications in a proper manner.

I have a fear that the Member for Clover Bar is confusing responsibility and speed. Surely, if we have responsible people — and I'm sure we do — processing these applications, the question is [that] it has to be done in as responsible and as rapid a manner as can be.

It's not even a matter of two years; if someone is making an application to the Alberta Opportunity Company, and they go to the expense of bringing their audited statements, and their pro formas, and all the material before the Opportunity Company to obtain the loan, that loan is needed as quickly as possible, not three months down the line I think the effectiveness of the Alberta Opportunity Company, as I've seen it in Calgary, has been severely hampered by the fact that the decisionmaking process has not been quick enough, has not been moving along in [such] a manner that confidence can be obtained in the business community. As a result, people in Calgary are not going to the Alberta Opportunity Company when maybe they should. They are either scrapping the project, or they're saying the Alberta Opportunity Company is too slow.

If the hon. members would look at the number of loans granted out of the Calgary area, I think they'd be surprised how very low they are. Because the word is on the street that the AOC is too slow. When that happens that has a direct impact on the ability of that lending organization to do the job that we, as legislators requested them to do.

So I am pleased to see the hon. minister coming in with ways to streamline procedures. If it means for a moment that the judgments being made by the people approving the loans are not satisfactory, I'm sure the members of the opposition will be the first on their feet saying: hey, you're doing a lousy job, the arrears are there, you're suing, and all those things. If that happens, I'll probably be doing the same thing. But I think it's very important . . .

DR. BUCK: Why don't you move over here?

MR. GHITTER: Walter, I can't stand the action over there. I'm much happier here. Sorry, Mr. Speaker.

I would like to commend the hon. minister for an endeavor to speed up the process, and I would certainly welcome all members to support this bill.

DR. PAPROSKI: Mr. Speaker, I'd just like to make a few comments on this. I, too, would like to compliment the minister on setting this in motion, in that the executive committee will be able to expedite the processing of applications. That has been the comment I've heard over the past year or two regarding the slowness in some applications.

Having said that, I'd like the minister in closing debate to respond, if he would, regarding the possibility and probability that applications in fact will be denied by the executive committee or the board, as the case may be — but specifically the executive committee. If the executive committee denies that application, will the applicant be able to appeal to the executive committee? Will that executive committee handle that appeal, or will it go to the board at large? Or will the board at large, at least at some future date, review those that have been denied, to assure themselves that in fact those denials were justified in the truer sense?

MR. GOGO: Mr. Speaker, I'd like to make a comment on second reading of Bill No. 8 as well. I think the minister in the past year or two has been very receptive to suggestions by members of the Assembly on ways and means of speeding up the process. I think this is one. Last year another was the change of legal firms handling loans south of Calgary by a firm south of Calgary. I think that was a very sensible and wise move; that we didn't get some of these loan applications hung up in legal offices in the great metropolis of Calgary, and I think a lot of that held it up.

However, Mr. Speaker, I think the amendment is very sensible. I commend the minister for it, and support it. One question I would like the minister to respond to in closing debate: does he perceive the executive committee dealing with maximum size loans, and would loans above that go to the whole board?

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

HON. MEMBERS: Agreed.

MR. DOWLING: Mr. Speaker, first of all the matter of review at subsequent board meetings. The conditions under which I see the executive committee being formed — and first of all you must look at the terms of the amendment. It says the Opportunity board may appoint an executive committee of four members, including the chairman, plus the managing director. So there are five people. But those four members represent at the moment two-fifths of the total membership of the Opportunity Company board. If the Opportunity Company board were at its maximum, it would be one-third of the membership.

They would not necessarily review any applicant dealt with during the course of the time the executive committee dealt with the matter. But obviously the board would receive a report. A loan application might be deferred, pending clarification of certain

information. I'm sure all members have served on various organizations where a committee has formed and said, if you clarify this particular position we concur that the matter should proceed. Or there may be an existing borrower, or a new applicant has an extraordinary opportunity to acquire a certain operation, or set up a certain operation, and time is of the essence. Unless he can take advantage of a particular piece of property, an opportunity for marketing or whatever, within a particular length of time, the opportunity is lost.

Other occasions might exist, where a customer is having financial difficulty. Unless that financial support is given to him through negotiations with AOC, a bank, or a private lending institution, any number of things might come together. If they come together in a particular time, receivership is avoided and the operation continues. Or there may be an occasion when the Opportunity [board] might have to protect its own interest. The executive committee would look after that kind of thing, protecting the public interest and the public dollar.

So I don't visualize this committee operating differently from any other committee in the private sector, where a quorum is established for dealing with matters in an expeditious way.

I thank the hon. Member for Drumheller for his comments, and the hon. Members for Calgary Buffalo and Edmonton Kingsway. The Member for Edmonton Kingsway asked if applications would be refused by this executive committee. They could easily be, but that should not deter the applicant from coming back a second time with a revised position and making a new application. That has happened many times over the course of the last two and a half years. Many times the new application is received and approved.

