

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Wednesday, March 29, 1978 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **PRESENTING PETITIONS**

MR. HORSMAN: Mr. Speaker, I wish to present to the Assembly the following petitions for private bills: one, the petition of the Alberta Wheat Pool for An Act to Amend The Alberta Wheat Pool Act, 1970; two, the petition of the Society of Industrial Accountants of Alberta to amend a private bill, An Act to Incorporate the Society of Industrial Accountants of Alberta; three, the petition of Paul Gerald Otke, George Rode, Luther Edgar Schroeder, Vernon Arthur Raaflaub, and Robert Glen Guebert for An Act to Incorporate Concordia College; four, the petition of the Sisters of Charity of the Immaculate Conception for An Act to Incorporate St. Joseph's Hospital, Radway; five, the petition of the Royal Trust Company for An Act to Amend The Royal Trust Company Act; six, the petition of Edward G. Robinson, R.W. Nickerson, W.A. Cochrane, J.F. Fendall, and R.W. Chapman for An Act to Incorporate The First Western Trust Company.

head: **INTRODUCTION OF BILLS****Bill 21****The Workers' Compensation
Amendment Act, 1978**

MR. CRAWFORD: Mr. Speaker, I beg leave to introduce Bill No. 21, The Workers' Compensation Amendment Act, 1978. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

Mr. Speaker, in principle the bill is a reflection of the very useful work done by the select committee which reported late in 1976 and was under the chairmanship of the hon. Member for Calgary Millikan. The bill presents a series of points, the most significant of which would be the following. First, it does away with discrimination in regard to the amount of benefits available to widows who up to this time were covered by the previous act, thereby having been in the situation where a superior benefit was paid to widows under the act that took effect January 1, 1974. For the approximately 1,000 widows who survive and were covered under previous legislation, the anomaly will be done away with and the benefits equated.

Secondly, under the bill the board will be able to waive the limitation period during which certain claims must be filed in certain cases, the provisions being for three years. It will be possible for the board to waive that in cases where extraordinary hardship

might appear.

Temporarily disabled workers will be able to receive a more realistic benefit in cases where the temporary disability lasts more than one year. The occasional worker who is in the position where his disability is still temporary after the period of one year has in the past been trapped by the lower payments preceding.

A few other points in principle, Mr. Speaker. The clarification of the situation of employers in regard to the need to be covered: an amendment will be proposed whereby directors, officers, and persons who are clearly employers will not have to be covered, and that coverage will become optional. As well, changes in regard to the coverage of members of a family: in order to make it clear that where an employer/employee relationship exists, members of a family are covered by workers' compensation without reference to whether or not they reside in the household of the employer.

[Leave granted; Bill 21 read a first time]

Bill 242**An Act to Amend
The Municipal Taxation Act**

DR. WEBBER: Mr. Speaker, I request leave to introduce Bill No. 242, An Act to Amend The Municipal Taxation Act. The objective of this bill is to permit an urban municipality to assess vacant and inactive land or substantially unimproved land at up to full market value or a percentage thereof. If an urban municipality feels it can increase the supply of housing and influence the cost of housing by imposing a tax on certain lands, the passage of this bill would allow the municipality to do so.

[Leave granted; Bill 242 read a first time]

Bill 246**An Act to Repeal
The Health Insurance Premiums Act**

MR. NOTLEY: Mr. Speaker, I beg leave to introduce Bill No. 246, An Act to Repeal The Health Insurance Premiums Act. The purpose of this bill would be to eliminate medicare premiums in Alberta.

[Leave granted; Bill 246 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. FOSTER: Mr. Speaker, I would like to file the 1977 annual report of The Legal Aid Society of Alberta. In due course I will make copies available to all members of the House, but I don't have them at the moment.

MR. CRAWFORD: Mr. Speaker, I would like to table copies of the answer to Motion for a Return No. 108, and copies of the annual report of the pension benefits branch.

head: MINISTERIAL STATEMENTS**Department of Education**

MR. KOZIAK: Mr. Speaker, in the Budget Address on March 17 my colleague the Hon. Merv Leitch provided some details of the priorities for education announced in the Speech from the Throne. I am pleased at this time to expand the information on four high-priority areas of assistance for handicapped and learning disabled pupils.

The first relates to special education teaching positions. In the past year, 24 new teaching positions were established for education of the severely handicapped, bringing the total of this type in the province of Alberta to 428, more than double the 206 such classes in the 1971-72 school year. The hon. members of the Legislature will be aware that the number of pupils in such classes ranges from three per teacher in classes for the blind, up to nine to 12 per teacher in classes for the trainable mentally retarded. We also now support 979 resource room and related teachers for the mildly handicapped and learning disabled, an increase of 601 since the 1971-72 school year for this category of special education classes.

Mr. Speaker, subject to approval of our estimates by the Legislature, we propose to fund a total of 120 new special education teaching positions in these two categories for the 1978-1979 school year. The net result will be that approximately 1,525 teachers, nearly 7 per cent of the total provincial teaching force, will be devoted exclusively to special education instruction. Put in another way, approximately one teacher in 15 will be in full-time special education instruction. This assistance is in addition to the individual attention to special education needs given by regular classroom teachers. The total number of such positions will have almost tripled since 1971-72, while the enrolment in schools has dropped from the 1971 peak of 425,468 to the current 421,827.

Our second thrust in this area, Mr. Speaker, is to allocate \$108,000 for the development of a provincial curriculum guide for programs for the educable mentally retarded. Living and vocational skills such as money management, travel, understanding of self and others, as well as modified academic areas will be included. Suggestions for parent involvement and for wide use of community resources will be provided. Preliminary drafts for some program guides are expected to be available for review by this summer.

In the third area, Mr. Speaker, many learning texts, references, and resources must be specially produced for the visually impaired students in Alberta. We have been supplying through the materials production centre some large-print books, Braille books, and tapes on request from special classroom teachers. We propose to increase the volume and improve the quality of such materials by the acquisition of new equipment to improve production. The hon. members of the Legislature will note that our spending for materials will be doubled to nearly \$170,000 to provide visually impaired students with special copies of text and reference resources. Further, through deployment of three present staff positions from the Department of Education, and the addition of five new permanent positions, we are prepared to satisfy the special demand for materials and facilitate the integration of many of these students into regular

classrooms.

In the fourth area, Mr. Speaker, the province of Alberta increasingly has been educating the blind within the province rather than sponsoring such education elsewhere. Children attending centres outside Alberta have had the opportunity for special mobility training, enabling them to learn the skills of being as independent as possible in moving from place to place. For the 1978-79 school year, we propose to establish a new category of grants to support school boards in their employment of persons to provide mobility training for blind children in school programs. The grants are proposed to cover up to 30 hours of such instruction for each child per term. For 1978-79 a total of \$40,000 is being provided.

These four proposed developments reflect initial additional assistance of over \$800,000. I say initial assistance because the new special education teaching covers the school system year from September 1978 to the end of the government fiscal year in March 1979. The continuing costs for full years of operation will be as much more again.

Mr. Speaker, I am pleased to share these details of our continuing priority assistance for improved educational service and assistance to school children with handicaps and learning disabilities in Alberta.

Thank you, Mr. Speaker.

head: ORAL QUESTION PERIOD**St. Albert Development**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Deputy Premier and Minister of Transportation. It flows from comments made last week by the MLA for St. Albert, who told the St. Albert city council that he had received agreement from the Minister of Transportation for the start of the west by-pass road in 1978. Is it the position of the Alberta government that for the by-pass road to start in the vicinity of St. Albert in 1978, the city of St. Albert must agree to the terms outlined by the MLA for St. Albert in his meeting with St. Albert city council last week?

DR. HORNER: Mr. Speaker, the agreement we have is that to us in Transportation, it makes more sense to have a by-pass, when one is required, on the west side of St. Albert rather than the east. That has to do with the difficulty of entry into the city of Edmonton, relatively. The question of whether or not a by-pass is indeed required at the moment is academic. The major traffic on Highway 2 is in fact generated from the city of St. Albert itself, so those traffic figures have to be taken into any consideration of where and when a by-pass is built.

MR. CLARK: Mr. Speaker, a supplementary question to the Deputy Premier. As far as the city of St. Albert is concerned, has the government made a decision to proceed in 1978 with a by-pass in any form — be it on the west side, which the government appears to favor, or the east side, which some of the people in the city of St. Albert appear to favor? Has a decision been made with regard to going ahead on either side?

DR. HORNER: Mr. Speaker, the priority I think all would agree with is that we have improved access between St. Albert and Edmonton. We spent a great deal of money last year, and we'll be continuing that on the 170 Street and 156 Street connections to 118 Avenue.

MR. CLARK: Mr. Speaker, that's hardly the by-pass we're talking about. Perhaps I could put the question to the Deputy Premier this way: since the MLA for St. Albert had a document outlining the proposal in some detail, why were the city of St. Albert and MD of Sturgeon not informed of the plan before the surprise offer was presented to the city council?

DR. HORNER: Mr. Speaker, I think the hon. Leader of the Opposition is going to have to have some direct communication with the MLA for St. Albert with regard to that question.

MR. CLARK: Mr. Speaker, then let me put the question to the Deputy Premier this way: why were the city of St. Albert and the MD of Sturgeon not informed of the plans put before them by the MLA for St. Albert prior to that — if I could refer to it as rather a surprise proposal — and the city being told virtually that they had to agree to the thing that evening or no work could be done in 1978?

DR. HORNER: Mr. Speaker, the hon. Leader of the Opposition should appreciate that some MLAs do their homework better than others. To my knowledge, the MLA for St. Albert did in fact discuss in detail the question of by-pass and transportation problems in his constituency, in the city of St. Albert, and in the MD of Sturgeon. Indeed, he has had both the city and MD councils in my office discussing the various transportation problems that are there. So to suggest it was some sort of surprise announcement is incorrect, and the hon. Leader of the Opposition had better do his homework a little better.

MR. CLARK: Mr. Speaker, then can I put the question to the Deputy Premier this way: has he made available to the city of St. Albert and the MD of Sturgeon the same detailed plans which were hoisted upon those people last week by the MLA?

SOME HON. MEMBERS: Order.

DR. HORNER: Mr. Speaker, again the hon. leader should do his homework. If he did he would know, number one, that we have helped all the cities in Alberta to develop master transportation plans for their areas. Indeed the proposition the MLA for St. Albert put forward is in the long-term plans of that transportation study done by the former administration in the city of St. Albert in conjunction with my department.

MR. CLARK: Mr. Speaker, let me put the question to the Deputy Premier once more. When can the city of St. Albert and the MD of Sturgeon expect to get the detailed back-up information to the proposal put to them last week by the MLA for St. Albert?

DR. HORNER: Mr. Speaker, I'm sorry, but the Leader of the Opposition again has not done his homework.

If he did so, he would know all that back-up material has been, to my knowledge, in the hands of both councils and indeed, as I said earlier, concurs with the long-term transportation plan in the city of St. Albert. My hon. friend should not just read the newspapers but perhaps get in touch with both councils, from whom he could find out a great deal of information.

MR. CLARK: Mr. Speaker, perhaps the Deputy Premier should meet with them once again, and he'd get an earful too.

Mr. Speaker, with regard to the same announcement, perhaps I'll direct a supplementary question to the Minister of Housing and Public Works. Has the Alberta Housing Corporation made a decision to enter into an agreement for some 200 acres of land within the boundaries of the county of Parkland to zone it industrial, and is this part of the scheme of the Deputy Premier and the MLA for St. Albert as far as the west by-pass is concerned?

MR. YURKO: Not to my knowledge, Mr. Speaker.

MR. CLARK: Mr. Speaker, when does the Minister of Housing and Public Works plan to tell the MLA for St. Albert that, at least to the minister's knowledge, the government doesn't plan to move in that direction?

MR. YURKO: Mr. Speaker, the MLA for St. Albert and I are in contact on a number of matters; for example, the senior citizen housing project, which is going ahead with a lot of help from the MLA. But we haven't had any discussion on this particular matter.

MR. CLARK: Mr. Speaker, I'd like to direct a further supplementary question to the Minister of Municipal Affairs. It deals with the same proposal. I wouldn't want the minister to feel left out.

My question is with respect to the conditions presented to the St. Albert city council requiring the city to withdraw its opposition to the Genstar annexation proposal, now before the Local Authorities Board, in order that this west by-pass could go ahead. Is it the position of the government that the city council of St. Albert must withdraw its opposition to the Genstar annexation proposal before the government is prepared to move on the west by-pass?

