

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, October 18, 1978** 2:30 p.m.

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

Bill 62
The Crowsnest Pass
Municipal Unification Act

MR. BRADLEY: Mr. Speaker, I request leave to introduce a bill, The Crowsnest Pass Municipal Unification Act.

This is an historic moment for me and for the citizens of the Crowsnest Pass. This legislation culminates a debate which has taken place there for over half a century. This bill will unify the towns of Blairmore and Coleman, the villages of Bellevue and Frank, and eight hamlets in Improvement District No. 5 under one municipal administration to form the new municipality of Crowsnest Pass. The legislation reflects the unification proposal approved in a public poll last June by 67.2 per cent of the residents of the Crowsnest Pass. This bill provides for transitional regulations, transitional capital assistance, and the election of a new council consisting of nine councillors from three wards, with the mayor elected at large.

This is an unique piece of legislation for the province of Alberta in terms of municipal reorganization, and may set a precedent for other Canadian jurisdictions' approaches to municipal amalgamation. Mr. Speaker, this legislation reflects not only the spirit of co-operation which led to the decision of the Crowsnest Pass municipalities to amalgamate but also their aspirations for the future.

MR. SPEAKER: I'm extremely reluctant to interrupt an hon. member when he is introducing either a bill or visitors, but perhaps we should not excessively extend the praise of the bill before it enters debate.

[Leave granted; Bill 62 read a first time]

MR. HYNDMAN: Mr. Speaker, I move that Bill No. 62, The Crowsnest Pass Municipal Unification Act, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

head: **TABLING RETURNS AND REPORTS**

MR. LEITCH: Mr. Speaker, it is my pleasure today to table the annual report of Alberta Treasury.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. SHABEN: Mr. Speaker, may I introduce to you and to the members of the Assembly an important group of Albertans. Seated in the members gallery are members of the board of directors as well as the executive of the Federation of Metis Settlements. I'm particularly pleased to introduce them, as three of the Metis settlements are located within the constituency of Lesser Slave Lake. I would ask that they rise and receive the customary welcome of the House.

head: **ORAL QUESTION PERIOD**

Hazardous Materials

DR. BUCK: Mr. Speaker, I would like to address my first question to the hon. Deputy Premier and Minister of Transportation. In light of the train derailment last year on the CNR line west and the recent CPR derailment in Stirling, Alberta, and in light of the fact that a main line runs through the chemical complex of the town of Fort Saskatchewan, and from an article in that paper about the town being a time bomb because of the transport of hazardous materials, can the hon. minister indicate what liaison or negotiations have been going on between the minister's department and the federal Ministry of Transport relating to the transportation of hazardous materials?

DR. HORNER: Well, Mr. Speaker, a great deal has been going on in this area. It is one of the areas in which there has been substantial co-operation between the provinces and the federal Ministry of Transport.

I might say that a bill dealing with the transportation of hazardous materials is to be reintroduced in the House of Commons shortly. That bill will tighten up procedures and improve regulations relative to the transportation of hazardous materials by road, rail, or any other way, for that matter. In discussions some three weeks ago, I urged the federal Minister of Transport to get the bill into the House of Commons as soon as possible, because in my view it was not a contentious interparty bill and therefore would hopefully receive the approval of the House of Commons.

In Alberta, Mr. Speaker, both my department and Alberta Disaster Services have been intimately concerned relative to the federal bill. The director of Alberta Disaster Services has headed an interdepartmental co-ordinating committee for input into the federal bill. This has all been done.

Relative to the hon. member's comments, I personally have had some discussions with Canadian National on the Fort Saskatchewan situation. Quite simply, the problem is that towns were built around railways. Invariably, whether you relocate rail, you don't really solve the problem because it goes through innumerable communities south of Fort Saskatchewan.

Therefore I think the obvious practical approach is to ensure that both railways are issuing their running orders in such a manner that the movement of these goods is as safe as possible. As I've said, in my discussions with Canadian National I've been assured that they in fact are doing that, and that where there is any major movement of LPG or other hazardous

materials, they try to keep their track in first-class shape and move those goods over main lines where there will be less likelihood of derailment. Now, that doesn't stop it; it happens. We've been fortunate that the derailments we have had have caused some anxiety, but no damage so far.

DR. BUCK: A supplementary question to the minister, Mr. Speaker. Can the minister also indicate what consultation has been going on with the trucking industry in Alberta as it relates to the movement of hazardous materials?

DR. HORNER: Yes, Mr. Speaker. That process, too, has been ongoing through the motor transport branch of my department in direct consultation and negotiation with the industry moving these kinds of goods. As a matter of fact there is a symposium in Calgary next week, I believe, staged by the propane association of Canada, at which my department will be playing a part relative to this whole question of the safe movement of these kinds of products.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. Can the minister indicate what liaison has been going on between Alberta Disaster Services and communities involved in the petrochemical industry relative to evacuation and safety procedures?