The last item is the one the Member for Lethbridge West mentioned: can this executive committee deal with maximum loans? Likewise, that would apply. Yes they could, if they were given that responsibility by the board in total. The board in total might say, the package on this loan looks extremely good, but there are two things that must be looked at first of all. Is the property the applicant says he holds, something that he does in fact hold? You prove to me that is a fact, and we'll appoint the executive committee to determine that. If it's true, then the application should be approved and recommended to be proceeded with.

Mr. Speaker, I think those are the questions the hon. members asked. I wouldn't mind answering a further one if there was one. If not, I move second reading of Bill No. 8.

Thank you.

[Motion carried; Bill 8 read a second time]

Bill 10
The Alberta Emblems
Amendment Act, 1977

MR. SCHMID: Mr. Speaker, in moving second reading of Bill No. 10, I would like to relate to you certain facts that may be of interest why it was felt to include the great horned owl as well as petrified wood as the provincial bird and the provincial stone, respectively.

The Alberta petrified wood we have in mind is the replacement of wood material by the chemical silica

SiO₂, in the natural form of chalcedony, a microcrystalline variety of quartz. Not only because of its composition but also on account of its mode of occurrence as a natural substance found as fragments transported from the original formation, can petrified wood be classified as stone.

Mr. Speaker, Alberta petrified wood had its source in coal seams in which some of the woody material became preserved as mentioned above. But the desirable type has been eroded out of this original formation, transported by water, and deposited where it is now found in stream beds, river flats, and gravel deposits.

A United States Bureau of Mines bulletin, "Mineral Facts and Problems", in a chapter titled "Gem Stones", lists petrified wood as a semiprecious stone.

Mr. Speaker, in May of 1974 nearly 100,000 Albertans, primarily school children — and Mr. Speaker, I would like to repeat 100,000 and not 10,000 as was repeated several times in the media — cast ballots to show their preference for a provincial bird. And it may interest you, Mr. Speaker, as I've mentioned previously, the great horned owl received the largest number of votes. Other votes were cast for the mountain bluebird, the prairie falcon, the black capped chickadee, the western meadowlark, the red winged blackbird, the gray jay, and the black-billed magpie.

Mr. Speaker, in order to include the great horned owl as the provincial bird, and petrified wood as the provincial stone, I thought I might attempt to inform the hon. members of some of the reasons behind these decisions. Of course I don't have to describe to anyone in the Legislature that the great horned owl is a magnificent bird. He's known all over the province, though his favorite habitat is the dim woods, the lowland valleys, and the scrub wastes. Where no other creature seems to make a living, there the great horned owl shows it can be done — and in that way for certain is a characteristic Albertan.

The great horned owl is a distinctive bird. He's strong. He's got a mind of his own. I don't think it would be out of place to suggest that in this way also he resembles Albertans, who make the most of what they have, whether it be the homestead or the frontier places where the oil riggers go.

You can never get a great horned owl down. This is an official fact, not just something we might like to believe. Mr. Speaker, I'm informed that a very colorful Alberta wildlife zoologist, the late Dr. William Rowan, once tramped through the northern muskeg for days without seeing a single sign of a rabbit. In that case, of course, the rabbit cycle was very low. The good doctor was also studying the great horned owl at the time, and when he climbed a great black poplar to examine the nest of the great horned owl he found that the parents were feeding the young ones rabbits. Mr. Speaker, the point I'm making is that the great horned owl, like the Alberta people, can make the most of any difficult situation.

I know it will interest the hon. members, and especially the lady members of this Legislature, to learn that the great horned owl is a real Don Juan when it comes to courtship. You can hear him whoo-hooting in the valleys shortly after the new year comes in, when all the world is normally snowbound. To make love in the middle of an ordinary ice-cold January night calls for applause I'm quite sure. Furthermore,

so ardent is the great horned owl in his amorous adventures and overtures, he has owlets hatched before the snow disappears.

I do not have to reassure this House that we did not choose the great horned owl as the provincial bird simply because of all these meritorious gifts. As I said before, it was the choice of over 100,000 Albertans. And in my judgment, Mr. Speaker, no better choice could have been made. So as I stand here and nominate this magnificent bird to an everlasting place of honor in our land, I would conclude with a final fact in his favor. When in the depths of an average winter — not this winter, mind you — you hear a great horned owl romantically whoo-hooting in the lowlands of the river valleys, lift up your head because that is a sure sign that spring is coming. Your provincial bird is telling you that wonderful days are ahead.

MR. FOSTER: Whoo!

MR. SCHMID: Mr. Speaker, it is not as easy to make an impassioned plea . . .

SOME HON. MEMBERS: Whoo, whoo!

MR. SPEAKER: May I ask hon. members to give two hoots for procedure, and two would be sufficient. [laughter]

MR. SCHMID: Mr. Speaker, it is not as easy to make an impassioned plea for choosing petrified wood as the provincial stone as it is to justify the choice of the great horned owl as the provincial bird. Yet if you will examine what I have said before, and examine the case thoughtfully, you will see that here also is an ideal choice.