MR. JOHNSTON: Mr. Speaker, the hon. Leader of the Opposition seems to have taken quite an interest — a newly found interest — in the Edmonton metropolitan area. I might advise the House that as recently as 0900 hours on March 20 I did meet with the mayor and the administrators of the town of St. Albert. That meeting was arranged by the MLA from the area. Among other things, we discussed the questions of annexation and urban form, and of course had to touch on the very important question of transportation. Naturally, it's been the position of this government that we don't interfere in the positions taken by the municipalities. If they want to make the presentation to take a position in terms of their own boundary adjustments, they have that opportunity, and it's not our intention to interfere. [interjections]

MR. CLARK: Mr. Speaker, another supplementary question to the Minister of Municipal Affairs, whose

memory is amazing on some occasions. Has the minister yet received from the Local Authorities Board its recommendations with regard to the two annexation proposals in the St. Albert area, the Genstar proposal and the proposal put forward by the city?

MR. JOHNSTON: Mr. Speaker, as I have answered similar questions in this House before — and I know the hon. Leader of the Opposition is aware of the implications of an answer of that type: if I answer in the affirmative, that I have received the LAB orders, then of course it's clearly understood that it's a positive recommendation. So, Mr. Speaker, in terms of my position [inaudible] deal with those issues before, I will not answer that question.

MR. CLARK: Mr. Speaker, just one last question of the minister. Is it the new policy of this government that once the people of an area, by means of plebiscite — the duly elected officials, the city council, go before the Local Authorities Board, tell the Local Authorities Board that in fact they don't want a particular annexation project to go ahead, in this case the Genstar project, and yet the minister, before he has received any advice from the Local Authorities Board, goes and asks the city council, or blackmails the city council, into withdraw . . . [interjections]

MR. SPEAKER: Order please.

MR. CLARK: . . . asks the city council to withdraw its point of view just to save the MLA from that constituency?

MR. JOHNSTON: Mr. Speaker, there is so much speculation in the question of hon. Leader of the Opposition that it doesn't even require rebuttal.

MR. JAMISON: A supplementary, Mr. Speaker. First of all I'd like to thank the Leader of the Opposition for his good publicity today. It's unfortunate he doesn't know all the facts of the whole story. To set the matter straight for the hon. Leader of the Opposition, the Genstar application was complete . . .

MR. SPEAKER: Order please. Is the hon. minister for St. Albert making an announcement? [laughter]

Firestone Plant Closure

MR. CLARK: Mr. Speaker, now we'll get back to question period, after that short speech.

Mr. Speaker, the second question is to the Minister of Business Development and Tourism. It's with regard to the Firestone plant in Calgary. When was the minister first advised by officials of Firestone that it was their intention to close down the plant?

MR. DOWLING: Mr. Speaker, as the hon. leader will recall, I did indicate I made a phone call to Mr. Moore, the president of Firestone, when the layoff occurred in the Calgary plant. On the 15th of this month my office had a phone call from Mr. Moore, indicating he would be in Edmonton on the 20th and would like to meet with me. I agreed to the meeting on the 20th and was informed at that time. The next day the announcement was made in Calgary.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Did the minister express the disappointment of the government that it hadn't been taken into the confidence of Firestone prior to that, so that some possible alternatives could have been looked at either by Firestone or by Firestone and the government?

MR. DOWLING: Yes, Mr. Speaker, I did express to the president my concern about the pending closure. I told him of the priorities of our government to create new jobs and maintain those that are there. I told him that over the last three years we had created 112,000 new jobs in Alberta, 37,000 last year. So we were truly interested in maintaining the position of the Firestone plant. However, he pointed out that there were three major reasons for the closure, and I have already indicated those to the House.

MR. CLARK: Mr. Speaker, to the minister. Has the government done any sort of study that would indicate the cost of converting the plant so it would in fact be able to increase greatly its capacity to produce radial tires?

MR. DOWLING: Mr. Speaker, I think I did indicate that some \$9 million was expended on the Firestone plant in Calgary to convert it to what they felt was a product of current need in the Alberta market. That expenditure was made, and they found the return on the expenditure was not such that they could continue the operation of the plant.

You should also know that the Firestone organization, and others as well, have in the course of a very few years turned around the import situation which existed, where Canada and Alberta were importing product from the United States. We are now self-sufficient in tires. The Firestone plant in Joliette, Quebec, and two in Ontario will supply all the requirements of that organization for Canada.

MR. CLARK: Mr. Speaker, to the minister. What assistance are either the minister's department or other government departments giving to those people who will be out of work? What kind of assistance can those people expect from the minister's department?

MR. DOWLING: Well, Mr. Speaker, we have been assured by the management of the Firestone organization that they will do everything they can to relocate the people who have been relieved of their positions with the Firestone organization. I have also had conversations with the Minister of Labour and the Minister of Advanced Education and Manpower with regard to this problem. We are concerned that these people will be re-employed. I think there shouldn't be too much difficulty in the expanding province of Alberta.

MR. CLARK: Mr. Speaker, then to the Minister of Advanced Education and Manpower — or the Acting Minister of Advanced Education and Manpower, who I assume would be the Government House Leader. Are funds available for those employees now out of jobs at Firestone to take manpower retraining programs either at the AVC in Calgary or through apprenticeship training programs? Is financial assis-

tance now available for those people, or is the government prepared to do that on a special basis?

DR. HORNER: Mr. Speaker, if I could, the Minister of Advanced Education and Manpower is ill today, but I'd be quite pleased to take it as notice and have an answer for him shortly.

MR. CLARK: Mr. Speaker, one further question of the Minister of Business Development and Tourism. In light of the fact that there appears to be no way in which the Firestone venture in Calgary can continue to operate — at least that appears to be the position of the government and Firestone — my question to the minister is: what action are the government and Firestone, along with the city of Calgary, involved in to attempt to use that facility for other kinds of manufacturing processes? Is the province presently working this out with the city and with Firestone itself? What initiative has the government in that area?

MR. DOWLING: Mr. Speaker, at this time I haven't had a conversation in that regard with the mayor of Calgary. However, I'm prepared to undertake that type of meeting at any time requested. We know that the Firestone organization does have the property for sale. We understand also, through rumors, that there are some potential buyers.

MR. NOTLEY: Mr. Speaker, a question to the hon. Minister of Business Development and Tourism to clarify the government's position. Is it then the position of the Alberta government that there is in fact no future for the Firestone plant in Calgary and that the independent assessment has verified that? Or is it the view of the government that there could be an opportunity to reopen the plant at some point?

MR. DOWLING: Mr. Speaker, the question was asked Wednesday last, which I intended to answer today. We have not undertaken a study with regard to market potential for that type of product, but we have been told three things which I think I should relate to the members of the Assembly.

The market for automobile tires has remained constant over the last five years. Advances in radial tire technology, along with the advent of lighter cars, have resulted in longer tire life and hence reduced demand for replacement tires. And three, the manufacture of radial tires requires more sophisticated equipment, longer manufacturing times, than does the older technology. In addition, new technologies are being developed all the time. The Firestone organization felt that it would be another bad investment to go into this highly technical field when they had the type of plant in eastern Canada that could supply the Canadian need.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. During the course of the discussions with officials of Firestone, was the minister able to elicit from the officials whether the company was losing money on the Calgary venture or whether their rate of return was lower on Calgary compared to their average rate of return on other plants?

MR. DOWLING: Mr. Speaker, as I recall the conversation and did say in the House earlier, 1972 was the last year the company made a profit. At that time it was something of the order of \$1 million. I could verify that figure by checking. The year before that it was some \$4.1 million, and since 1972 the company has lost money in the Calgary plant.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Minister of Business Development and Tourism. Can the minister advise or assure the House that in fact the Firestone people gave the government of Alberta access to the records, so that we can be assured of the losses the minister has cited?

SOME HON. MEMBERS: Oh, oh.

MR. DOWLING: Mr. Speaker, I have no reason to doubt the veracity of the president of the Firestone organization, a great contributor to the Canadian economy and, in a normal situation, one who would be in a position to expand our 37,000 new jobs in Alberta this last year.

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

MR. SPEAKER: We're going to have to get on with the other members who are waiting to ask their questions. Perhaps we could have a final supplementary by the hon. Member for Spirit River-Fairview, followed by the hon. Member for Vegreville, then the hon. Leader of the Opposition to conclude that topic.

MR. NOTLEY: Mr. Speaker, my supplementary question to the hon. Minister of Business Development and Tourism relates again to whether the government has considered, is considering, or is willing to consider an independent assessment of the plant's capacity in Calgary, in view of at least the dispute — the workers in the area indicate that in their view it is a feasible proposition; they would even like some help to try to take the thing over. My question relates to an independent study now, not what has been done but whether the government is prepared at least to assess that prospect to see whether there is any possibility of keeping that plant going.

MR. DOWLING: Mr. Speaker, with the facts we now have at hand and with contact with other entrepreneurial experts in this field in the Alberta scene, we believe that the facts presented are true. You should know too that on the 11th of this month we will be having a meeting with officials of Local 635, United Rubber Workers of America, who have requested a meeting. At that time I am sure they will be making a proposal to us with regard to the Firestone plant. I'm not in a position to discuss that matter until I see the proposal.

MR. BATIUK: A supplementary to the Minister of Business Development and Tourism, Mr. Speaker. Could the minister advise whether it's customary for the government to get involved when any business in the province closes its doors, when 37,000 new jobs were created over the past year?

MR. DOWLING: Mr. Speaker, no. Our policy position is simply this: we support any entrepreneurial venture. We try to lend that shoring-up effort that governments can and should do. But we try to avoid any interference with the private sector, so it can operate successfully in Alberta.

MR. CLARK: Mr. Speaker, I'd like to ask just one last supplementary question of the minister. In light of the economics the minister has outlined as far as the Firestone plant in Calgary is concerned, and having regard for some of the difficulties the Goodyear plant in Medicine Hat is having, I wonder if the minister would take it upon himself to use his good offices to check with the Goodyear people in Medicine Hat to take whatever steps can be taken jointly to ensure the continuation of the Goodyear plant in Medicine Hat. [interjections] Just hold the phone. It's my information that that plant is now operating some two to three days a week. If this government can take some steps to save those jobs in Medicine Hat, that would be a step in the right direction.

My question to the minister is: would he get hold of the Goodyear people in Medicine Hat to take the opportunity to meet with them to see what steps can be taken to shore up that venture in Medicine Hat?

MR. DOWLING: Mr. Speaker, we're not certain the Medicine Hat Goodyear organization is having any difficulty. But I've already been contacted by the hon. member from Medicine Hat requesting that very thing some four or five days ago.

Irrigation Reports

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to either the hon. Minister of Agriculture or the hon. Minister of the Environment. It flows from a report given some coverage a few days ago, prepared by the irrigation division of the Department of Agriculture, which reportedly recommends that irrigation should expand in the St. Mary district, or at least that the emphasis should be in the St. Mary district as opposed to the Lethbridge northern district. Is it the government's intention to table that report in the House during this session?

MR. MOORE: Mr. Speaker, I've not yet had an opportunity to review the report the hon. member is referring to. If he'd forward a copy of it to me or indicate exactly what report it is, I might be in a better position to answer whether or not it will be made public. I say that because a variety of reports in relation to irrigation expansion are being compiled by the irrigation division of the Department of Agriculture, and indeed by the Department of the Environment.

MR. NOTLEY: Mr. Speaker, if I could put the question to the hon. Minister of the Environment. The report I'm referring to is with respect to irrigation prospects. It assesses the St. Mary prospects compared to the Lethbridge northern prospects. Has the government had an opportunity to review this particular report?

MR. RUSSELL: Mr. Speaker, I'll be glad to take that question under advisement. The report may be in the department. I don't recognize it from the description

the hon. member is giving. If he has a title, perhaps he could put it on the Order Paper.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of the Environment flowing from the report which assessed the two alternatives. Where do things stand on the apportionment agreement between the provinces of Alberta and Saskatchewan, vis-a-vis water flowing into Saskatchewan? Are there now negotiations under way to renegotiate that agreement?

MR. RUSSELL: No, there aren't, Mr. Speaker. The apportionment agreement is very clear as to the volumes and the annual flow passed on to Saskatchewan each year.

Syncrude Ownership

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the hon. Minister of Energy and Natural Resources. In the interests of the people of Alberta, is the government considering purchasing an additional portion of Syncrude?

MR. GETTY: No, Mr. Speaker. The matter is not being given consideration at this time. I should point out to the hon. member that the Alberta Energy Company has an option to acquire an interest in the Syncrude plant — a minimum of 5 per cent and up to 20 per cent — and that option is available for some period of time after the plant goes on production.

MR. TAYLOR: A supplementary to the hon. minister. Should the Alberta Energy Company pick up that option, will the people of Alberta have an opportunity of getting into this through the purchase of shares?

MR. GETTY: Mr. Speaker, I'm not sure whether it would require a new issue of shares, from the Energy Company's point of view. However, if it did, it would have to handle the issue in the manner prescribed in The Alberta Energy Company Act.