DR. HORNER: Yes, Mr. Speaker. Alberta Disaster Services is trying to encourage all communities, particularly those that have a potential for some difficulties, to work closely with them in developing their municipal disaster plans and making sure these plans are adequate and will do the job if there is an occurrence. I can assure the House and the hon. member that the people in Disaster Services have been consulting with those communities. If any community has not been consulted, it may well be that the local government has not approached Alberta Disaster Services. I would encourage citizens in those communities to have their local government get in touch with Alberta Disaster Services to review their disaster plans and that type of thing.

DR. BUCK: Mr. Speaker, to the hon. minister. Have there been any consultations by the provincial government with CNR and CPR on the rerouting of part of the CN track to the CP in the Fort Saskatchewan area, a matter of a few miles?

DR. HORNER: Mr. Speaker, there has been a great deal of discussion relative to the question of Canadian Pacific access into Fort Saskatchewan. How and where Canadian Pacific gets access into Fort Saskatchewan, however, is a matter of ongoing negotiations between Canadian National and Canadian Pacific. Whether that will come about or whether Canadian Pacific will build its own line from the north is not yet apparent.

DR. BUCK: My final supplementary question, Mr. Speaker, is to the hon. Minister of the Environment, and it relates to this question. Can the minister indicate what consultation or liaison has been going on between the minister's department and the major cities relating to the problem of tankers and so on overturning in municipalities, the danger that's

involved when inflammable fuels usually end up in sewers, and the mop-up? What's been going on between the cities and the minister's department in relation to that?

MR. RUSSELL: Mr. Speaker, the hon. member may recall us passing the new Hazardous Chemicals Act at the spring session. It deals with the exact topic we're talking about. That was developed in consultation with the Deputy Premier's department, and calls for the co-operation with the municipalities that you alluded to. As I recall, the legislation does call for delegated authority insofar as inspection is concerned, and pretty careful policing and reporting on all matters relating to the handling and storage of hazardous chemicals. Of course the legislation is in place, and our department has taken on the additional manpower necessary to implement the parts of the act.

MR. TAYLOR: Mr. Speaker, could I ask a supplementary? My question is to the hon. Deputy Premier and Minister of Transportation. Since there's some desire on the part of people to keep through railway lines out of the built-up areas of our towns and cities, and since prevention is better than cure, is there anything in the bill you mentioned that would require a railway to build the line outside a built-up area when it is expanding or twinning its tracks and there is a suitable area not in the built-up area?

DR. HORNER: No, my understanding is that there isn't any such provision in the federal bill. Once it's tabled in the House of Commons, I'd be quite willing to try to get copies and make it available generally.

The hon. member may be aware that previously the federal government was starting to get involved in rail relocation. In the last couple of weeks they've got uninvolved, and that matter will have to be dealt with on a provincial basis with the municipalities.

MR. PLANCHE: One more supplementary question, Mr. Speaker, to the Minister of Transportation. I'm wondering if the minister can assure the House that his department is being vigilant to see that the regulations being put in place by the federal government will be in concert with the U.S. regulations to the extent that they won't be an impediment to trade for Alberta commerce going south with hazardous loads.

DR. HORNER: I would think not, Mr. Speaker. Our regulations now, and the ones that will come with the new bill, are far more stringent than those now in effect in the United States. Therefore, if anything we should have some advantage in saying that our materials will be well situated, and the valves and so on will be to the highest standard.

Buffalo Ranching

DR. BUCK: Mr. Speaker, my second question is to the hon. Minister of Social Services and Community Health. A preamble for the non-biologists in the Legislature: in light of the fact that wild animals — moose, elk, deer, and buffalo — are more efficient than domestic animals as converters of grass to protein, a proposal for two northern Alberta Metis

colonies to establish bison ranches . . . This project was initiated by the native people, but for some reason there has been a rejection by the minister's office. I would like to know why this project has not gone ahead, and if the minister can enlighten us.

MISS HUNLEY: Yes, Mr. Speaker. I suppose if I wanted to be very brief — and on this occasion I guess I will not — I would say that the feds made us an offer we couldn't afford to accept, despite the comments by the hon. Member for Clover Bar.

This came to my attention, and I've had the opportunity to discuss with the MLAs for Lac La Biche-McMurray and for Lesser Slave Lake the long-range potential of buffalo ranching. But it came to me for a very fast decision that on behalf of the Metis settlements I should accept 100 buffalo from Elk Island Park. This made me somewhat uneasy, Mr. Speaker. If it was such a marvellous deal, I wondered why it wasn't offered to the Indian reserves. I made some inquiries and found out there were indeed some on some reserves, and many problems inherent with them.

I felt that it was premature for us to accept 100 buffalo immediately. It was like buying something on sale because it seemed to be a bargain; it wasn't necessarily a bargain in the long haul. So I felt that on such short notice we should not accept them.