The first thing you have to recognize about petrified wood is that it has been around for a long, long time, and it is going to be around for a long time — for quite a while longer in fact. And anybody who tries to get tough with it will find that he has cracked his teeth on something too difficult to chew.

Furthermore, Mr. Speaker, and in a much more serious vein, petrified wood is a source of endless beauty. I know this because the Alberta Federation of Rock Clubs says it is so. This federation represents 20 clubs in Alberta, and in fact proposed that petrified wood become the provincial stone.

In choosing both a bird emblem and a stone emblem, Mr. Speaker, we in Alberta are anything but alone. British Columbia has a provincial stone, Saskatchewan has a provincial bird, and most states in the United States have such emblems. No great imagination is required to see how both can be used to stimulate greater pride and love in our province, especially on the part of our school children who took part in casting the ballots for the great horned owl.

I ask you to consider quite seriously, and perhaps with a sudden sense of pride, just how beautifully suitable petrified wood is for our province. Mr. Speaker, if you have ever seen it in jewellery and ornaments you will know how diversified it can be. It is found provincewide. And petrified wood belongs to a past uniquely identified with Alberta. It belongs to the age when the oil deposits were first laid down, and so in truth we can say that the beauty that marked the beginning of this province is with us still,

in our own age, namely in petrified wood.

Mr. Speaker, I move second reading of Bill No. 10.

MR. TAYLOR: Mr. Speaker, I was a little surprised when I first heard of the ballot, because so many people prefer the western meadowlark or the robin. The western meadowlark would certainly be my favorite. You hear it first thing in the morning and last thing at night, and it goes to bed at a half-decent time. The great horned owl stays up all night and sleeps all day, and I hope that's not characteristic of our people in Alberta. It probably likes night life, and that is characteristic of the people of Alberta. One other thing probably influenced a lot of votes: if you hear the owl out in the woods on a dark night it sounds something like "Joe who, Joe who". [laughter] Maybe that influenced the vote somewhat too. However, I'm quite content to have the great horned owl because it is a splendid bird.

I'm particularly delighted to see petrified wood chosen as our official stone. This is a beautiful thing. As a boy, I used to gather petrified wood from various areas of the Drumheller valley and I wish I had the collections now. It thrills you when you're able to find a beautiful piece of petrified wood and realise the many, many hundreds of years it has taken to reach that particular state. So I congratulate the minister on choosing petrified wood as the official stone for the province of Alberta.

[Motion carried; Bill 10 read a second time]

Bill 11
The Vital Statistics
Amendment Act, 1977

MR. WOLSTENHOLME: Mr. Speaker, I move second reading of Bill 11, The Vital Statistics Amendment Act, 1977. Actually what this amendment does is correct a drafting error in Section 15.2(a). It is amended by striking out the number 10 and substituting the number 14.

[Motion carried; Bill 11 read a second time]

Bill 13
The Forests Amendment Act, 1977

MR. APPLEBY: Mr. Speaker, I move second reading of Bill 13, The Forests Amendment Act, 1977. Mr. Speaker, I could make a lengthy speech on my interest in the forest industry, but at this particular time I would just suggest that the amendments in the new act are mainly necessary because of the changes in the reorganization of the Department of Energy and Natural Resources with the appointment of the Associate Minister in charge of lands, and also taking some responsibility regarding forestry roads and placing them under the Department of Transportation.

[Motion carried; Bill 13 read a second time]

Bill 14
The Nursing Homes
Amendment Act, 1977

MR. MINIELY: Mr. Speaker, I move that Bill 14 be now read a second time.

[Motion carried; Bill 14 read a second time]

Bill 16
The Extra-Provincial Enforcement
of Custody Orders Act

MR. ASHTON: Mr. Speaker, it's my privilege to move second reading of Bill 16, The Extra-Provincial Enforcement of Custody Orders Act. The bill provides that the courts of Alberta shall enforce custody orders granted in other jurisdictions, except in certain circumstances where it can be shown, for example, that the custody order was made in a jurisdiction where the child had had no real or substantial interest, or if it can be shown to the court that there are unusual circumstances [whereby] the court is satisfied that the child would suffer serious harm in the event the order was enforced. In those circumstances, the court can vary the order.

[Motion carried; Bill 16 read a second time]

Bill 17
The Public Lands
Amendment Act, 1977

MR. SCHMIDT: Mr. Speaker, I move second reading of Bill 17, The Public Lands Amendment Act, 1977. The purpose of the amendments to this act recognizes the reorganization of Energy and Natural Resources to the public lands division. Basically, the amendments cover the change from the transfer of land by OC to the provision of the transfer to be done by regulations. The reason, Mr. Speaker, is to speed up the transaction in transferring land.