Agricultural Exchange Students

MR. MANDEVILLE: Thank you, Mr. Speaker. My question is to the hon. Minister of Agriculture. It's with regard to the International Agricultural Exchange Association, which allows young Canadians to work on farms in other countries and brings trainees from foreign countries to Canada. What's the position of the government with regard to the formula announced in Ottawa which states that the exchange students should be on a one-to-one basis; that is, one Canadian student into a foreign country and one foreign student into Canada?

MR. MOORE: Mr. Speaker, that matter is being negotiated and handled by the Minister of Advanced Education and Manpower, who is not here today, and perhaps the hon. Government House Leader and Minister of Federal and Intergovernmental Affairs. I can say, however, that it has been our position that the program to which the hon. member refers should continue. We were anxious that the arrangements made during the course of the past few months for trainees coming into Alberta this year be continued

tance now available for those people, or is the government prepared to do that on a special basis?

DR. HORNER: Mr. Speaker, if I could, the Minister of Advanced Education and Manpower is ill today, but I'd be quite pleased to take it as notice and have an answer for him shortly.

MR. CLARK: Mr. Speaker, one further question of the Minister of Business Development and Tourism. In light of the fact that there appears to be no way in which the Firestone venture in Calgary can continue to operate — at least that appears to be the position of the government and Firestone — my question to the minister is: what action are the government and Firestone, along with the city of Calgary, involved in to attempt to use that facility for other kinds of manufacturing processes? Is the province presently working this out with the city and with Firestone itself? What initiative has the government in that area?

MR. DOWLING: Mr. Speaker, at this time I haven't had a conversation in that regard with the mayor of Calgary. However, I'm prepared to undertake that type of meeting at any time requested. We know that the Firestone organization does have the property for sale. We understand also, through rumors, that there are some potential buyers.

MR. NOTLEY: Mr. Speaker, a question to the hon. Minister of Business Development and Tourism to clarify the government's position. Is it then the position of the Alberta government that there is in fact no future for the Firestone plant in Calgary and that the independent assessment has verified that? Or is it the view of the government that there could be an opportunity to reopen the plant at some point?

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The market for automobile tires has remained constant over the last five years. Advances in radial tire technology, along with the advent of lighter cars, have resulted in longer tire life and hence reduced demand for replacement tires. And three, the manufacture of radial tires requires more sophisticated equipment, longer manufacturing times, than does the older technology. In addition, new technologies are being developed all the time. The Firestone organization felt that it would be another bad investment to go into this highly technical field when they had the type of plant in eastern Canada that could supply the Canadian need.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. During the course of the discussions with officials of Firestone, was the minister able to elicit from the officials whether the company was losing money on the Calgary venture or whether their rate of return was lower on Calgary compared to their average rate of return on other plants?

MR. DOWLING: Mr. Speaker, as I recall the conversation and did say in the House earlier, 1972 was the last year the company made a profit. At that time it was something of the order of \$1 million. I could verify that figure by checking. The year before that it was some \$4.1 million, and since 1972 the company has lost money in the Calgary plant.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Minister of Business Development and Tourism. Can the minister advise or assure the House that in fact the Firestone people gave the government of Alberta access to the records, so that we can be assured of the losses the minister has cited?

SOME HON. MEMBERS: Oh, oh.

MR. DOWLING: Mr. Speaker, I have no reason to doubt the veracity of the president of the Firestone organization, a great contributor to the Canadian economy and, in a normal situation, one who would be in a position to expand our 37,000 new jobs in Alberta this last year.

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

MR. SPEAKER: We're going to have to get on with the other members who are waiting to ask their questions. Perhaps we could have a final supplementary by the hon. Member for Spirit River-Fairview, followed by the hon. Member for Vegreville, then the hon. Leader of the Opposition to conclude that topic.

MR. NOTLEY: Mr. Speaker, my supplementary question to the hon. Minister of Business Development and Tourism relates again to whether the government has considered, is considering, or is willing to consider an independent assessment of the plant's capacity in Calgary, in view of at least the dispute — the workers in the area indicate that in their view it is a feasible proposition; they would even like some help to try to take the thing over. My question relates to an independent study now, not what has been done but whether the government is prepared at least to assess that prospect to see whether there is any possibility of keeping that plant going.

MR. DOWLING: Mr. Speaker, with the facts we now have at hand and with contact with other entrepreneurial experts in this field in the Alberta scene, we believe that the facts presented are true. You should know too that on the 11th of this month we will be having a meeting with officials of Local 635, United Rubber Workers of America, who have requested a meeting. At that time I am sure they will be making a proposal to us with regard to the Firestone plant. I'm not in a position to discuss that matter until I see the proposal.

MR. BATIUK: A supplementary to the Minister of Business Development and Tourism, Mr. Speaker. Could the minister advise whether it's customary for the government to get involved when any business in the province closes its doors, when 37,000 new jobs were created over the past year?

MR. DOWLING: Mr. Speaker, no. Our policy position is simply this: we support any entrepreneurial venture. We try to lend that shoring-up effort that governments can and should do. But we try to avoid any interference with the private sector, so it can operate successfully in Alberta.

MR. CLARK: Mr. Speaker, I'd like to ask just one last supplementary question of the minister. In light of the economics the minister has outlined as far as the Firestone plant in Calgary is concerned, and having regard for some of the difficulties the Goodyear plant in Medicine Hat is having, I wonder if the minister would take it upon himself to use his good offices to check with the Goodyear people in Medicine Hat to take whatever steps can be taken jointly to ensure the continuation of the Goodyear plant in Medicine Hat. [interjections] Just hold the phone. It's my information that that plant is now operating some two to three days a week. If this government can take some steps to save those jobs in Medicine Hat, that would be a step in the right direction.

My question to the minister is: would he get hold of the Goodyear people in Medicine Hat to take the opportunity to meet with them to see what steps can be taken to shore up that venture in Medicine Hat?

MR. DOWLING: Mr. Speaker, we're not certain the Medicine Hat Goodyear organization is having any difficulty. But I've already been contacted by the hon. member from Medicine Hat requesting that very thing some four or five days ago.

Irrigation Reports

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to either the hon. Minister of Agriculture or the hon. Minister of the Environment. It flows from a report given some coverage a few days ago, prepared by the irrigation division of the Department of Agriculture, which reportedly recommends that irrigation should expand in the St. Mary district, or at least that the emphasis should be in the St. Mary district as opposed to the Lethbridge northern district. Is it the government's intention to table that report in the House during this session?

MR. MOORE: Mr. Speaker, I've not yet had an opportunity to review the report the hon. member is referring to. If he'd forward a copy of it to me or indicate exactly what report it is, I might be in a better position to answer whether or not it will be made public. I say that because a variety of reports in relation to irrigation expansion are being compiled by the irrigation division of the Department of Agriculture, and indeed by the Department of the Environment.

MR. NOTLEY: Mr. Speaker, if I could put the question to the hon. Minister of the Environment. The report I'm referring to is with respect to irrigation prospects. It assesses the St. Mary prospects compared to the Lethbridge northern prospects. Has the government had an opportunity to review this particular report?

MR. RUSSELL: Mr. Speaker, I'll be glad to take that question under advisement. The report may be in the department. I don't recognize it from the description

the hon. member is giving. If he has a title, perhaps he could put it on the Order Paper.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of the Environment flowing from the report which assessed the two alternatives. Where do things stand on the apportionment agreement between the provinces of Alberta and Saskatchewan, vis-a-vis water flowing into Saskatchewan? Are there now negotiations under way to renegotiate that agreement?

MR. RUSSELL: No, there aren't, Mr. Speaker. The apportionment agreement is very clear as to the volumes and the annual flow passed on to Saskatchewan each year.

Syncrude Ownership

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the hon. Minister of Energy and Natural Resources. In the interests of the people of Alberta, is the government considering purchasing an additional portion of Syncrude?

MR. GETTY: No, Mr. Speaker. The matter is not being given consideration at this time. I should point out to the hon. member that the Alberta Energy Company has an option to acquire an interest in the Syncrude plant — a minimum of 5 per cent and up to 20 per cent — and that option is available for some period of time after the plant goes on production.

MR. TAYLOR: A supplementary to the hon. minister. Should the Alberta Energy Company pick up that option, will the people of Alberta have an opportunity of getting into this through the purchase of shares?

MR. GETTY: Mr. Speaker, I'm not sure whether it would require a new issue of shares, from the Energy Company's point of view. However, if it did, it would have to handle the issue in the manner prescribed in The Alberta Energy Company Act.

Agricultural Exchange Students

MR. MANDEVILLE: Thank you, Mr. Speaker. My question is to the hon. Minister of Agriculture. It's with regard to the International Agricultural Exchange Association, which allows young Canadians to work on farms in other countries and brings trainees from foreign countries to Canada. What's the position of the government with regard to the formula announced in Ottawa which states that the exchange students should be on a one-to-one basis; that is, one Canadian student into a foreign country and one foreign student into Canada?

MR. MOORE: Mr. Speaker, that matter is being negotiated and handled by the Minister of Advanced Education and Manpower, who is not here today, and perhaps the hon. Government House Leader and Minister of Federal and Intergovernmental Affairs. I can say, however, that it has been our position that the program to which the hon. member refers should continue. We were anxious that the arrangements made during the course of the past few months for trainees coming into Alberta this year be continued

with. However, I would have to refer the matter to the Minister of Advanced Education and Manpower for a reply when he is able to return to the House.

Day Care Program

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Social Services and Community Health. Would the minister be in a position to inform this Assembly if she has received a letter from a city official, Alderman Stan Nelson, complaining that there is lack of representation of the private sector on the day care task force, advisory committee, or whatever you want to call it?

MISS HUNLEY: No, I have not. Not to my knowledge, Mr. Speaker.

MR. KUSHNER: Mr. Speaker, a supplementary question to the minister. Is the minister in the motion of changing standards for day care centres, and for those serving four or less?

MISS HUNLEY: Mr. Speaker, I had the great pleasure of making that announcement in the House a few days ago and tabling the regulations. I would commend those to the hon. member, and he can read for himself.

MR. KUSHNER: I'm sorry, I missed that. But I'd also like to ask a further question — and maybe I haven't read it carefully enough. Has the minister in fact reviewed the licensing fees? Are they going to be the same for all day care centres?

MISS HUNLEY: No, I have not reviewed the licensing. I don't know whether the hon. member is really talking about licensing or about subsidies, which would follow the child. If he's talking about licensing, I would have to check that with the department. Perhaps he could be more explicit.

MR. KUSHNER: As a matter of fact, Mr. Speaker, both.

MR. SPEAKER: The hon. Member for Pincher Creek-Crowsnest, followed by the hon. Member for Athabasca.

MR. BRADLEY: Mr. Speaker, I'd like to direct my question . . .

MR. KUSHNER: Well, Mr. Speaker, I haven't received an answer from the minister. I said both in fact, licensing and . . . If she would.

MISS HUNLEY: My answer is yes.

Coal Industry — Coleman

MR. BRADLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Energy and Natural Resources. My question arises from an announcement last week by the president of Norcen Energy Resources that it will be their intention to cease operations of Coleman Collieries at the end of their current contract year, March 31, 1980, due to low-quality coal and high operating costs. Has Coleman

Collieries or Norcen had any discussions with the minister or his department with regard to their intentions?

MR. GETTY: Yes, Mr. Speaker, we've had meetings with Norcen and Coleman Collieries. I think it's fair to say they have pointed out that they have a contract which expires in 1980. They are attempting to assess the future beyond that period of time as it relates to both the economical reserves of coal which Coleman Collieries presently controls and the markets for coal in that time frame. They are unsure as to the future of their operation past that time. However, they are looking at a variety of options.

MR. BRADLEY: A supplementary question to the hon. minister. Has Coleman Collieries made any request to government for royalty relief or incentives which may affect the continued operation beyond March 1980?

MR. GETTY: Mr. Speaker, in the Alberta coal policy announced in June of '76 there is provision that should a royalty on coal impose a hardship in a manner that would leave reserves of the resource in the ground as a result of the level of the royalty, any company could approach the government to have the royalty assessed to see if royalty relief could be provided. Coleman Collieries has made such an approach to the government, and we are assessing it.

MR. BRADLEY: I'd like to direct a supplementary question to the hon. Minister of the Environment. Has the minister or his department issued any directives to Coleman Collieries regarding relocation or improvements to their cleaning plant which would affect the continuation of their operation beyond 1980?

MR. RUSSELL: Yes, we have, Mr. Speaker. Some time ago we discussed with the company plans to relocate the tipple from the centre of town, where it now is, and get it closer to the mining operations. There was to be a phasing-in period to do that. It's part of an overall upgrading program for the Pass area which involves beautification and upgrading of utility systems, improvement of the highway, and relocation of the tipple. We're looking at about the same time frame for relocation of the tipple as for the expiry of this contract, so of course the one is dependent on the other.