I've determined that in future years there will probably be an opportunity, if adequate arrangements are made regarding fencing, marketing, and so on. It's my intention to pursue that further to determine whether or not it is information that we'd like to discuss with the settlers, a study that they would like to pursue further. If it is financially viable and desirable, I would not wish to stand in the way.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate why there was such haste in the matter, the haste being that the herd at Elk Island Park had to be moved before a certain date?

MISS HUNLEY: The haste, in my opinion, was that the offer came to my office very late in the day, with only a matter of a few days to accept or reject it, so I did not accept. It had been under consideration for some time with officials in my department and other departments of government. But I was not satisfied in my own mind that it was in the best interests. If I accepted them and then cheerfully handed them over to someone else, all I did was accept a headache. I hadn't had the opportunity to discuss it adequately and have it examined so that we could discuss with the settlers all the ramifications of accepting such a gift.

DR. BUCK: A supplementary question to the Minister of Recreation, Parks and Wildlife, Mr. Speaker. Can the hon. minister indicate if any commitment was made by the Department of Recreation, Parks and Wildlife to assist the Metis people with fencing for the proposed gift, as the minister says?

MR. ADAIR: Mr. Speaker, no commitment other than the fact that in discussions with the members of the settlement — and I believe the president, Mr. Gladue, and another person were in the meeting along with the federal officials — they would look at the possibil-

ity of using the habitat protection program or part of our Buck for Wildlife project funds for something like that.

Aside from that, there was another complication that I should mention, Mr. Speaker. One of the settlements, Paddle Prairie — and it happens to be in my own constituency — is north of the twenty-second base line, which poses a problem with The Wildlife Act as it presently stands. North of the twenty-second base line, buffalo or bison are considered wildlife as far as the act is concerned. So that was one we were still looking at.

I think that as far as the fish and wildlife division of the Department of Recreation, Parks and Wildlife is concerned, the project still has some merit. But there are some details that have to be worked out. One of the problems, as we saw it, was the fact that a deadline was placed by the national parks people relative to the allotment for this year. My understanding is that there is still an allotment for next year or the year after as well. We can continue, with all the departments working together, to see if there is a viable and feasible project that can in fact take place on one or two of the settlements, in co-operation with the members of the settlements themselves.

MR. TAYLOR: A supplementary, Mr. Speaker, and a very short explanation is necessary first. About eight or nine years ago I was able to get 25 buffalo for the Blackfoot Reserve at Cluny, and I believe these have done exceptionally well. I am wondering if the hon. ministers would find out if these buffalo are still available, because if they are I am sure the Blackfoot tribe would like to have a few more. They have these things on an island, and the last time I saw them they looked really healthy and happy. And the meat is really good, too, when you kill it.

MISS HUNLEY: That was one of the inquiries I made, Mr. Speaker, because I was interested. As I said earlier in my statement, I was wondering why the federal government didn't place them on reserves rather than offer them to off-reserve residents. I have learned that there are not very many buffalo left on that particular reserve, if my information is accurate. They are used for ceremonial purposes, and indeed after the ceremony is over the meat is excellent.

MR. TAYLOR: I might say the reason there are not many left is that they just taste so good when they're cooked.

MR. ADAIR: Mr. Speaker, aside from the taste of the bison, I might just add that of the present allotment the national parks people are making available, I believe 50 were assigned this year to the Alexander Reserve. The balance will be up for public auction. I'm not sure when that will take place, but 100 are up for public auction by the national parks people sometime in the very near future.

School Closure

MR. GOGO: Mr. Speaker, I have a question for the Minister of Education. Could the minister indicate to the House whether or not he has received from residents of the Lethbridge area a request to either interfere or intervene based on a decision made by the

Lethbridge Public School District to close a local school named the Allan Watson school?

MR. KOZIAK: Mr. Speaker, I haven't personally received any correspondence in that respect, although I understand the Lethbridge Public School District is looking at the disposition of certain properties. If they do, of course, they would be entitled to deal with their properties as a normal owner of property would under The School Act, perhaps with the exception that they must seek the approval of the Minister of Education in any disposition. My concerns there would be with respect to such aspects as outstanding debentures that might be registered against the school, and matters of that nature.

MR. GOGO: A supplementary, Mr. Speaker, just for clarification. Has the minister responded that except for certain financial obligations guaranteed by the government, such as debenture payments, the local school district in Alberta has the sole discretion as to the closing of a school within the province?

MR. KOZIAK: Yes, Mr. Speaker. Now, there is one caveat I would apply on that response; that is, it might depend on the disposition of the property. If the school received the land as a dedication on subdivision, disposition would be affected by that. If the school board owned the property outright as a result of purchase, other factors come into play; in that case the school board wouldn't be restrained in the same sense as if they had initially received the land under dedication.