The main change in the amendments to the act also [includes] that portion of 12.1, which is an addition to the act, allowing the minister the option to purchase land, which is a new section of The Public Lands Act in carrying out the duties and responsibilities of the public lands division.

There is an upgrading of the penalty clause in Section 55. The last portion of the amendment under Section 79 is a clarification of the minister's responsibilities in those areas where leases are cancelled for other dispositions.

[Motion carried; Bill 17 read a second time]

Bill 18
The Social Development
Amendment Act, 1977

MR. LYSONS: Mr. Speaker, I move second reading of Bill 18, The Social Development Amendment Act, 1977.

[Motion carried; Bill 18 read a second time]

Bill 19
The Public Highways Development
Amendment Act, 1977

MR. HANSEN: Mr. Speaker, I move second reading of Bill 19, The Public Highways Development Amendment Act, 1977. This bill does away with an advisory board and extends direct control to the minister over forestry and secondary roads in the 900 series. It

also gives the minister authority to enter into contract for road maintenance.

[Motion carried; Bill 19 read a second time]

Bill 20
The Names of Homes
Amendment Act, 1977

MR. STROMBERG: Mr. Speaker, I move The Names of Homes Amendment Act, 1977 be now read a second time. The Names of Homes Act was first introduced to this Legislature back in 1921 by the then hon. Member for Innisfail who, by the way, was born in Denmark and came to Alberta in the year 1898. He was a dairyman, a successful farmer, and also a justice of the peace. Unfortunately, Mr. Speaker, he was a Liberal. And unfortunately my research shows that the bill has had only one minor amendment in all the years it has served the farming community of Alberta.

As this acts stands at present, it's a mess; a very confusing and sloppy piece of draftsmanship. The registrar has virtually no power to do anything except process the applications. He can neither limit the type of application nor the type of name, including the individual's words, or pass judgment as to who specifically obtains the name if the land is subdivided. Mr. Speaker, the amendments proposed in this bill are for the sole purpose of tidying up the administration of the act.

[Motion carried; Bill 20 read a second time]

Bill 21
The Public Health
Amendment Act, 1977

DR. BACKUS: Mr. Speaker, I move second reading of Bill No. 21, The Public Health Amendment Act, 1977. This amendment simply establishes greater representation of the public on the health boards in the two metropolitan cities.

[Motion carried; Bill 21 read a second time]

head: MOTIONS OTHER THAN
GOVERNMENT MOTIONS

1. Moved by Dr. Buck:

Be it resolved that this Assembly urge the government to introduce legislation to abolish all provincial fuel oil taxes established under The Fuel Oil Tax Act.

[Adjourned debate March 17: Mr. King]

MR. KING: Mr. Speaker, when last this resolution was at the top of the Order Paper, I think I had said the things I wanted to say. I hadn't concluded, so I will do that very briefly now.

I simply want to reiterate about three points. The first is to question the assumption of the hon. member who introduced the resolution that elimination of the tax would be passed on to the ultimate consumer, something I questioned when last I spoke, and which questioning can be easily sustained by reference to the experience of the public in the prov-

ince at the present time. We have the lowest tax on gasoline in Canada. We also have the lowest tank wagon price on gasoline in Canada — that is, on average. We also have, on average, the highest retail markup in Canada. I think the fact that we have the highest retail markup, and particularly some of the information from the retailers which has recently been contained in the media would suggest quite clearly that there is no guarantee whatsoever that the benefit of the elimination of the tax would be passed on to the ultimate consumer.

The second point I had made earlier, which I would like to repeat briefly this afternoon, is that a nominal tax on gasoline reflects adherence to the user-pay concept. I have no difficulty with that. I note in the budget this year that approximately \$250 million is budgeted by the province for various types of roads and highway construction and operation this year, not to mention what is being budgeted by different municipal governments.

A car with a lone occupant, as I mentioned when last I spoke, is one of the most heavily subsidized forms of transportation. Indeed it's one of the most heavily subsidized forms of social activity in existence in North America today.

The hon. member made a great thing of the American precedent: the fact that notwithstanding our sitting on top of vast reserves of oil, as he described them, the price of petroleum for the consumer is higher in Alberta than across the border in Montana. Now, in the intervening period, since last this resolution was at the top of the Order Paper, we've had some interesting statements by the President of the United States. I think they're going to have a pretty significant impact on the American precedent pretty quickly.

What is proposed by the current American administration is that there be an immediate increase on gasoline tax; and further, that the President be given the power to implement what he calls a standby incremental increase in the tax amounting to 10 cents per year for five years. The cumulative effect of the tax would be a per American gallon tax of about 60 cents in five years.

One of the compelling arguments Mr. Carter gave for his energy proposals was that such tax increases would be a boon to the conservation of a declining natural resource — an argument which, I might say, had also been made by the New Democratic government of Saskatchewan when they had increased the tax on gasoline. Conservation, Mr. Speaker, is important, and I don't think was adequately dealt with by the hon. member opposite.