MR. BRADLEY: A supplementary to the hon. Minister of the Environment. If the continued operation of Coleman Collieries beyond 1980 facilitated the continued operation of the present plant at the Coleman site, would the department be favorable to continued operation of that plant?

MR. SPEAKER: With great respect to the hon. member, it would appear that his question is clearly hypothetical.

Harder Report

MR. APPLEBY: Mr. Speaker, I'd like to address a question to the Minister of Education. I have to give a short word of explanation. I am asking this question

because various groups and individuals have recently been suggesting to me that the recommendations of the Harder report have already been accepted and approved by this government, and will in fact be implemented into policy. I'd like to ask the minister what the status of the Harder report is. Are its recommendations in fact being implemented into government policy?

MR. KOZIAK: Mr. Speaker, on Monday I had the opportunity to reassure the teachers of Alberta, at their annual representative assembly in Calgary, that the Harder paper is not in fact a preview of predetermined government policy. I can say the same in this Assembly, for the record.

In this Assembly we will very shortly, I expect, be considering goals of basic education in this province. The Harder paper is there to provide discussion throughout the province that would subsequently be useful to the Curriculum Policies Board in making further recommendations to me on those steps that would have to be taken once goals have been adopted by this Legislature. But other than being a catalyst for discussion, Mr. Speaker, it is not a preview of predetermined government policy.

Handicapped Associations — Funding

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Social Services and Community Health is with regard to the rejection of an application to the Cerebral Palsy Association in Alberta. In light of the fact that the application was not for new financing or new programs but for an ongoing program, I wonder whether the minister would reconsider her decision on this matter.

MISS HUNLEY: If my memory serves me correctly, the program is not an Alberta program, if you're referring to it as ongoing; rather it's a program started with federal funding. That's one of the difficulties we get into with federal short-term programs when there is no guarantee for their continuation. However, I have a meeting arranged with the president of the Cerebral Palsy Association. I will be discussing the matter with him personally, I believe next week.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In the response to the association, the minister indicated that as a policy direction she would like to see various handicapped associations in the province work together as a unit for funding. Will this be a directive or request made to the various handicapped associations as a new approach by the minister?

MISS HUNLEY: As a matter of fact, that was a submission a number of them made to members of the government. Of course I agree with them that a co-ordinated approach would be very desirable, and we have done some work along that line. I think it is important that we not have a great many splintered organizations; rather that we try to have co-ordination. It would be this sort of philosophy I was encouraging the various organizations to take a look at.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Would the minister foresee the formation of a body that represents all the various handicapped associations across the province?

MISS HUNLEY: Mr. Speaker, only if they would feel that was their best method of handling their affairs. I think it would be desirable, because it does cause some concern when they're raising funds through public subscription. For example, many of the public don't realize the difference between a person suffering from cerebral palsy and an epileptic — and I've been approached by both associations fairly recently. I've suggested to them that we must be concerned about all who have physical handicaps, as we are with those who have mental handicaps, and so on. The physically handicapped seem to lend themselves more to working in a cohesive group, and that approach was made to a number of my colleagues, and myself, by representatives of that group. I'm anxious to pursue the matter further with them.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In pursuing the matter further with the groups, would the minister be making a request to the groups to establish within their own association, whatever form it takes, a priority list with regard to expenditures relative to various handicapped programs?

MISS HUNLEY: Mr. Speaker, I'm not sure I clearly understand the request the hon. member is making. It doesn't seem unreasonable to suggest to them that they take a look at their priorities as well. Of course the hon. member is well aware of the approaches we've made to the Handicapped Action Committee, of which he's a member.

Chemicals — Agricultural Use

DR. PAPROSKI: Thank you, Mr. Speaker. A question to the Minister of the Environment, regarding use of chemicals and pesticides in the agricultural industry. I wonder if the minister would indicate to the House whether it's still the policy of his department to conduct monitoring of the use of chemicals and pesticides in our agricultural industries, recognizing the many new chemicals and pesticides coming on stream and the synergistic effect of these?

MR. RUSSELL: Yes, it is, Mr. Speaker, and we work very closely with the Department of Agriculture in that regard.

DR. PAPROSKI: A supplementary, Mr. Speaker. Are guidelines regarding this item communicated to agricultural producers, in addition to guidelines produced and communicated by the industry which makes the chemicals and pesticides?

MR. RUSSELL: Mr. Speaker, if I understand the question, there are certain tolerable standards or levels, and that's the sort of mark which the testing is always looking for. But in ongoing monitoring together with the Department of Agriculture, whenever levels are exceeded detailed testing is of course undertaken to identify and remove the source

of the contaminant. For instance, if they're doing a batch of eggs and the Department of Agriculture has selected some eggs at random, it's fairly simple to go back and find out the producer and even get the chicken.

DR. PAPROSKI: Very good, Mr. Speaker. I wonder if the Minister of the Environment would indicate to the House whether he's planning any new legislation to assure even more protection of the consumer regarding this item?

MR. RUSSELL: Mr. Speaker, the report of the Environment Council of Alberta, under the old ECA, dealing with pesticides and chemicals did deal with the matter of upgrading legislation. We can expect to see new legislation during this session.

DR. PAPROSKI: Final supplementary, Mr. Speaker. I wonder if the minister would indicate to the House whether there will be in the new legislation any monitoring of food on the shelf, as has been done in other countries?

MR. RUSSELL: Mr. Speaker, I don't want to give away details of the legislation; it will be tabled very shortly. But I want to assure the hon. member that monitoring and test sampling do go on with a great variety of things: milk, poultry, vegetables, soil, frozen fish, you name it.

MR. MOORE: Mr. Speaker, I wonder if I might just supplement that information by saying to the hon. member who asked the question that the Department of Agriculture, with the co-operation of the Department of Consumer and Corporate Affairs, in a very extensive laboratory installation in Edmonton at the O.S. Longman Building and in a recently completed one in Airdrie in southern Alberta, has for a good number of years been monitoring the levels of insecticides or other potentially harmful chemicals that might be in food products consumed by individuals.

I'd also advise the hon. member that his use of the words "chemicals and pesticides" is a little difficult, in that chemicals cover a broad variety of materials used in the agricultural industry. On the other hand, pesticides are specific, and we do place a great deal of concern on them in terms of educating farmers in the proper use of such materials. We differentiate to a fair extent between the use of herbicides and pesticides, recognizing that in terms of food products many of our herbicides have been proven not to have harmful effects.

DR. PAPROSKI: A supplementary, Mr. Speaker, in view of the response — and I appreciate the response from the minister. I wonder if the minister would indicate to the House whether it is the prime responsibility of his department or of the Department of the Environment to act on any abuse or concern.

MR. MOORE: Well, Mr. Speaker, the matter of residues of chemicals in food products consumed by our population is the responsibility of the Department of the Environment, the Department of Agriculture, the Department of Consumer and Corporate Affairs, and the Department of Social Services and Community Health.

PWA Dispute

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Transportation. At the airport this morning I couldn't help but notice the signs the employees were carrying: that they were locked out. I understand they've asked for a mediator, and in fact have expressed that they have been refused such a request. I wonder if the minister could inform this Assembly if there is any validity to the fact.

DR. HORNER: Well, Mr. Speaker, as I indicated earlier in regard to this matter, this is surely a management decision. My understanding is that there has not been a lockout, and the management informs me they have agreed to a mediator through the federal Labour Relations Board.

MR. KUSHNER: Mr. Speaker, have the members in fact been informed as such? Because the ones I spoke to at the airport today [say] that isn't so.

DR. HORNER: Mr. Speaker, the hon. member shouldn't be so naive as to believe everything he reads on a placard.

MR. R. SPEAKER: Remember that at the next election.

MR. KUSHNER: I didn't read the placard. In fact I talked to the member.

MR. YURKO: Mr. Speaker, I wonder if I could have permission to answer a question put to me by the hon. Member for Spirit River-Fairview on March 22.

MR. SPEAKER: Does the Assembly agree? We've gone over the time a bit.

HON. MEMBERS: Agreed.

Housing Development — Grande Cache

MR. YURKO: Mr. Speaker, I was asked about a housing development in the town of Grande Cache. The hon. member referred to a project which involved 117 town house units by Jodoin Developments, financed by the Alberta Home Mortgage Corporation. To date, 54 units have been sold to approved purchasers, and 60 units to Timberline Construction of Hinton for rental purposes. Only three units remain unsold.

In addition, Mr. Speaker, the Alberta Housing Corporation is also in the process of planning a mobile home park subdivision in Grande Cache. It's a 105-unit project. It has been tendered, but no contracts have yet been awarded. The mobile home park subdivision could and probably will be managed by the town of Grande Cache, and the proposal is to design stalls for eventual sale. But for the near future, 50 per cent would be sold and the other 50 per cent would be rented.

MR. RUSSELL: Mr. Speaker, if the House permits, I also have an answer for the hon. Member for Spirit River-Fairview.

HON. MEMBERS: Agreed.

Irrigation Reports
(continued)

MR. RUSSELL: Mr. Speaker, earlier today the hon. member was posing questions about a report dealing with irrigation districts in the Oldman River region. I believe he's referring to a March 13 article in *The Lethbridge Herald*, and to two reports being prepared for the Oldman River flow regulation public hearings which are coming up this fall.

One of those reports was prepared by the Department of Agriculture, and a similar report is being done by an outside consultant. As such, both will be made public for the public hearing and for the information centres that will be set up for that. It was pretty fairly reported in the newspaper. Of course if the hon. member wishes, when we receive those reports, one could be tabled.

ORDERS OF THE DAY

MR. SPEAKER: On March 20 the hon. Leader of the Opposition raised, as a point of order, the use of a letter by the hon. Deputy Premier on March 16. In the debate about the Red Deer Dam, the hon. Deputy Premier read and then tabled a letter which I find not to have been signed. There is at the end of it a typewritten line which reads "Concerned Citizens". This would be similar to identifying the authors of the letter as "Anonymous Albertans".

Our Standing Order 35 is clear in this regard. It says that a tabling required by statute or by an order of the Assembly must be done in triplicate. The same Standing Order 35 says further that any other tabling requires a copy for each member of the Assembly as well as one for the Clerk. This would apply to an item such as this letter which was tabled in the Red Deer Dam debate.

A filing, on the other hand, requires only three copies: one for the library and one for each of the two House leaders. That is sufficient for compliance with Standing Order 35.

Now we come to the question of reading documents to the Assembly. It has often been said that only the members have the right to debate here. This excludes reading to the House the arguments of others who are not members. Citations 157 and 158 of *Beauchesne* are relevant but not entirely consistent. They do contain, however, much that is in keeping with the basic parliamentary principle that in a parliament it is only the members who debate. Were it otherwise, anyone could debate in this House, even a defeated candidate if he could write speeches and could find a member willing to read them to the House.

It is, of course, better for an elected member to read to the House complicated or detailed information, especially of a scientific or technical nature, rather than to give it from memory, with a much greater probability of misleading or of error. However, in such cases the sources should be identified.

Nevertheless, in the case of mere argument, there is really no difference in principle between reading an argumentative letter to the House and giving the

House the same argument by playing a tape recorder to the Assembly with a recorded speech or argument.

The reading and the tabling which gave rise to this point of order cannot be effectively undone. As usual, I must continue to rely on hon. members who know beforehand what is in the documents they propose to read or to table. I shall try to be more vigilant concerning readings and tablings.

Incidentally, there is no implied rebuke in this to anyone. That isn't my function. It is as much, if anything, a rebuke to myself because I've been rather lax in this regard in the recent practice in the Assembly.

head: GOVERNMENT BILLS AND ORDERS
(Third Reading)

[It was moved by the members indicated that the following bills be read a third time, and the motions were carried]

No.	Name	Moved by
3	The Appropriation (Interim Supply) Act, 1978	Leitch
19	The University of Alberta Hospital Amendment Act, 1978	Hyndman (for Miniely)

head: GOVERNMENT MOTIONS

9. Moved by Mr. Leitch:
Be it resolved that this Assembly approve in general the fiscal policies of the government.

[Adjourned debate March 22: Mr. Chambers]

MR. SPEAKER: I believe the hon. member inadvertently just left the Chamber.

SOME HON. MEMBERS: Here he comes.

MR. CHAMBERS: Sorry, Mr. Speaker, I thought I would have had time for a coffee. I presume, sir, that we're now into the motion.