Oil Sands Development

MR. GHITTER: Mr. Speaker, I was originally going to ask how to keep a buffalo happy, but I was preempted by the opposition on that.

So I'll ask the Minister of Energy and Natural Resources if, as a result of his meetings with the officials of Shell Canada yesterday, he is optimistic as to whether they will be taking an application to the ERCB forthwith for the next tar sands plant.

MR. GETTY: Yes, Mr. Speaker, I am optimistic. I think the group is determined to proceed with an application to the Energy Resources Conservation Board. They are considering a variety of imponderables, as the taxation of the federal government. They are having some concerns about the recent change in pricing which has come from the federal government. This has slowed them down somewhat.

I would like to say one thing, Mr. Speaker, as a result of my discussions with Shell. I have been referring to them as the "Shell group", and all of us refer to it as the "Shell project". There has now been formed, under the leadership of Shell but with considerably more companies, the Alsands group. So it's no longer the Shell project, it's the Alsands group project. The Alsands group is made up of AMOCO Canada, Chevron Standard, Dome Petroleum, Gulf Canada, Hudson's Bay Oil and Gas Company Limited, Pacific Petroleum Ltd., Petrofina Canada Ltd., Shell Canada Resources Ltd., and Shell Explorer Ltd. So I think we should now refer to that third oil sands project as the Alsands project.

MR. GHITTER: Mr. Speaker, a supplementary. Would the minister advise the House whether the Alsands group now intends to make representations to the federal government relating to their price mechanisms, particularly their position relative to the January 1 increase in price?

MR. GETTY: I believe they will be expressing to the federal government their concern at sudden shifts in pricing policy, if they haven't already done so, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. During the preliminary discussions at this point, which I realize are prior to any application to the ERCB, has there been any discussion between the Alsands group and the minister with respect to possible public investment in the project, either through the Alberta Energy Company or through possible infrastructure costs such as a power plant or other items?

MR. GETTY: Yes, Mr. Speaker, there has been discussion, particularly regarding a pipeline and utilities. Should there be a project, I think it's a matter for future negotiation because, as the member suggested, there hasn't been an application or an approval. But we have discussed that matter.

I've also expressed my disappointment, if you like, that the group which has come forward, willing to put up money and take this \$4 billion to \$5 billion risk, is not distinguished by a great many Canadian companies. As a matter of fact, most of them are not. Therefore there is a low degree of Canadian equity participation.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Bearing in mind that particular point, have there been preliminary discussions with respect to an interest to be acquired by the Alberta Energy Company, should the application proceed? I realize there's a certain hypothetical element in the question, but I would like the minister to advise the Assembly whether at this point in time it is the view of the government that investment by the Alberta Energy Company would be a necessary prerequisite.

MR. GETTY: There is a significant degree of speculation involved in our question and answer. I don't believe it should be considered a prerequisite. I know it's something about which Shell either has talked or is talking to the Alberta Energy Company. One consideration the Energy Company must now become involved in is the Syncrude option, which is a massive dollar commitment. They are also considering pipeline and utilities participation. Then of course there is the Imperial Cold Lake project, which may also face the Alberta Energy Company as a potential investment. Obviously all these things cannot be absorbed at once. Nevertheless this is one of the things they must be and are considering.

MR. YURKO: Mr. Speaker, a supplementary to the minister. Is there not an understanding or agreement between the Alberta and federal governments that all oil sands oil would command world prices rather than the scaled-down or Canadian price?

MR. GETTY: Mr. Speaker, there is an understanding, which I wouldn't normally feel is as firm as a signed agreement. Therefore, as the Alsands group expressed yesterday, if the signed agreements change they worry about the stability of the understanding.

MR. GHITTER: Mr. Speaker, to the hon. minister. Possibly he could advise the House whether or not he presented any views to Shell about this government's position relative to the signed agreement that exists with the federal government.

MR. GETTY: No, I didn't, Mr. Speaker, because the matter is presently with our cabinet, and the cabinet has not yet had a chance to consider fully the implications of the federal request for a pause in the pricing.

Coal Gasification

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Business Development and Tourism. Has the minister anything to report on the coal gasification project at Forestburg?

MR. DOWLING: Mr. Speaker, last spring I reported that that project was in fact complete, and an analysis of the findings of the gasification project was then under way. At that time as well, I believe I indicated that a new project would be undertaken in which the Research Council would undertake to burn coal underground, *in situ*, deeper than the 50 to 100 feet that the coal is located at in the Forestburg area.

Beyond that I should add that our Research Council has probably the most up-to-date library of coal research projects and technology of any research organization in the western world.

MR. TAYLOR: A supplementary to the hon. minister. Was any attempt made during the summer of 1978 to catch the gases as the coal burned?