As I said when last I spoke, and as I would like to conclude this afternoon in opposing this resolution, we do ourselves a disservice, and I think that we do the people of this province a disservice, if we foster the suggestion that we live in a fool's paradise; if we foster the suggestion that people can continue to be profligate in the use of a declining and increasingly valuable natural resource by burning it in this province at less expense than it is possible for people to burn it in any other jurisdiction in the country.

Thank you, Mr. Speaker.

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

HON. MEMBERS: Agreed.

DR. BUCK: Mr. Speaker, briefly in concluding the debate, as I stated originally, the purpose of taxation is to raise required revenue. When it's quite evident to all the people in this province that that revenue can be raised by sources other than tax on gasoline, that tax should be removed.

Now, many of the government members have tried to make the point: where are we going to get the additional \$91 million? I guess the people of the province are asking that same question. Are our tax dollars being properly spent by this government? So we heard five years ago about priorities. It gets down to a matter of priorities that seem to have been forgotten about by this government. But at this point in time I would hazard a guess, Mr. Speaker, that when the next election rolls around, the government will be doing basically that: removing a portion or nearly all of the gasoline tax for the consumers of this province.

Mr. Speaker, as was mentioned previously, the people of this province are starting to wonder if the government can really manage their affairs.

SOME HON. MEMBERS: Oh, oh.

DR. BUCK: I know the government will give me that usual round of applause, because they've been reading the report that was brought in recently. But you know, arrogance breeds contempt, hon. Minister of Municipal Affairs.

MR. FOSTER: You should know. That's why you're there.

DR. BUCK: That's right. But what I'm trying to tell the Attorney General is that arrogance does breed contempt. You know, the role could be reversed very rapidly: the Premier of Quebec had a large, large majority, and now he's vacationing someplace in the Bahamas. He's not only the ex-Premier, he's the ex-leader of that Liberal party. So you know, the taxpayer . . .

AN HON. MEMBER: Pretty smart aren't they, Walter?

DR. BUCK: . . . is pretty smart. That's right, hon. Member for St. Albert. The taxpayer is so smart that he can also very rapidly kick a government out that doesn't fulfil the wishes of the electorate.

Mr. Speaker, I am not here to harangue the government. I would never want to do that. But I want to say to the government: just don't be too complacent. Because the motoring public in this province is getting a little concerned when it's paying over a dollar a gallon for its gasoline, when most of the prices are starting to get in the dollar range. But if we are really talking about conserving fuel . . .

MR. DIACHUK: Move it up to \$2.

DR. BUCK: That's right. That's right, Mr. Member for Edmonton Belmont. Beverly. My apologies.

If the purpose of that taxation is to discourage the utilization of fossil fuel, then make the price \$2 or \$2.50 a gallon.

MR. DIACHUK: You said it, not me.

DR. BUCK: But the 10 cents we have on gasoline right now is not acting as a deterrent, and it is not raising required revenue.

MR. JOHNSTON: It's a federal tax.

DR. BUCK: It's a federal tax? Mr. Minister, I'm asking that the provincial portion be removed. The federal government can do what it wishes.

In conclusion, Mr. Speaker, this tax is not required and should be removed. Let's pass on to the people of Alberta the benefits we have because the oil is in the ground in Alberta. So I would ask the government members to support the resolution to remove an unnecessary tax from the backs of the people of Alberta.

Thank you, Mr. Speaker.

[Motion lost]

2. Moved by Dr. Webber:

Be it resolved that the Legislature give consideration to the provincewide sharing among municipalities of 50 per cent of the growth in commercial and industrial assessment.

[Adjourned debate March 24: Mr. R. Speaker]

MR. R. SPEAKER: Mr. Speaker, as I was saying, the attitude of this government towards the people at the municipal level is of concern.

MR. DIACHUK: It was Walt who said that.

MR. R. SPEAKER: I said that three weeks ago. To conclude the point, I think we must be able to build confidence between the municipal governments and provincial governments that we trust each other. The municipal people are elected persons with a feeling for what their constituents want. We have to trust that they make the right decisions. So we on this side of the House have in two or three different situations pressed the concept of revenue sharing, and that moneys should be made available to municipalities.

In the resolution before us, the request is made that commercial and industrial assessment be spread on a provincewide basis. Mr. Speaker, I think there's a lot of merit in that concept in that a number of municipalities, just because of location, are not able to gain enough revenue to operate and take on some of the responsibilities they have.

The intent of this resolution is to redistribute and give equal access to programs across the province. On that basis, Mr. Speaker, certainly there is a lot of merit to consider and support the resolution.

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

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

HON. MEMBERS: Agreed.

MR. FOSTER: Mr. Speaker, with respect to the third motion on the Order Paper, wherein Mr. Trynchy has adjourned debate, he is regrettably away today due to illness. I would ask leave of the House that Motion No. 3 stand and retain its place on the Order Paper.