I'm pleased to have the opportunity to participate in the budget debate today. I would like sincerely to congratulate the hon. Provincial Treasurer for an outstanding document. I've looked at many budgets over the years, both those of governments and from the private sector, and can honestly say I've never seen a better financial plan: a budget that balances the need for continued restraint while providing significant improvement in social programs and, as the hon. Provincial Treasurer said in his concluding remarks, a budget that "strikes an admirable balance between providing for the future and distributing today the benefits of our current prosperity."

I would also like to extend my condolences to the hon. Leader of the Opposition. Probably no opposition leader in any parliamentary society today has ever had such a difficult task as to try to pick holes in a budget such as this one. It's a most unenviable position to be in, and he has my sympathies.

Mr. Speaker, I was somewhat disappointed by some of the remarks of the hon. Member for Spirit River-Fairview in his talk last Wednesday. I thought

perhaps they showed some lack of overall economic awareness: his insistence, for example, that wage settlements should always be greater than the cost of living. I really wonder how responsible an attitude that is, because as the hon. Provincial Treasurer pointed out on March 17, during the boom years in Canada wages and salaries consistently rose more than the inflation rate. In other words, workers' salaries and wages were getting a larger and larger piece of an expanding pie. I think most Canadians welcomed that, because we all want to see every working Canadian improve his or her standard of living. However, in a year of restraint when the whole world economy is soft and the pie is not growing — and because we're no longer competitive in Canada, in many areas the Canadian pie is actually shrinking — when we have idle capacity in most manufacturing plants across the land, surely it is irresponsible to suggest that wage settlements should keep exceeding the cost of living. There can only be one result if that course is followed: more and more plants will shut down, and more and more people will become unemployed.

On the one hand the Member for Spirit River-Fairview deplores the closing of the Firestone plant with the loss of 390-odd jobs in Calgary, as we all do, and on the other hand he wants wages and salaries to keep outstripping the cost of living, thereby putting more and more people out of work. Again I have to ask: is that a responsible attitude? What about our senior citizens and people on fixed and lower incomes? Really, is a philosophy of built-in inflation responsible? I don't think it is. It seems to me that if we insist that wages and salaries keep growing at an annual rate greater than the current inflation rate, which is already far too high, there can be only one result: higher and higher inflation in the country. I think it's well recognized that Canada, in the competitive world, is priced out of the market place in many, many areas.

The hon. Member for Spirit River-Fairview also bemoaned the fact that manufacturing as a percentage of economic growth is declining in the country. Again I don't see how we can expect otherwise if our cost of production is not competitive in world markets. Personally, I think the Canadian worker would rather pull his belt in slightly in these troubled times, keep plants operating, and keep himself and his neighbor employed, rather than go for a bigger chunk of the pie, perhaps with the result that his neighbor or even he is put out of work. I have a lot more confidence in the intelligence and common sense of the Canadian working man and woman than I do in the high unemployment philosophy of the NDP.

Despite the fact that we have in Alberta right now the strongest economy in Canada — I guess we could say it is truly an island of prosperity — the Member for Spirit River-Fairview complains about the lack of growth in the manufacturing sector. We all want more diversification of industry; no question about that. However, in a time when we have idle manufacturing plant capacity all over Canada — in fact over a good portion of the world — surely we Albertans should be counting our blessings, that we have a strong resource industry keeping our economy healthy.

Furthermore, Mr. Speaker, I really am a great believer in doing what we do best. I don't see any-

thing wrong with a manufacturing plant related to a resource industry, whether it be agriculture, forestry, mining, or oil and gas. And we have a lot of these. Recently at the southeast Asia oil show, 13 manufacturers were exhibiting from Alberta. As well as these, several other manufacturers were represented there. They were well pleased with the sales and prospective sales; as I recall, they had something better than \$45 million in five days. One example of the people exhibiting there was the Foremost company of Calgary. They sold in that southeast Asia area more than 70 of the large track machines they make in Calgary, and these sell for over \$1 million apiece. Of course all of these are entirely Alberta products. These machines were developed by Alberta technology and expertise, and they're finding a world market generally. There are many examples: ATCO and the people who make industrial camps are good examples. They were built and primarily designed to suit the Alberta oil industry, but they've found a market all over the world.

Of course these businesses I'm talking about are directly related to the resource industry. Yet it seems to me that surely this type of manufacturing is just as desirable as a shoe factory or any other type of manufacturing business. I think it's true that in Alberta we have the advantage of a lot of technology and expertise — probably the best oil- and gas-related technology in the world. In the application of this kind of technology and expertise, Alberta entrepreneurs are highly competitive.

What I'm saying, Mr. Speaker, is that we are making considerable progress in manufacturing and industrialization. I think we have an excellent future in this area, because as our heavy oil and oil sands developments continue to grow, there is going to be a need for specialized products, whether it be pumping units or down-hole equipment to use in these operations. I think we'll find that these will be built in Alberta, and they should be built in Alberta. We have a tremendous opportunity to develop our manufacturing and create much employment in a manufacturing industry related to and tied into oil and gas and other resource areas.

My friend from Spirit River-Fairview played around with statistics the other day, which I guess is fair game. He was talking about the percentage of manufacturing declining in terms of the overall provincial product in the last five years or so. I forget just what term he was talking about. However, if you look at the huge increases in oil and gas prices and consider our policies and the increases in royalty income to the province and the large increase in revenue from land sales, it's natural to anticipate that our revenue from the oil and gas industry would have increased dramatically as compared to manufacturing. So you can't really rely on percentages like that as a true indicator. If you drive around Alberta and see the different manufacturing plants being built, I think it's fair to say that manufacturing is healthy in Alberta. It's growing, and I would expect it would continue to do so. So I would suggest to the Member for Spirit River-Fairview that he really should try to modernize his thinking with regard to manufacturing in Alberta.

Mr. Speaker, I don't intend to go into detail on specific budget items. They've been well covered by other members in debate. I would say, though, that the increased benefit for senior citizens has to be one

of the highlights of the budget: the increases in the education tax refund, home-owner tax refund, renter assistance grant — a significant benefit to our senior people. I surely welcome the introduction of the home care program. This will allow a substantial number of our older people to continue to live in their permanent residences while receiving their needed health care in the home.

The elimination of the gasoline tax of course benefits every Albertan, and it will be an appreciable factor in the budgets of our senior people. The \$110 million for the gas protection plan — the equivalent of 6.5 points of personal income tax — again will benefit almost every citizen of Alberta and will go a long way to help keep housing affordable for our senior citizens and those people living on lower incomes.

A continuation of the senior citizen home improvement program, the large construction program with 1,548 units for self-contained housing, and the program for 400 additional nursing home beds throughout the province further demonstrate this government's appreciation of our pioneer people.

I think we're indeed fortunate to be living in the province of Alberta, Mr. Speaker. It's all been said before: no sales tax, no gasoline tax, the lowest unemployment in the nation, the wonderful job opportunities for our young people. We have to be among the most fortunate people on earth to be living in Alberta.

Mr. Speaker, a significant major budgetary item is the estimated \$50 million investment next year in the Syncrude equity through the Alberta investment division of the Alberta heritage savings trust fund. Therefore I thought it appropriate today that I bring members up to date on the current status of the project.

Syncrude is shaping up to be a major Alberta and, I think it's fair to say, major Canadian success story. The huge and complex project is now nearing completion, and members who toured the site with me last spring would see a significant difference today. The buildings and plant are essentially complete. Two draglines are now working in a long mine box cut. A third one is just about ready. Two bucket-wheel reclaimers are working, and one more is being hooked up to the conveyor system. The ore conveyor systems are in motion and being tested. So Syncrude now has the appearance of an operating plant.

On my last visit on March 8, the extraction plant was being tested. Some oil sand was going through, and there was some bitumen emerging from the far end.

Feed to the extraction plant will commence in the first week of April, and we expect the utilities plant to be fully operational by April 15. At the same time diluent recovery unit No. 1 and hydrogen unit No. 1 will commence operations. The completion of upgrading train No. 1 with the first feed of bitumen to fluid coker No. 1 is planned for May 15, and synthetic oil should be running through the product pipeline to Edmonton by early June.

I really urge members who have not seen the project to do so at the first available opportunity. It's difficult to describe the scale of it adequately. The draglines never cease to amaze me. I've seen them many times, and I still stand with my mouth open when I look at one. Each machine weighs 6,500 tons, has a boom length of 360 feet or longer than

Clarke Stadium, digs 200 feet deep, and has 24 electric motors with an installed horsepower of 28,650. Each costs about \$30 million and has a bucket capacity of 80 cubic yards. I think most members have seen the digging machines out at Wabamun. They have always seemed quite large to me, and they're 18-yard machines as compared to these 80-yard machines. The buckets on these machines weigh 125 tons empty, and you could drive an ETS bus into a bucket. Of course they are self-propelled machines.

The bucket-wheel reclaimers are also very large and are used to reclaim ore from the windrows put there by the draglines. They put the ore onto the conveyor belts. Each bucket-wheel has a capacity of 7,000 tons an hour, and each wheel contains 14 buckets of 2.6 yards capacity; installed horsepower of 5,000. They weigh 2,500 tons and are 426 feet long. These were fabricated primarily here in Edmonton.

We will have roughly 18 million tons of ore stockpiled by the time the system starts up on April 1. The conveyor system is essentially completed. There are 5 miles of conveyors on the site now. The conveyor belts are about 1.5 inches thick and 6 feet wide; the belt speed is 10 miles per hour.

A prominent feature on the mine site is the control tower, which is similar to an airport control tower. It oversees the transfer of ore from the conveyor belts to radial stackers into the dump pockets, and thence into the extraction plant. Extensive use is made of computer technology.

Of many significant features in the plant, two are the giant fluid cokers which are 210 feet high. They have a total installed capacity greater than all the other 10 existing fluid cokers in the world. This is where the bitumen is cracked.

I might mention that the AOS pipeline of course has been completed for some time. It's a 22-inch diameter pipeline, 280 miles long. It's been utilized. We moved 380,000 barrels of naphtha and 380,000 barrels of gas oil up the line in November as start-up fluid for the plant.

The utilities plant took four million man-hours to complete. It has an installed capacity of 260 megawatts. That's the equivalent of lighting a city of 300,000 population. The plant uses large volumes of water, as you'd expect. It has a water treatment plant capable of processing 13,000 gallons of water a minute, possibly the largest water treatment plant in the world. The Clark hot water process involves large volumes of tailings, and these tailings, as members know, are stored in a diked pond which will eventually cover about 11.5 square miles.

The highest feature on the site, the emission stack, is 600 feet high and, for my Calgary friends, about the height of the Calgary Tower. Preparation of the mine site required major civil engineering works. Beaver Creek, which ran through the centre of the mine, had to be diverted by two large earthen dams and a concrete spillway into Poplar Creek, and thence into the Athabasca River. This project cost \$27 million. I guess because of help by the favorable weather the last two summers, we've had good luck with the seeding of the earthworks, and as of last fall the area was pretty well revegetated.

Mr. Speaker, I think another little-known facet of the job was the pre-assembly yards located here in Edmonton. Three sites containing 11 shops were utilized. Ten per cent of the total construction actually

was done here in Edmonton by pre-assembly. The three yards employed 1,600 Bechtel workers and 18 Syncrude supervisors at the peak. It was very significant that we were able to utilize skilled tradesmen from this area who were unwilling to move to Fort McMurray. At a time when we had shortages in certain crafts, this enabled us to complete work that we couldn't have got done or which would have been done with great difficulty and expense. We estimate we saved about \$10 million because of pre-assembly in Edmonton. About 4 million man-hours of work were done here. We shipped some 7,600 truckloads of materials, and at the peak 150 trucks and 50 railway cars of pre-assembled material were leaving Edmonton for Mildred Lake every week.

Mr. Speaker, I'd like to say a brief word about native employment. During the main construction period about 600 native persons, mostly from north-eastern Alberta but actually from all over Alberta, were employed in construction by Canadian Bechtel. They did an excellent job. About 110 native persons are now on the permanent Syncrude operating staff, and we expect by the end of the year more than 200 native people will be employed full time by Syncrude, either at the Mildred Lake plant site or in Fort McMurray.

A milestone, I think, in terms of contracts was a major five-year \$1.8 million contract awarded for the laundry and dry cleaning of all plant work-clothes to the Goodfish Band at Whitefish Lake. It was a competitive bidding situation, and I want to commend the people of the Goodfish Band for the superb job they did in negotiating that contract with Syncrude.

I'd like to commend Syncrude, Mr. Speaker, for the excellent job they have done and are doing in ensuring that native people of Alberta, especially in north-eastern Alberta, have every opportunity to participate in the benefits of the Syncrude project.