MR. DOWLING: Yes, Mr. Speaker, by a process called, I think, gas chromatography. The content of the gas burned was determined, and that was all documented.

MR. TAYLOR: One further supplementary. Will this coal gasification experimental project be continued into next year at Forestburg?

MR. DOWLING: Only to the extent that they're examining how the coal undertook to burn underground. I understand there will be no further burning in the area, unless something new has developed that I'm not aware of.

I should make certain that you understand the first point, Mr. Speaker; that when I say the western world and the North American continent, I should say with regard to the expertise now in a library in the Research Council. There are areas of the world that have advanced substantially beyond where we are with regard to coal gasification. In fact, there are places in the world where that type of gas is used for industrial purposes.

PWA Operations

MR. NOTLEY: Mr. Speaker, I'd like to direct this ques-

tion to the hon. Minister of Transportation and ask whether he's in a position to advise the House whether Pacific Western Airlines has now acquired 100 per cent of the Transair shares.

DR. HORNER: My latest information from the chairman of the board, Mr. Speaker, is that we're in the neighborhood of 90 per cent acquisition.

MR. NOTLEY: Mr. Speaker, a supplementary question, following along from the minister's answer. During the discussions with the chairman of the board, has the minister been given any information with respect to the merger of the operations and whether or not, to be specific, there will be one employee list for both firms? I raise this in view of the concerns of some of the employees that a merged list could lead to a layoff of people in the Edmonton area.

DR. HORNER: Mr. Speaker, I wouldn't expect there to be any layoffs in the Edmonton area relative to that matter. That's certainly one of the problems in any merger. We think the merger should take place, but that's one of the hurdles that has to be overcome in treating the employees of both Transair and Pacific Western in a fair and proper manner. I might add that it is also one of the problems in getting the trans-prairie service operative relative to the ability of the members in both Transair and Pacific Western to bid on new positions which might become available in Saskatoon and Regina.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Transportation. Has the minister discussed with the chairman of the board or any official of Pacific Western Airlines the decision to phase out the 707 overseas charter, and the impact that decision will have on employment in the Edmonton area? I understand the concern is that about 100 employees in Alberta, including 25 pilots in Edmonton, may be laid off as a consequence of the decision.

DR. HORNER: Mr. Speaker, I was alerted to the fact that they were going to phase them out because they are older planes and because of the inefficiencies and just bad economics relative to that charter operation. But I would suggest to the House that that surely is a business decision for the management of Pacific Western.

MR. NOTLEY: Mr. Speaker, a supplementary question. Although it may be a business decision for the management, I would think that whether or not people in Alberta are working is a decision for the Alberta government. In his discussions with officials of PWA, has the minister been informed of an employee proposal that in order to save the 707 charter operation, all flight crews would take a voluntary 2.5 per cent cut in wages for two years?

DR. HORNER: Mr. Speaker, I'm aware of the proposition by the employees, but again I would consider that a management decision. Of course we're interested in the employment opportunities there may be in Alberta; that is always a consideration for this government. At the same time, the aim has been to have Pacific Western operate in a business-like manner.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. The minister indicated phasing out the 707 equipment. Is the government looking at some other type of aircraft for the overseas charter business — and I would say not the government *per se*, but has the minister discussed this with the chairman of the board of PWA, in light of the arguments presented four years ago in this House for the acquisition of PWA in the first place?

DR. HORNER: Mr. Speaker, I think two things should be said in that regard. First of all, I've been advised that they do have orders for additional 737s. It's the opinion of the board of directors and management that they should redirect their charter operations to the domestic field, using to advantage the major aircraft they have in their fleet, that being the 737. In addition, down the road they are looking at wide body. I understand they are considering the three major proponents in that particular field, and have recently bought a stretched-out version of the new Hercules aircraft for freight movements.

In respect to the other sort of comment the hon. member made relative to our position four years ago, because of the energy crisis world air freight traffic declined substantially over the past two or three years. It's now turned around. I would expect that Pacific Western would keep abreast of that development and, when the need is there, move to make sure Alberta is represented in that area.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Bearing in mind the statements made in 1974 in the House, would it then be the strong position of the Alberta government that this administration would favor, as the economics provide opportunities, PWA moving in a very significant way into the international air charter business, expanding their operations to meet the comments made in 1974?

DR. HORNER: Mr. Speaker, I think the hon. member should separate the air charter business from the air freight business. I think the important commitment made in 1974 had more to do with air freight than with long-range air passenger charter. Indeed, that particular market has been soft, and it's my understanding that's the reason for the decision to phase out the 707s. They cannot economically compete with the wide-bodied aircraft now available.

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

MR. SPEAKER: Might this be the last supplementary on this question by the hon. member.

MR. NOTLEY: Mr. Speaker, could I ask the hon. Minister of Transportation if he has any figures on the number of jobs that may be affected by the decision to phase out the Convair service on the west coast, and also by the replacement, I believe, or selling of at least several Hercules cargo planes?