[Motion ordered to stand]

4. Moved by Mr. Cookson:

Be it resolved that the government of Alberta give consideration to reviewing The Alberta Wheat Pool Act and reporting to the Alberta Legislature on the adequacy, or otherwise, of the existing act in relation to the requirements of The Companies Act and The Co-operative Associations Act.

MR. SPEAKER: I regret interrupting the hon. member. But before he starts to debate Motion No. 4, I think the Chair should express regret to hon. members for not having perhaps taken a stricter look at Motion No. 2 and Motion No. 8. It would seem that both would require some fairly narrow interpretation and be confined to their respective texts if one is going to reach a conclusion that everything that can be said under Motion No. 2 can't also be said under Motion No. 7. A problem may arise, in the event either motion is adopted or rejected by the Assembly, as to whether the other may then proceed. If hon. members wish to give some thought to that point of order, perhaps we can deal with it when the subject arises again.

DR. BUCK: Mr. Speaker, on a point of order. The second time you said Motion No. 7. I believe you meant Motion No. 8.

MR. SPEAKER: I did indeed mean Motion No. 8.

MR. COOKSON: Mr. Speaker, it's a pleasure to rise this afternoon and say a few words about the resolution on the Order Paper. The reason I bring forth the resolution and discuss it in the Legislature is that on occasion a number of people throughout the province have expressed some concern to me about the present legislation under which the Wheat Pool operates. For the information of members, the Wheat Pool presently operates under a private act. Perhaps for further edification I might briefly review the history of the pool as we know it.

Mr. Speaker, it's interesting going back to the origin of the pool. Some in the Legislature may remember some of this. I had to read quite a bit of it. The pool originated on August 2, 1923. I checked the price of wheat prior to that, in 1919. It was \$2.21 a bushel, a pretty good price some 55 or 56 years back. In 1923 the price of wheat dropped to 65 cents a bushel. It was this sort of thing that advanced the thought amongst the farm people of Alberta that some sort of agency should be established to give them some way of marketing to perhaps stabilize their operations, even though they weren't sure how.

You know, I look at the kind of weather conditions we're getting in the last few weeks, and certainly through the winter. This uncertainty with regard to weather, which may have had some effect on the origin of the pool, may perhaps have some effect on the origin of some other operations to stabilize prices.

The Premier of Alberta at the time was Premier Greenfield. A large number of organizations and

groups got behind the concept of a pool; some way of marketing wheat, which was the main cereal crop at that time. It goes without saying that because of the great support of the people of that time — and their cooperation — and the different organizations that were involved, on August 2, 1923, a very important resolution was passed. That resolution was to the effect that if it were possible to sign up 50 per cent of the total grain producers of 1922, that would be the signal to go ahead and form the Alberta Wheat Pool.

I might mention that Henry Wise Wood was one of the important people who was involved in the initiation of the first Alberta Wheat Pool. Today he is named as one of the people in the Hall of Fame.

Subsequent to that date they were able to sign up 50 per cent of the farm members of the province and started on their operation of the Alberta Wheat Pool. In 1930 there was a serious crisis in the pool because if you remember, or have read the history of marketing in Alberta and in the world at that time, there was the crash of 1929. I was born the year before. I don't know whether that had anything to do with the crash or not.

The pool found they had a deficit of some \$5.5 million in their operation. This was a very large amount of money at that time. The government of Alberta saw fit to make arrangements to guarantee this amount of money and they were later paid off by the pool. But it's important to know that at that time they were able to support the pool and bring them out of their tremendous deficit.

At that time there were some 54,000 members in the Alberta Wheat Pool. I might say that at the time they set up a process — I suppose a democratic process — of defining the people who had participated in the pool. They divided the province into subdistricts. Each subdistrict, which was part of a district, had the right to elect someone to represent them on the pool as a delegate. Some 70 delegates were selected from across the province. Out of the 70 delegates, they selected seven directors who would be responsible for the day to day ongoing operations of the pool. In 1972 the pool bought out Federal Grain, a private operation in the province which included some 422 elevators.

Under the private act there have been some amendments over the years. As they expanded their operation the pool found they required more equity. So on and off through the years they came back to the Legislature. Because they were set up under a private act they had to come back through the system here in order to get amendments to their act, and in this case to increase the reserves under which they could operate. This was required in order to get guaranteed loans and so on from the banks.

In 1953 they asked for \$10 million; in 1957 they asked for \$15 million; in 1963, \$20 million; in 1968, \$30 million; in 1975, \$50 million, which was just two years ago, and now recently they've asked for an unlimited amount of retention of reserves, as I understand it, in order to fulfil their obligations and expand their facilities.

The elevator system today has over 782 elevators. There are over 56,000 members. There are 1,690 employees. Mr. Speaker, I might add there are over 173 pool outlets in Alberta which have no competition; that is, you have no alternative point to deliver wheat to the pool. There are 98 outlets with only two

companies involved, so you have a choice of one.