Mr. Speaker, Syncrude made a commitment right at the start of this operation to maximize the Alberta and Canadian content of the total project costs. I am happy to report today that our success in this area has exceeded all preliminary expectations. Of the total project costs, 64 per cent was spent in Alberta and another 18 per cent in the rest of Canada, for a total Canadian content of 82 per cent. I think that's a remarkable achievement, especially when you consider that many of the major components, such as the draglines and the [inaudible] reactors and so forth, had to be constructed outside Canada. Seventy-four per cent of the engineering work was done by Canadian engineers. Between 500 and 600 Alberta firms supplied goods and services to the project. During the peak of the season, in the summer of 1977, about 8,000 construction workers were employed, and of the total manpower — I guess I should say 'person-power', because more than 200 ladies were employed on the construction — 97 per cent were Canadian, 68 per cent Albertan, and only 3 per cent from outside Canada. Syncrude's permanent staff now stands at about 3,000. Of these, 50 per cent come from Alberta. Another 47 per cent was recruited from other parts of Canada; again only 3 per cent from outside Canada. The people from other parts of the country who come to Alberta are primarily skilled craftsmen, technologists, and refinery operators who move to Alberta and Fort McMurray as permanent citizens, and I'm sure will contribute their expertise to

our Alberta economy for years ahead.

Of course an essential part of the project, Mr. Speaker, is good housing for the Syncrude employees, and I'm happy to report today that the housing program is essentially completed. Some 2,600 units have been finished. These include a full range of apartments, town houses, patio homes, single family homes, and so forth, either for sale or rent. For this achievement I'd like to compliment the Northward employees for the excellent job they did in meeting their targets — Northward being the wholly owned subsidiary of Syncrude responsible for housing.

I'd like to compliment the hon. Member for Lac La Biche-McMurray, Mr. Tesolin, who has worked long and hard, and very effectively, in the municipality to ensure successful town growth could be realized. He did an excellent job in my view, and possibly hasn't had the public recognition he should for it.

Mr. Speaker, Syncrude's now about 97 per cent complete, the first upgrading train starting in April, the second train in September of this year. We'd originally scheduled the second train for April 1, 1979, but in view of the favorable construction environment and economics we decided to accelerate the second train. We expect to produce a cumulative total of 12 million barrels of oil by the end of this year. Our current final cost projection at this point is \$2,146 million, which is less than 5 per cent over our original budget of \$2,048 million. That's a remarkable achievement when you consider the massive scale of the project, the size of the construction force, the number of years during which it's been built, and the inflation in this country over the last few years. We're coming in essentially on target, very close to target in terms of dollars, and we're several months ahead of schedule. You can compare that with any other huge project going on in the world at the same time, whether it be James Bay, the Montreal Olympics, or wherever, and I think you'll agree that the Syncrude people and everyone associated with the job deserve a lot of credit.

Mr. Speaker, the project clearly demonstrates to me the ability of Albertans to perform and the constructive attitude of Albertans. I've heard other people say, well it's easy for Alberta because they have all those natural resources out there. And it's true, we are blessed with abundant natural resources. But I point out that every province has natural resources, whether it be the great maritime fishing grounds, the hydropower in Quebec, nickel and gold in Ontario, potash in Saskatchewan, or the great mineral and timber resources of B.C. You only have to look at the not-too-distant history in B.C. when a socialist government there almost destroyed one of the wealthiest provinces in the land in the three short years they were in power. They ate up a large treasury surplus, brought the mining and forest industries almost to their knees with oppressive taxation, and almost demoralized the public, and the people got rid of them just as soon as they had the opportunity.

Saskatchewan has a huge sedimentary basin undoubtedly containing large untapped hydrocarbon reserves, yet very little exploration is occurring there. Where is it occurring? It's occurring right here in Alberta.

So, Mr. Speaker, it isn't just our natural resources that have Alberta in the forefront in Canada today. It's the spirit and hard-work attitude of our citizens,

and a good strong government, that are playing a major role in this success.

In conclusion . . . Mr. Speaker, I see that I've used up a good portion of my time, and I know a number of other members wish to speak. I'd hoped to talk about some of the good things that happened in Edmonton Calder over the past few years as a result of strong community spirit and hard work by the people of Calder, and by our government policies and actions, and — I hope to express this with appropriate modesty — hard work by their MLA. I'm thinking here of the Grand Trunk Park; the ice arena and the swimming pool; the Calder and St. Edmund community school program, assisted by Project Co-operation; the Calder NIP, which is getting good response; the planned 40-unit senior citizens' lodge funded by AHC; the major government commitment to transportation; the 90 per cent of up to \$80 million to build that 125th Avenue corridor route, which is a "must" spreader route for transportation in my constituency in the northern part of the city. In fact urban transportation is a subject I'd like to spend some considerable time on, and I hope to get a chance to discuss this subject and other constituency matters on another day.

Thank you.

MR. R. SPEAKER: Mr. Speaker, it's certainly my pleasure to be involved in the Budget Address debate. I appreciate the comments of the Member for Edmonton Calder. I certainly think that was a very good summary of the Syncrude project, and if he required more time I was going to suggest the talk was so non-partisan that I might vote for him to continue. Then all of a sudden the direction changed, and I wasn't sure at that point in time. I thought maybe he was going to talk about the merits of the Socred government prior to 1971. [interjections]

A number of members in this Assembly have talked about the merits of this budget, and I would have to say I couldn't quite deny that there are some very, very fine things in the budget. I'd have to agree with that. Certainly there is some very good support. If we look on page 12 we see \$13 million in '78-79 with regard to removing the supplementary school property taxes. We also see elimination of the fuel oil tax from gasoline and diesel fuel, the 10 cents and the 12 cents respectively. Those are excellent things; very, very fine. Just very, very good, Mr. Speaker.

On page 13 we see that there's going to be additional discretionary income available to Albertans. I think that's excellent too. That's good free enterprise and the way it should be, that we're allowing Albertans to make some decisions for themselves. That's a sign of good government.

We look over on page 17 and see some very interesting things there: \$6 million has been provided for the expansion of day care. That's a good program. The hon. Minister of Municipal Affairs agrees with that.

DR. BUCK: The junior minister.

MR. R. SPEAKER: We also see on that page \$3 million allocated for the development of a province-wide home care program. I think that's excellent; very, very fine, and a good decision of the government. We also see increased financial support for \$0.5 million to local health units. Excellent, very fine,

Mr. Speaker. I think it's all good, and I think the government should compliment itself for those kinds of decisions and those kinds . . .

AN HON MEMBER: They're too modest to do that.

MR. R. SPEAKER: I know their modesty doesn't allow for that, or they would be thumping their desks right now for these fine programs outlined in the budget. Very, very fine.

But, Mr. Speaker, they suspect me. That's not fair. They feel there's something bad in the budget. Well, I wonder whether there is. Maybe we should just inspect it a little further and see if there is something a little negative.

If I look on page 16 again, at the top of the page it says:

Based on these priorities, and with an exploit policy of limiting public sector compensation increases on average across different salary levels to 6 to 7 per cent. . .

What we're saying here is that civil servants will have their salaries limited to an increase of between 6 and 7 per cent. Now I wonder if that's negative or not.

We also examine a little further in the budget, on page 18, and see a characteristic which indicates a type of restraint, where the government is saying:

The provincial contribution to the school foundation program . . . provides for an approximate 8 per cent increase for . . . per pupil instructional grants.

So we have a limit there of 8 per cent.

Go a little further in the budget and, on page 19, we see:

This budget provides \$62.6 million, an increase of 9.6 per cent over the 1977-78 base, for unconditional assistance grants to municipalities in recognition of the needs of local governments.

We also find in this budget — and we discussed this earlier in the Assembly — that the increase to universities has been 8.25 per cent. I understand from their request that they require a higher amount of financial assistance, but we'll talk about that later.

Hospitals: we examine the budget and find that active care hospitals in the province of Alberta will receive increased grants or financial assistance of 8.6 per cent.

Now maybe those are nice figures, but what do they really say to us? The government has indicated they want to be fair to all the groups across the province, but when we examine these groups they are the ones involved in the public sector of this province. They are the people, the civil servants, the teachers, the municipal workers, university personnel, and the hospital care personnel who will provide the public services across this province. A certain limitation is placed on their increases.

The government has indicated in this budget that the theme of their budget is based on this premise, and on page 16 they stress this. They say the provincial budget is increased 12.2 per cent. I'd like to quote from the budget, Mr. Speaker:

Of the 12.2 per cent increase, over four-fifths is required to accommodate anticipated inflationary increases and the increased demand on provincial services by our growing population, which last year increased by 3.4 per cent compared with a population growth of 1.3 per cent for all of

Canada.

The key point here is that four-fifths of the increase is to take care of the inflation factor. In light of that, Mr. Speaker, if we examine the various categories I've just listed, the public sector, the civil servants, will be limited to 6 and 7 per cent; the direct school assistance, 6.5 per cent; municipal support, 9.6 per cent, which is about four-fifths of 12.2 per cent; university personnel or operational increases, 8.25 per cent; active hospital care, around 8 per cent, the budget says, and I think if we look in the estimates it comes to 8.6 per cent.

Now the question is: what is actually happening, and what am I concerned about? Well, we can make the case that the cost of labor in Canada — and maybe specifically in Alberta, as the hon. Member for Edmonton Calder said — has increased more rapidly than the cost of labor in the United States. That may be true, but the fact is that the consumers in Alberta — who are all these public employees, thousands of home people who are men or women supporting families — to keep up with their food, clothing, and shelter costs must have the money available to them increased in order to look after their responsibilities. The question is: with the increases allowed here, will they be able to keep up with the cost of inflation? The figures say they can't, and that's the bind they are in at the present time.

So I'm saying, okay, the government can say restraint at this point. They can say the provincial government can increase their cost by 12.2 per cent, but for the rest of these groups it is less than the inflationary rate. And certainly I think there's a conflict in taking that position.

But I think, Mr. Speaker, there is even something a little more serious in this kind of approach to managing the budget or taking financial responsibility in this province of Alberta. One, you can say restraint and we will spend 12.2 per cent, but the rest of you can only increase your expenditures 9.6 per cent or less, down to 6 or 7 per cent. That can be said. But there's something even more serious. Along with this objective of restraint, the government has not taken the responsibility of enunciating any kind of public policy that relates to any one of these jurisdictions. They may have shot the arrow of restraint, but have given no direction after that. I think that is very serious in the administration of this government. If they're to take a responsibility in government, then they should take it.

Let's examine the public service: the wage increase to the public servants, 6 to 7 per cent. That means there really isn't going to be much bargaining going on. What the government should be saying is that if they want to keep increases to 6 to 7 per cent, most likely they will have to cut some services in order to give the workers of this province adequate funds to meet the cost of inflation. Is that what this government is saying? [interjections]

Well, the thing is, why don't you say that, because really, by not saying it, that's what is being said across the province. You're also saying that somebody is going to have to suffer in the civil service if the rate of inflation is going to be provided in wage increases. So I think the government should admit that. Is that their public policy that's hidden behind this kind of approach? State it openly, not just it's restraint, look after yourselves fellows.

Let's leave the public service. Maybe that's a little too close to the administration of this government.

Let's talk about the direct school assistance between 6 and 7 per cent. What kind of direction is coming to the school boards of this province? None at the present time. They know they are going to get grants around 6.5 per cent in increase of direct assistance. They know that is the amount of money they're going to get. What do they have to do? One, some of the boards are going into their reserves. Is that the policy of this government? Why don't they say to the school boards across the province, take it out of your reserves to meet the increased costs. Does it mean a higher pupil-teacher ratio in this province of Alberta? If it does, why doesn't the government tell the school boards they must increase the pupil-teacher ratio, instead of just saying, we have a restraint program. But no, that's not quite politically acceptable. What about the local supplementary requisitions? Is the government telling the local school boards to increase that requisition to collect more taxes?

Mr. Speaker, what is the public policy that goes with restraint? I think that's the shortcoming of this budget. As my hon. colleague has said, the ministers here should be standing up and telling us about that kind of policy.

The Minister of Municipal Affairs should tell us how the municipal governments are going to meet their costs. Sure, they happen to be 9.6 per cent, which is right on the inflation rate. Maybe that's a fortunate situation. Maybe they will meet their costs. But if we look at the expanding population in Alberta, the increased costs for fire protection, policing — I read a statistic this morning where, for every 100 new jobs created, the urban government or local municipality requires one more fireman or one more policeman. Where are they going to get the money to support those kinds of things?

Mr. Speaker, that's the fault in this budget. There is no public policy that puts the meat on that skeleton called restraint. The government should take the responsibility and advise the municipalities in this situation what they really expect them to do in a restraint budget. Where do they cut back? What are the priorities? But no, that's too tough a decision and responsibility to take.