DR. HORNER: Mr. Speaker, I don't know where the hon. member gets the information that there is going to be a sale of any of the Herc planes, because that has not been brought to my attention by the man-

agement or the board of directors.

The question of Convair replacement is again one of the management of Pacific Western. I believe it would tie in with subleasing some of the third-level routes in British Columbia to smaller air line companies.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Transportation with regard to the services of PWA. Could the minister indicate the present status of negotiations with Time Air on services by PWA into Lethbridge?

DR. HORNER: Mr. Speaker, I've been encouraged by recent discussions in that area. I would hesitate to say anything more about it lest I cause some difficulties in those discussions.

Restricted Development Areas

MR. MANDEVILLE: Thank you, Mr. Speaker. My question is to the hon. Minister of the Environment. Could the minister indicate whether it's the government's intention to purchase all land located within the restricted development areas surrounding Calgary and Edmonton?

MR. RUSSELL: No, it isn't, Mr. Speaker. We have been reacting on an *ad hoc* basis to any individual requests for purchase that come to the attention of the department, and have been responding in a number of cases.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Does the minister's department have any guidelines to determine whether or not to buy a parcel of land in a restricted area?

MR. RUSSELL: Yes, Mr. Speaker, we do. If we're interfering with the legitimate landowner's rights in any way — that is, his ability to sell on the market or to subdivide and develop — then we attempt to purchase. Also, when the land is appraised in order to prepare an offer, it's appraised as if the RDA notice did not exist. In other words, we are trying to get the fairest market value for the vendor.

MR. MANDEVILLE: Mr. Speaker, a supplementary question to the minister. Has the department established a time frame as to when this restricted area will be used for utilities and transportation?

MR. RUSSELL: Mr. Speaker, I suppose we're looking at a very long time frame before it's completely developed; it's an ongoing thing. As some members may be aware, various kinds of components are now being planned for different sections of the RDAs around both cities. For example, a pipeline and an Edmonton city power line have been located in the Edmonton RDA, and planning for some transportation facilities is under way within it. Similar circumstances apply to the Calgary one.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Is it the government's intent to establish this type of restricted development area around smaller cities such as Medicine Hat, Lethbridge, or Red Deer?

MR. RUSSELL: No, Mr. Speaker. To date that matter hasn't even been considered.

MR. GHITTER: Mr. Speaker, a supplementary to the hon. minister. Would the hon. minister advise the House whether or not the actual boundaries of the RDA have been established and surveyed? And are they public record yet?

MR. RUSSELL: The extent of the RDA is legally described in a variety of documents. The notices have been applied by the RDA in the Land Titles Office against all titles that are involved.

MR. GHITTER: For further clarification, Mr. Speaker, to the hon. minister. My question was improperly worded. I'm more concerned whether the exact boundaries of the land annexed into the city of Calgary have been established yet.

MR. RUSSELL: That question would be better directed to the Minister of Municipal Affairs. We have been working together trying to get the order written and in place by the end of this calendar year. Generally speaking, the new boundaries for the city of Calgary will coincide with the existing inner boundary of the transportation corridor around the city of Calgary, some minor adjustments that are being worked out at the present time.

MR. GHITTER: Mr. Speaker, I'd like to hear from the very quiet Minister of Municipal Affairs. We haven't heard from him this session. Maybe he could tell us that; and when he's telling us that, possibly he could advise the House whether or not the actual width of the RDA has been established.

DR. BUCK: He's so worried about his nomination.

MR. JOHNSTON: Mr. Speaker, as usual the hon. Minister of the Environment answered the question very specifically and adequately. I can only comment further that we do not have the boundary of the city of Calgary formally in place, but as the minister indicated we are working to achieve that by the end of 1978.

MR. GHITTER: One final supplementary. Could the hon. minister then advise the House whether the width of the RDA is 5 miles or 1 mile?

MR. JOHNSTON: Generally speaking, Mr. Speaker, the RDA will be half a mile wide.

MR. RUSSELL: Mr. Speaker, I believe there is some confusion here about terminology, because I sense that the hon. Member for Calgary Buffalo is really asking about the transportation corridor, which is within the RDA, and not the RDA. I'm only guessing at that.

The RDA is 5 miles wide and has been indicated on many maps and, as I say, by legal description ever since it was in place. The transportation and utility corridor within that RDA is half a mile wide, and that's also been confirmed by map and in writing to a variety of parties. The only exception to that would be that if some particular design development with respect to future development takes place, it would be

possible to alter that width to a minor degree. In fact that has been done for the city of Edmonton on two occasions. But generally speaking the Edmonton transportation and utility corridor, which is also the entire RDA, is a half a mile wide; the Calgary one is 5 miles wide with the half-mile corridor within it.