The pool has become deeply involved in fertilizer manufacturing, grain terminals, and manufacture of seed. They have other investments in the coop insurance service, Coop Implements and others. They handle over 65 per cent of Alberta grain. They had assets of over \$220 million in 1976. So, Mr. Speaker, I think it would be safe to say the pool today is a very — one wouldn't use the term "wealthy" operation, but certainly an operation that's worth considerable money in terms of corporations.

As I said, the reason I brought the resolution before the Legislature [is that] I have had expressed to me some concerns about the private act and whether it might be possible to change the way in which it is set up. A number of pool members and non-members have come to me on occasion. They are concerned about the tremendous value of the pool and the way the private act is set up.

I know there are others who would like to speak on the resolution. I would just draw attention to a number of areas in the act. One of them was 4(c), for example, which gives the pool the power "to lend money to members of the pool or other persons with or without security". Mr. Speaker, I doubt very much if many of the membership really know what is in the Pool Act. There's another provision to acquire and dispose of and hold shares to commit themselves to expansion into other companies, anything that may directly or indirectly benefit the pool. I would presume under that section the Federal Grain Company was bought which in effect wiped out competition in a number of outlets.

Section 14(1) makes provision for election of a director. The directors in turn elect the delegates. I have made a suggestion under 14(1) that perhaps it should be possible to elect a director at large, and again take it back to the membership who actually own the pool.

There's a number of other provisions in the act which give me a little bit of concern; Section 34, in fact says:

No action or other proceeding respecting any matter shall be brought against the Pool by any person who is or has been a member of the Pool unless it is commenced within one year after the date on which . . . cause of action arose.

This is a limitation of action which is not provided for in any other legislation with perhaps the exception of the medical people who have a two-year, and which is normally six years.

There's a provision under 38 for winding up the operations of the pool. Because the pool has been built up over many, many years by retention of reserves and payout of only certain reserves — and this power is given to delegates — I could perhaps express a little concern about the event of this happening, and what would happen to the value of the pool over and above the reserves that are retained for its operation. This would involve millions of dollars. It would really belong to the estates and people in the past who built up the pool. I don't see really any provision in there for it. I guess it would have to revert to the people who were basically pool members at the time.

Mr. Speaker, I would suggest that one of the problems with cooperatives, and the pool is a type of cooperative, is always that the membership over the

years forget the real purpose and reason for — in this case, the pool — in the first place. They tend to delegate it to others they feel have more time or [are] more interested, and have been involved more.

So if you follow it to its ultimate, eventually the control that should be at the membership level graduates toward the top end. It's for this reason I express some concern about the way in which the pool is set up. I have made a proposal that we look at the private pool act in terms of The Cooperative Associations Act, and The Companies Act. There may be some other way in which the pool might function. I think it's extremely important that we do it at this time and sit down and work out some type of agreement. I think it's important, Mr. Speaker, that whatever it is, it continually re-emphasize the extreme importance [of] the membership at all times clearly understanding what direction the pool wishes to go [in] on major issues.

MR. DOAN: Mr. Speaker, I would like to say a few words to this resolution, more or less opposing it. For these reasons: I had two concerns when this resolution was first brought on the Order Paper. One, I was afraid bad publicity might come out of this and one of the most progressive coops in this province. Secondly, my thought was [of] the reaction against this government of maybe a large number of our farm members who might misunderstand our intentions, that we might be thinking there is some mismanagement or possible misappropriation of funds. However, Mr. Speaker, I do not believe this is our intention.

On looking at some of the clauses of the Alberta Wheat Pool, I would agree some are rather vague in their meaning and perhaps unrelated to the operation of this corporation. There are other clauses that give powers that are probably not required. Thirdly, I think the main concern is the clauses that may restrict member participation in final decisions on relative problems.

Mr. Speaker, although I thought my colleague the Member for Lacombe gave an excellent review of the history of the Alberta Wheat Pool, I would also like to give my version of it. It doesn't detract from my colleague's description. I would just like to add something of my version of the history of the Alberta Wheat Pool.

As he said, it was formed in 1923 when farmers were desperate and wanted to get away from the speculative system, and were unable to get the government to form a grain board. In 1925 they began building their own elevators, and are now probably one of the biggest in the world [in] handling, buying, and storage of grain. In 1957 a seed division was established, taking over Alberta Seed Growers Cooperative. It is now one of Canada's largest seed dealer distributing services. They distribute the service to the membership at cost. In 1965 the Alberta Pool became joint owner of Western Cooperative Fertilizers Ltd., and set up the pool on a more or less competitive basis. In 1968 they entered in the distribution of chemicals through their elevator agents, which was another service to our membership. In 1972 the Alberta Pool acquired the country grain assets of the Federal Grain company in both Alberta and B.C., as well as 66 per cent of Pacific Elevators Ltd. of Vancouver.

Mr. Speaker, I feel we must be very careful not to

appear that we have nothing more to do in this government than to be looking into the operation of one of this country's largest and most progressive farm corporations. The Alberta Wheat Pool is directed in its operations by the appointment of delegates of the members through their directors. Mr. Speaker, what is more democratic?