The university increase: 8.25 per cent. Some of the universities haven't argued about the restraint. There has been a certain amount of negotiation, acceptance. But I was very interested when this whole discussion arose two or three weeks ago. I was talking to one of the university presidents. He raised this whole concept in my mind, and I apply it now as I have to other situations. I said to him, "What does the government expect you to do within that 8.25 per cent?" He said, "I don't know. For the last two or three years we read in the budgets — any one of us can do that — or in the speeches from the throne about the concept of restraint. The government is bringing about restraint. They give us 8.25 per cent as an increase in our budget, but there's nothing beyond that word restraint."

The university president said, "We're upholding the best quality we can at this time, but soon that policy of restraint will reflect on the quality of our university, because somewhere along the line we must cut back on opportunities." That's what this government should be saying. If they believe there should be quotas in the various faculties of universities, they

should say that to the universities. But oh no, they don't say anything like that. They say we're going to have 8.25 per cent, and that's it. Well, I don't think that's fair, Mr. Speaker. As I've said, the responsibility should be sitting on the shoulders of this government. If they want restraint, let's follow through and talk about what they think the priorities are in university education.

Active care hospitals: an increase of 8.6 per cent — that's much below the inflation rate. For three years now we've been asking what the policy was with regard to hospital care in this province. We have had nothing but generalizations: no direction, a million dollar planning group set up here at the central office of government, but no real direction to the local hospital boards.

I was very interested last week in an article that appeared in *The Lethbridge Herald* that I thought summed up how the people across this province and a number of people who serve voluntarily on hospital boards feel. This fellow, Frank Russell, who's on a regional health board, resigned a week ago because he said he was "fed up with inaction by the provincial government". He went on to make some other comments, and I thought they were very applicable to this approach the government is using at the present time, where they talk about restraint but don't enunciate public policy to follow up that concept of restraint. Mr. Russell is quoted as saying:

"People [in the health department] are busy re-inventing the wheel all over the place" [The] inaction by the province is its insistence that a joint plan for operation of the two local hospitals be completed before action is taken on a lack of local psychiatric services

"It's the silliest attitude anyone can take. No matter how long you plan around the mental health delivery system, you are going to make mistakes."

And he said, sooner or later someone has to make some decisions and give some direction.

Mr. Speaker, that's what is wrong with this government at the present time: no clear direction with that policy of restraint, no courage to stand up and say what it really means in the various areas of this province. I think that is the thing I call on government to do: to say, one, we have restraint, but number two ... And we talk about these public areas of responsibility in education, health, universities, the public service, and municipal workers. Calgary is the best example of difficulties that the local municipal government is having: strikes at the present time. At this time the government should clothe that kind of concept, that concept of restraint. Tell Albertans what it really means and be able to stand out on the front line, because along the line somewhere that will be the responsibility they must take.

I've examined this whole proposition in this whole budget, Mr. Speaker, in light of the possibility of an election in the coming year, or in early 1979. I recognize and feel there is an underlying strategy in the approach this government is using at the present time. I feel the plot being created is one of confrontation, because that is what it's going to lead to. There'll be a confrontation between the teachers, the municipal workers, the university personnel, and the hospital workers in this province as never before. This government is going to use those groups of

people, those public servants, as the whipping boys for the next election. They're going to go to the people and say: we tried to stop this high labor cost in the province; there are strikes, confrontation, walkouts, and irresponsible labor; we've got to go to the people now to get support to stick to this restraint policy.

Well, Mr. Speaker, that is the most unfortunate situation that could ever be created, the most irresponsible approach to this whole labor situation at the present time. If labor is to cut back costs, it needs some direction from the government, and that direction is not coming at the present time. We talk about the niceties in the budget, but the underlying strategy in that budget is a very unfortunate thing for the people of this province — people in the public service trying to do their job. I think it's unfortunate for the general Albertan who consumes many of the services from these publicly responsible employees, because we're going to be short-changed in that whole confrontation that will occur down the line.

Who thinks they will benefit? There's only one group, and that's the Conservative Party of this province. They feel they will be able to use these groups to put them back into office for another three to five years. Well, that is unfortunate. We've got a lot of money in this province. Along with it we need responsible management. And as long as this government can't stand up and enunciate public policy with regard to the areas I've outlined, we haven't got that kind of thing. Mr. Speaker, that's most unfortunate.

MR. SCHMIDT: Mr. Speaker, it's a privilege for me to rise and participate in the Budget Address. May I offer my congratulations to the Provincial Treasurer for his capable presentation of a very important document.

Budgets, the word in general: I've had an opportunity to be around them, first, in drawing up budgets and, second, in trying to defend them on the other end. The budget and the discussion before us today — the only similarity between the two that I've been tied with is the name "budget" itself, certainly not the figures. I suppose the lessons that have to be learned are in the defence of various budgets.

I think over the period of years and the numbers of individuals that one discusses, or in many cases defends, a basic budget at the time, one comes to the conclusion rather rapidly that there are two sets of values. If you're on one side of the basic budget, your expectations have to be high, and of course your input should be very low; in other words, high expenditures with very, very low assessment. It isn't long that one monkeys around or fiddles with basic budgets to find out that that philosophy of a high expenditure and a low assessment or low taxation is an impossibility. To me, the Provincial Treasurer just achieved the impossible. As I look at the budget that was presented, it provides to each and every Albertan a very high level of services and, indeed, the lowest form of taxation. So as I look back over the years, the budget itself has achieved the impossible.

Budgets are viewed by many individuals in many different ways: the budget itself, in the Budget Address, in what is provided to you and me, the average individual Albertan, the degree it's going to help us collectively as families and, of course, as Albertans. It is rather difficult to pick any one part of the Budget

Address and tie it directly to an individual. The closest in the total budget is that portion that deals directly with those involved in the agricultural industry, and even then spreads beyond.

The withdrawal of the fuel tax may be tied as closely to an individual as possible. But if you look further, Mr. Speaker, and I checked just within our own constituency, the 10 cent fuel tax, carried down the line to those who make up the County of Wetaskiwin — the actual use of fuel by the county itself means a saving of one mill on an individual's tax. For other counties that have much higher assessment, it means half a mill. So as you pick each and every parcel in the Budget Address that may pertain to an individual, the ongoing relief and indirect benefits provided are tenfold.

Mr. Speaker, in looking at budgets themselves and how they affect individuals, those who have spoken before me have picked out and can quote basic figures tied with the Budget Address. They are very impressive. But one must look back at other budgets. There were times when we didn't have it so good. One looks into the past to see what budgets have provided to each and every individual. If you have the opportunity, discuss the actual physical and financial fact with some of the old-timers who wish to philosophize — if you wish to take it in that vein — as to how basic budgets affect individuals.

First of all, waiting until this time to participate in the Budget Address gave me the opportunity to talk to several of the old-timers, one in particular with whom I have always kicked around basic budgets. Early in the game I tried it on him as an individual, and I enjoyed the remarks that came back on municipal government. I thought it would be an ideal situation to try it with the provincial budget.

I am rather amazed that the philosophy of budgeting is really the philosophy of life. As you talk to some of our old-timers, budgeting really is not a matter of dollars and cents; it's a philosophy and a way of life. Whether we believe it or not, weather has all kinds of ways of affecting our individual lives, but in western Canada has really affected our basic budgets. Budgets are dictated by our way of life, with the seasons that follow.

If we look at the seasons, of which there are basically four, westerners have collectively utilized those seasons, first of all to produce and maintain their obligations to their families and communities for that period of time, a chance to harvest and tuck away for that quiet period that portion it will take to meet their family and community requirements, and to set the pace for the coming year. That may be the way of life as it was, but it certainly has had an effect and indeed has set the pace for not only our way of life but our monetary view.

In other words, talk to many of them. Three basic philosophies: meet your obligations, live within your means, and look toward the future. They can say it many, many different ways, but that's really the basis behind their way of life and has indeed taken on a philosophy in their financial views. So really that's what a budget is all about: the financial handling of your basic philosophy of life. I suppose government has that basic responsibility, in this case for all Albertans collectively, to meet and stay within the guidelines of that philosophy.

The question has been, why do you not spell out

the obligations that basic budgets imply for each and every Albertan? I think the obligation as stated by some of our old-timers goes rather deeply. I think the obligation is on both sides: meet your obligations, live within your means, and provide for the future. Look at the basic budget in the Budget Address. Meet your obligations — highest level of service in Canada; live within your means — a budget that will have a surplus of \$769 million; look toward the future — certainly the heritage savings trust fund of some \$4 billion. I would think the philosophy is established, and that we have met the obligations of the way of life on which this province was established and founded.

Mr. Speaker, the government has the responsibility to provide financial leadership so that we live up to this philosophy that has been our basic foundation. I think the Budget Address presented to this House both respects and meets that responsibility.

DR. McCRIMMON: Mr. Speaker, I appreciate the opportunity to speak in the budget debate. Again, I would like to congratulate the Provincial Treasurer on bringing down this excellent document.

Mr. Speaker, nearly every speaker has congratulated the Provincial Treasurer on this budget. I don't know how many people realize that although this is a massive document, a tremendous amount of work involved, this is only a portion of his responsibilities. When he has completed this document, he has to start on another that involves almost as much in the area of dollars as the provincial budget. By that I mean the Alberta heritage savings trust fund.

The responsibility for that fund is a massive one, as is the budget of the province of Alberta. The last report was for \$2.2 billion, and it appears that it will be in the neighborhood of \$3.5 billion when the next report comes down. The responsibility for this is almost as great in dollars as the responsibility for the budget of the province of Alberta.

Also, over \$1 billion of this is in liquid capital that has to be watched over by the Provincial Treasurer, and a sound and basic return for this money left in his care has to be brought to the province. It is certainly a tremendous responsibility. I think the province is very fortunate indeed in having a man of this capability to lead us through these financial times.

With respect to the overall budget, I think it's a balanced document that takes care of the majority of people within the province. It covers those in Alberta who need help the most — senior citizens and the disadvantaged. Yet it shows a balance by the timing of the capital works program to keep the work force in the province occupied during a period when slackness in the construction industry is probably going to come forth due to the fact that Syncrude is pretty well completed. We hope the major projects will follow through in Alberta, the pipeline and the Cold Lake proposition. For this period of a year or so, there's probably going to be a slackening off in the work force. This budget will bring in a capital works program which hopefully will keep our skilled workers within the province and prevent the ups and downs of unemployment that other provinces seem to have difficulty with these days.

It's often difficult to find a balanced labor force with balanced work. If you'll think back to the first days of

Syncrude, we had a very great shortage of skilled labor within the province. That skilled labor is in the province now. If we lose it again over the period of the next year or year and a half, before other major projects come on stream, it will be the same process again. It will fluctuate across Canada; the skilled labor will go where the work is. Therefore I say again that this budget with its capital works program should to a great extent keep our skilled labor within the province.

During the last year the increase in population in Alberta has been 3.5 per cent, which is the highest in the Dominion. I believe the average is in the area of 1.5 per cent. In other words, we're moving ahead with an increased population two to three times that of any other province in the Dominion. With 30,000 to 40,000 people coming in each year, the increased budget in certain areas is caused by the increase in services required to take care of this increase in population. Housing, welfare and social services, police protection, and the need for more civil servants to service this increase: all these factors tend toward an increase in the budget itself.

Mr. Speaker, with respect to my own constituency and the effect the budget will have on this area: the Ponoka constituency has a particularly heavy concentration in the cattle industry, probably the highest number of cattle per section in all of western Canada. Consequently the economy of the farming community in this area has been somewhat depressed for the past three years with the price of cattle, the cattle market. It was a necessity in many cases to reduce herd populations. Several major operators in my area have gone broke over the past three years, and many of them have been very hard hit. The reduction in the cost of operation brought forth by this budget will be of great assistance to all the farmers in my area.

With respect to farm input costs, there's no question that the several hundred dollars this budget will save each operator will be a great help. However, Mr. Speaker, it still doesn't cover the basic problem, the price of cattle. For the first time in the past four years you can talk to a cattleman, and this last month or two he's got a smile on his face. Cattle prices have increased quite drastically. When you get steers up in the area of 55 to 57 cents, a farmer can make a good living at this price. This is the first time it's happened in the last number of years.

He can put his grain through his cattle, and most of the grain in my area is moved through cattle. In fact this year we had a good crop in the area, and this probably will be the first time in the last 20 years that we haven't imported grain into my area to keep the cattle supply up to date.

However, this is the proper way that prosperity should come to a farmer. I see no way the government can give by support programs and so bring prosperity to the cattle industry and the farming industry. Basically it is and always has been a free enterprise industry, probably the basic free enterprise system in western Canada. It's good to see the price coming up in the cattle area. Although they've had three or four years of bad times, it looks like it's stabilized now. From the overview the Minister of Agriculture gave the other day, it appears that the actual cow population across North America has decreased over the past number of years through the reduction in herds. So there is an excellent chance

that the stabilizing of the price for red meat will continue for some time.