MR. GHITTER: Mr. Speaker, I'm wondering if the Minister of Municipal Affairs agrees with the Minister of the Environment.

MR. SPEAKER: We're rather running out of time. I wonder if the hon. Member for Calgary Buffalo would like to look up in a legal lexicon of some kind the word "final", which he used in connection with his previous question.

MR. GHITTER: With the greatest respect, sir, final is only final until you find that the ministers are saying different things. For the benefit of *Hansard* and those in the House who are interested, I think we'd like to get the two of them together.

MR. JOHNSTON: Mr. Speaker, if that is a question — do I agree with the explanation and interpretation of the Minister of the Environment — the answer is yes.

Calgary Transportation System

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Transportation. It's leading from some of the loose statements made by one of the bureaucrats from your department, sir. Having been an alderman in city council in Calgary for several years, I really feel that we have been lacking money in that area, and in fact our roads have been deteriorating. My question to the minister is: has your department, sir, made a substantial study of the needs of the roads or arterial roads in the city of Calgary?

DR. HORNER: Mr. Speaker, that's an ongoing proposition jointly done by the city of Calgary's transportation department and my department. As I have said previously, all the cities have made or are in the process of making their presentations of their five-year and, indeed in Calgary's case, 10-year projections of need relative to transportation matters. I think there is at least some scope for argument as to the nature and amount of that need.

MR. KUSHNER: A supplementary question to the minister. I understand the needs for the 10 years in Calgary are \$1 billion. The city of Calgary has been receiving around \$6.5 million. Are the grants in fact being reviewed? Because they haven't been reviewed for 10 years, and certainly are not meeting the needs. I wonder if they're going to be reviewed on the basis of the need of \$1 billion in the next 10 years.

DR. HORNER: Mr. Speaker, I think first of all the hon. Member for Calgary Mountain View should review the amount of money the city of Calgary has in fact received in transportation grants in past years. I can assure him it's substantially higher than \$6 million. It's \$6 million plus \$7.5 million plus \$15 million plus \$3.3 million.

DR. BUCK: Aren't we good guys, Hugh, eh? Paternalism at its best.

DR. HORNER: That's just on a yearly basis. So the amount of money the city of Calgary has received in the past year or two on a yearly basis is fairly substantial, and the agreements and the front-ending of that money arranged by the retiring Assistant Deputy Minister of Transportation have been of substantial help to the city of Calgary.

Now whether or not Calgary is accurate in its forecast of \$1 billion needs in the next 10 years is, I think, the actual proposition now under study by the department. We made the commitment some time ago that during this fiscal year we would be making an announcement as to the next five-year program, and that commitment will be met. These needs outlined by the various cities in Alberta will be taken into consideration in developing that policy.

DR. BUCK: You're supposed to bow and be thankful, John.

MR. KUSHNER: A supplementary question to the minister. Can the minister inform this Assembly when in fact the study was completed? This is what I'd like to know: how up to date is it to meet the needs of today? I do know, speaking to the administration as late as yesterday, that the grants have not been updated for 10 years.

SOME HON. MEMBERS: Oh, shame.

DR. HORNER: Mr. Speaker, I am unaware of what the hon. member is talking about, unless he means the administration in the city of Calgary. Certainly the question of needs will be looked at. As I have said, in the coming few months we will be making an announcement relative to the ongoing five-year program in urban transportation.

DR. BUCK: Just before the election, John.

MR. KUSHNER: A supplementary question to the minister. Can the minister inform this Assembly when the north by-pass road is going to be started?

DR. HORNER: Negotiations are now under way in regard to design for the first stage of the northwest by-pass, which will be a connection — I might get my numbers wrong here — from the Trans-Canada across the Bow and the CPR tracks to, I think, 86 Avenue in northwest Calgary. That will be the first section and, I might add, a very expensive section because of the overpass and the bridge required. Land acquisition and design are now under way. The very nature of that type of construction should not lead to expectations in Calgary that it will be completed tomorrow, because it will be a four-year program.

MR. SPEAKER: Order please. We have run out of time, but the hon. Minister of Education . . . [interjection] Perhaps we could come back to the topic tomorrow.

The hon. Minister of Education wishes to make some supplementary remarks to a matter raised yes-

terday, and if the House agrees, perhaps we might do that before concluding the question period.

HON. MEMBERS: Agreed.

School Closure — Cadotte

MR. KOZIAK: Thank you, Mr. Speaker.

Yesterday the hon. Member for Spirit River-Fairview raised a question about the closure of a school at Cadotte and the matter of a road blockade in the area. I've investigated the matter and have learned what has in fact happened there.

One of the pupils at the Cadotte Lake school who was suspended from classes early in the school year for having assaulted a younger student was attempting to gain entry to the school on Friday through one of the windows and was restrained by the principal, whereupon it is my understanding that that particular individual threatened the principal with bodily harm. As a result of that threat and the harassment the principal had been receiving over the past little while from a small nucleus of, I gather, troublemakers, the principal and two other members of the school staff left the community Saturday morning, and the chairman of the Northland School Division advises that the school was closed.