If the government had been as concerned about operation and management of some other farm co-ops we have in this province, they would probably not have become as deeply involved as they have. If they had indicated their concern about these coops to the same extent as the Alberta Wheat Pool, which is continually making progress and has never asked the government for a loan or assistance other than the original one mentioned by my colleague, every dollar of which was paid back, with interest.

Mr. Speaker, the Alberta Wheat Pool is entirely noncompulsory. Any member who is not satisfied with returns on his products is free to sell them somewhere else. Or if there is any dissatisfaction among the membership, they have every opportunity to deal with them directly through their delegate.

Mr. Speaker, it may well be that some of the clauses in the act should be studied, together with the executive, but done in such a way that there is no intention to discredit their operation or to appear suspicious of mismanagement or misappropriation of funds.

Mr. Speaker, I feel that the Alberta Wheat Pool follows the principle of justice, that the distribution of the moneys or wealth is in direct proportion to the participation in the production of that product.

MR. MOORE: Mr. Speaker, I would like to make a few brief comments relative to the motion before us. First of all, I would like to say that the mover of the motion, the hon. Member for Lacombe, did an excellent job of reviewing some of the history of the Alberta Wheat Pool, and the very great need at the time the Wheat Pool came into being for the service to farmers that it has provided since that time. I think it's important as well to recognize the remarks of the hon. member who just finished speaking, who is, if not the longest, certainly one of the longest members of the Alberta Wheat Pool represented here in the Legislature.

My remarks, Mr. Speaker, will dwell to some extent on the discussions which I personally had over the course of the last while with Mr. Gordon Harrold, the president of the Alberta Wheat Pool. I would say as well it's my view that over the course of its many years of existence that institution has served Alberta farmers well. There have been times when the government of the day has not totally agreed with the directions the Alberta Wheat Pool was pursuing. Certainly in 1977, there are areas of work the Alberta Wheat Pool is involved in, whose direction we discuss with them from time to time and suggest to them that they should be looking for further changes.

Certainly the entire debate surrounding the rail line system in this province, elevator rationalization, the various concerns expressed to us by groups with respect to the development of inland terminals, and so on, are important subjects which deserve discussion among government, members of the Legislature, and organizations such as the Alberta Wheat Pool. I have to say on that matter, Mr. Speaker, those discussions have always been of an excellent nature.

Putting all that aside and moving to the Alberta Wheat Pool act, there is no doubt that the act itself is unique in terms of the size of the operation. I don't believe there is another situation where an organization of that size and scope, with that much importance when it comes to primary producers in this province, operates under a private act of that nature. That's not to suggest that the private act is not the right way to go or that the existing act is not appropriately structured.

However, Mr. Speaker, concerns have been expressed for some time from various quarters not only about the manner in which the act is structured but about whether the Alberta Wheat Pool should continue to operate under a private act as opposed to a public act of the same nature, or perhaps under the coop activities legislation or The Companies Act. Without a very thorough review of the effects that any changes might have on the operation of the Alberta Wheat Pool, I don't believe one should conclude that changes should be made.

For that reason, Mr. Speaker, in recent discussions, Mr. Harrold, the president of the Alberta Wheat Pool, and I reached an agreement that a committee be struck consisting of two members appointed by the president of the Alberta Wheat Pool and two members appointed by me, making a committee of four persons who would be charged over the course of the next few months with the responsibility of reviewing the existing Alberta Wheat Pool Act.

While the terms of reference of that committee have not yet been finalized, there is no doubt that they will include a review of the act in relation to whether or not it provides the directors and delegates of the Alberta Wheat Pool with sufficient power, scope, and authority to carry out the duties which have been assigned to them by the members across this province. In addition, there's no doubt that that review should in all fairness take into consideration other relevant provincial legislation, and determine whether there is any contradiction between other existing provincial legislation and the Alberta Wheat Pool Act.

Mr. Speaker, I thought it would be important for me to indicate in the debate this afternoon the initiatives that have been taken in that regard by the president of the Alberta Wheat Pool and me. I don't want to prejudge the disposition of the motion, except to say that I think the agreement we've reached with respect to a review of the act follows, to some extent, the concern expressed in the motion. On the other hand, I don't believe it's a situation where the government of Alberta by itself should be charged with the responsibility of reviewing the act without some reference to the board of directors and the members of the Alberta Wheat Pool. It's for that reason they are involved in naming members to a committee to review the act.

I would expect, Mr. Speaker, that on completion of their work, the committee I'm referring to would report directly to Mr. Harrold and me. From that point on, I'm not sure of the course of events that would occur, except to say that I would be pleased at some time after that review — and that may be a year from now — to report to the Legislature in an appropriate way.

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

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

HON. MEMBERS: Agreed.

MR. FOSTER: Mr. Speaker, I move that this House do now adjourn until tomorrow afternoon at 2:30 o'clock.

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

HON. MEMBERS: Agreed.

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

[The House adjourned at 5:20 p.m.]