Mr. Speaker, my constituency seems to have a fairly high percentage of senior citizens. I think probably this is true of every town of the same size as Ponoka and Rimbey. On the farm when they grow old they sell out or leave it to their sons or make a business arrangement and move to town because that's where all their friends are.

The tax rebates on homes and rental accommodation will be a really welcome addition to those who are in my area and, as I say, there are great many of them. We're fortunate in Ponoka to have good accommodation for our senior citizens, and we're getting a new building with 12 units in Rimbey this year.

Mr. Speaker, I would like to make reference to just two more points, the first being the home care program for Alberta which was brought in by the minister. Over the last number of years Ponoka has had a home care program. I think they've done a wonderful job. They've managed to finance things with small grants from the federal and provincial governments, with assistance from local groups. I think we've probably got one of the finest volunteer organizations in the province backing this home care program. They've raised money through sales at the local farmers' market, through little private deals where they've put things out to sell, and in a hundred different ways, and they've kept this going.

I must also congratulate the local health unit officials who have backed it fully, and some of the staff of the Alberta Hospital at Ponoka. All in all they've all got together and managed to keep this going. I would like to thank the minister for having Ponoka and district in the first 10 which will receive assistance to keep up this excellent program which has been built up over the years.

I was delighted to see that the new budget removed the obstacles that I think were inadvertently placed in the way of the home care program. I mention this as far as the PSS is concerned. Unfortunately, under the PSS system there was no way a grant could be given to an area that didn't require PSS. To put up a PSS system with an office and an overseer and so on in my area would cost basically a minimum of \$50,000 for salary, an office, supplies, and so on.

There was no need for it in my area, because we had the organization set up. We didn't need an office. We had the health unit and all the background material there — the staff, volunteer organizations, leadership. So they didn't go in under the PSS system. On the other hand, by not going in they restricted their funding potential. I believe this will have a great effect on the actual community, because it's something everybody has been interested in. It will keep a lot of our people in their own homes who otherwise wouldn't be able to stay there.

With respect to day care, Mr. Speaker, in any town where there's a major institution — at least I know it is in my town — it's always found that a great many of both parents work. For several years day care has been instituted in the town in a minor way by private enterprise, and it has worked fairly well. But it has been restricted, basically by a number of factors — finances, space, teachers, and so on — which keep it on a small scale. However, I think the day care system brought in by the minister will make a tremendous difference to families with both parents

working and to single-parent families in our town. There will be the opportunity to get more people into the labor force in my particular town than there has been for some time.

Mr. Speaker, I've touched on just a few of the points of particular interest to my own area. Each MLA in this House, both rural and urban, can find in this budget at least half a dozen or a dozen points that he could speak on — I'm sure much longer than I will speak. Yet it covers both rural and urban in as complete a fashion as any budget I've ever seen brought down. Surely a budget that gives this coverage and concern for all Alberta citizens must indeed be a people's budget.

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MR. TOPOLNISKY: Mr. Speaker, I'm delighted to participate in the 1978 budget debate. I wish to congratulate the Provincial Treasurer for the content of and the manner in which he presented the budget. It is truly a remarkable budget. What I want to say may be somewhat repetitious, but it is designed to suit a purpose.

It is a budget with a long-term financial plan for careful financial management. I applaud some of the significant objectives to enhance the quality of life in the province of Alberta. These are, first, to continue a high level of government services to the people of Alberta and, secondly, to distribute equitably the benefits from our non-renewable resources between present and future generations.

Mr. Speaker, this is a budget for rural Alberta, and should alleviate the cost/price squeeze on the farming community. I'm glad that in this budget there is a major policy move to reduce farm input costs. Some of these are: the tax removed on gasoline and diesel fuel of 10 cents per gallon; the farm fuel allowance, up by 50 per cent from 8 cents to 12 cents a gallon; a total of \$110 million for the natural gas protection plan, with any price increases to be shared by the province and the consumer on a 75/25 basis respectively; the senior citizens' home-owners' [grant] increased from \$200 to \$400; renter assistance grant increased from \$150 to \$250; and certainly the home-owner tax refund will increase from \$100 to \$200. Substantial increases in grants for education and health services, and expanded coverage of medical premiums are certainly welcome.

Assistance to municipalities, direct or indirect: large increases are proposed in housing and capital construction programs. The municipal water works and municipal sewage treatment assistance programs will increase by 40 per cent. I hope the hamlets will receive some consideration. The water supply for the villages, particularly Thorhild and Radway, is extremely critical.

The programs to improve transportation services are especially welcome, Mr. Speaker: grants to towns and villages for the improvement of streets and roads, provincial capital construction to have large increases in primary and secondary highways. The primary Highway No. 28 should be widened to four lanes. Some priorities in secondary highways are 827, 831, 855, 857, and 860 in the four counties.

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Speaker, that the Minister of Agriculture is going to propose amendments to The Surface Rights Act to improve increased benefits to landowners with surface leases.

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There are many non-profit organizations such as hockey, skating, and agricultural societies that should be on a special utility rate, especially electric power and natural gas. Since these are organized and operated by the many volunteers in the communities, lower utility rates would have a tremendous impact on the viability of these organizations that exist for the benefit of young people.

While the senior citizens rightfully deserve all the consideration outlined in the budget, Mr. Speaker, the Alberta assured income plan is an area that has not changed since its inception a few years ago. About 80,000 senior citizens who are receiving the guaranteed income supplement would also qualify for the provincial supplement. A married couple, both pensioners, receive \$47.20 as the provincial supplement, and a single person receives \$45.01. These amounts have not escalated whatsoever since 1975.

I hear this, Mr. Speaker, time and again. I make reference to *Hansard* of March 21, 1977, when I said that "the sad plight of a widow between the ages of 60 and 65" is that she "is automatically cut off from the old age pension" of her spouse and her own spouse's allowance "upon the death of her husband. Her spouse's [allowance] terminates." I urge that this be corrected in favor of the spouse so that she continues to receive her spouse's allowance until she is of pensionable age.

I receive numerous communications regarding propane prices. Most of the users say the price is no longer regulated by the Public Utilities Board, and therefore are requesting an 8 cent a gallon subsidy. The fact of the matter is, Mr. Speaker, that the Public Utilities Board, after holding hearings into the price of propane, decided that as of July 1, 1977, control would be dropped at the distributor level, and as of April 1, 1978, control would be removed from the wholesale price of propane, the price to be fixed by the free market forces. This of course will be closely monitored and, should the circumstances warrant, propane prices regulation could be reinstituted by the Public Utilities Board. I do not support any increases in the propane prices.

The provincial Alfalfa Processors' Co-op Association met with a number of MLAs, reviewing the history of the alfalfa processing industry and expressing certain concerns such as local and export sales, plant financing, escalating costs of production, freight rates and storage, constant increases in the price of natural gas, and asked for a freeze on the price of natural gas. Mr. Speaker, the new budget should be of tremendous benefit in reducing costs of operation in processing of agricultural products.

At the first ministers' conference the Premier of Alberta led the discussion on agricultural policy.

There were six areas of importance to Alberta, as listed on page 10 of the budget. While all of these are extremely important, I believe the area of stabilization of farm prices should immediately be acted upon in order to improve our overall economy, net farm income, and the quality of life in rural Alberta, and to have a reasonably priced, adequate food supply.

I am pleased that the agriculture industry will receive \$10 million from the capital projects division of the heritage savings trust fund in the Farming for the Future program. These funds will be used for research in all areas of agriculture, with special emphasis on northern agriculture. Research has contributed to the long-term viability of agriculture in Alberta and to improvements in net farm incomes. This is vital, and it is another program to make the agriculture industry more financially viable.

To reduce input costs, a farmer needs parity prices. There is no balance between the market price for the commodities produced and his own gross expenditure. I agree with the Minister of Agriculture who said that the whole area of marketing, of improving a return in the market price our farmers receive for the product, is more important than subsidies. He said these matters are important, but the real key to solving the income problems of farmers in Alberta lies with improving the market return and not with subsidies. Our objective is to improve our markets and our net farm income, and I support this view wholeheartedly.

I'm very pleased with the announcement by the Minister of Advanced Education and Manpower, especially about the construction of an agricultural facility at the University of Alberta. I would suggest that the Minister of Education reintroduce agriculture courses in the province of Alberta. Time was when there was a course in agriculture at the junior high school level and two at the senior high school level. These could serve as exploratory courses to give the young people some feel, some theory, some experience in farming.

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Mr. Speaker, the North Saskatchewan River, flowing in a northeasterly direction from Edmonton to the Saskatchewan border, divides the constituency of Redwater-Andrew. It is one of the five main river basins in Alberta with a hydro-electric energy potential which could be developed if the economic, environmental, and social circumstances were favorable. Alberta's hydro potential is important for the future when the rising demand for electric energy and diminishing supply and rising costs of fossil fuels will determine its development. The river has very high banks, and there would be no danger of flooding agricultural land or soil erosion.

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ing a major portion of extended-care beds.

Innisfail, our town of 4,000 people, will also be one of the 29 points expecting a start on a provincial building. We anticipate a start on a modest \$1.5 million provincial structure that will house several much-needed government services such as a courthouse, new liquor store, library, health offices, district agriculturist's office, et cetera.

Mr. Speaker, a final decision has been made on our controversial Red Deer River Dam. This budget allocates over \$4 million to launch a water management system assuring long-range stability of growth for all of central Alberta.

Mr. Speaker, all my constituency will certainly benefit from other tax reductions, particularly our senior citizens in the increased refund on education tax from \$200 to \$400; or the rental assistance of \$250, an increase from \$150. And an estimated \$13 million to senior citizens on the property tax reduction plan. Also, at a cost of \$9 million, 168,000 Albertans will benefit in exemptions from medical premiums if they are in the lower income bracket. Increasing the farm fuel refund from 8 cents to 12 cents will certainly benefit all the farmers in my area, at a cost of \$9 million to this government.

Mr. Speaker, decentralization certainly has been a boon in my constituency. Six towns and villages in my area have all had growing pains. Housing and hospital construction form a major portion of this budget. In my area houses are being built as fast as they can obtain property for expansion by annexation or any other form.

This bloom of prosperity also causes an increase in traffic, however, and we are pleased that our Department of Transportation has recognized in this budget a 38 per cent increase in money for secondary roads at a cost of \$41 million, as well as a consideration for highways of \$96 million, with \$3 million to reach isolated areas in the province and to pave the streets in our towns and villages. This will certainly be appreciated in the towns in my area.

Mr. Speaker, bridges and overpasses cost lots of money, and I'm pleased to see an overpass started on the intersection of highways 2 and 42 south of Red Deer. As well, we are getting two new bridges connecting two adjoining constituencies to my area: one, 9 miles east of Red Deer to the petrochemical plant, and another 40 miles east of Innisfail over the Red Deer River connecting us with the Stettler constituency.

However, some things cause me some concern, Mr. Speaker. There is no question that our economic prospects are clouded by the current uncertainty over the future unity of our country. Our Prime Minister

remains in office, while essentially retreating from our nation's most serious problems. During the last two years our Dominion economic growth has faltered. Unrealistic wage demands have created inflation that undermines Canada's ability to compete internationally. Here at home in Alberta, in spite of our seemingly boom times, we seem to have moved from the gold standard to the oil standard. As oil continues to rise, so does the cost of living.

I am concerned when I read in the paper that a certain member of the executive of a natural gas corporation in the United States says that our Alaska gas line is about five years premature. With escalating prices, the present \$10 billion estimated cost, and the interest, by the time this reaches the United States he estimates gas will cost from \$4 to \$5 per 1,000 cubic feet. He says that the industries in the United States are presently switching to alternative fuels such as coal and hydro-power, and that natural gas at \$2.20 per million BTUs does not compare with coal at \$1.40 for the same thermal equivalent. He also says that gasification of coal could cost as high as \$4.50 per 1,000 cubic feet per second, compared to the natural gas at \$2.20. If in five years natural gas is to cost \$4 to \$5, and oil rising accordingly, I wonder where we're going.

One could go on and on, though, mentioning the good things we have in this province and in this budget. It is always easy to ask for things we want or would like, but it is also necessary to show a need. One gets a good solid feeling with the heritage trust fund of \$3 billion, increasing to \$4 billion this coming year, supporting this program. At the same time, besides having a surplus of \$769 million, the lowest property tax, the lowest income tax, no sales tax, no gasoline tax, and the lowest unemployment in Canada. [interjections] surely we must be living in Utopia in this Garden of Eden in Alberta.

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

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

HON. MEMBERS: Agreed.

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

HON. MEMBERS: Agreed

[At 5:19 p.m., pursuant to Standing Order 5, the House adjourned to Thursday at 2:30 p.m.]