It's my understanding that the matter is presently under investigation by appropriate personnel, including the RCMP, and it's expected that the school might open again tomorrow. The entire board of the Northland School Division is going to be in the community for a meeting tomorrow afternoon with the community. It's expected that the teachers will accompany the board on that occasion and the school will be opened.

With respect to the matter of the blockade, I was not able to find any information of great weight. As near as I can gather, it amounts to a prank. Some planks or boards were left on the road. We're not sure whether that's related to the incident or to the period of harassment of the principal by this small nucleus I mentioned in my remarks.

ORDERS OF THE DAY

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

Bill 48 **The Litter Amendment Act, 1978**

MR. STROMBERG: Mr. Speaker, I wish to move second reading of Bill 48.

Mr. Speaker, with the increase in garbage and litter that's occurring not only in Alberta but throughout Canada, I suppose we could be termed a nation of throwaway people. Practically everything we are now purchasing is disposable. This problem is going to get bigger. Garbage, or litter, is something that doesn't go away until the economics of recycling enter the picture. The proposed amendments in this bill are to strengthen the act and to clarify the meaning of "litter".

Now, Mr. Speaker, someone suggested to me that in keeping with my tradition, I should table some of

the litter from the road allowances in my county, but I felt you wouldn't exactly agree with that. But I can tell you of my own experiences. In the county of Camrose we have tried to have weed control — the growth of thistles on road allowances. Because of the amount of broken glass and litter on the road allowances, it's got to the stage that a farmer today would be very foolish to put his equipment into a ditch and hay that portion of the road allowance.

Now, the hon. Member for Pincher Creek-Crowsnest has served notice to me that he will be serving an amendment to this act that I clean up my desk here and my desk upstairs. But I hope that doesn't go through.

Mr. Speaker, in Bill 48 we have an amendment that no person shall transport litter by motor vehicle on a highway unless it's covered. Now, here in Edmonton we've all had the experience of following garbage trucks, and the paper is flying all over; in other words, quite a mess. We've also had that experience in the city of Camrose from the city to the dump grounds, and the chamber of commerce and different service clubs have brought recommendations that tarping become mandatory.

Mr. Speaker, in the past our police force within the province has had considerable problems successfully convicting someone who has thrown litter from a moving vehicle. Under this amendment if one or more people are in a motor vehicle and someone has thrown litter out, the police may charge the driver of that vehicle as the culprit. I think it's going to help our law enforcement agencies considerably. You're speeding down a highway and see, half a mile ahead of you, somebody throwing out a beer bottle or whatever. Try to prove it when there are half a dozen people in that car and no one owning up.

Mr. Speaker, I think the highlight of the amendments in this bill is that if a person is convicted of an offence under this act — and I'd like to stress this, Mr. Speaker — in addition to a penalty or fine, the judge may order the convicted person to clean up litter alongside a highway or on public lands. I think that's going to drive home the point that it's an offence to litter.

I would like to bring out another point in relation to disposal of litter on, into, and under water, or on ice. It has been the experience that petroleum companies, seismic companies especially, drilling shot holes in frozen water across our lakes, have injected quite a number of fluids and chemicals into the water, and Environment hasn't had too much control over them.

In the past the Department of the Environment has been concerned where farmers have used a river for watering livestock and, of course, during the winter there's a build-up of animal waste. Under the present act there's no stipulation for that animal waste to be cleaned up. These animal wastes could be on a major waterway supplying drinking water to a town or village. It's a pollution hazard. In the past, officials of the Department of the Environment have had to go out with front-end loaders and clean up this animal waste. These amendments don't stop a farmer or rancher from watering livestock on ice if he gets permission under The Clean Air Act or goes to the local health inspector for a permit, and if he promises he will undertake to clean up the litter.

Mr. Speaker, one other section of this act — and I speak from personal experience in my constituency.

The small towns have had problems ordering someone to clean up his backyard. It's really a mess out there. It's probably got half a dozen old cars and is a hazard to children and to health. Town councils ordering the clean-up have had to pay for that clean-up themselves. Under this act they may charge the clean-up to the property-owner's taxes.

Mr. Speaker, in closing I would just like to pay tribute to Alberta's 4-H clubs and to the program our Minister of Transportation was instrumental in starting. Last year 450 4-H clubs in Alberta covered 4,078 miles of highway on the clean-up. The 4-H clubs brought in approximately 6,000 bags of litter. I think it's very impressive when you're driving our highways to see our youth doing a job cleaning up. It's a message to all of us. I would also like to commend the Solicitor General on his star boarders doing some clean-up on our highways, also very impressive, and the Department of the Environment for the job they are doing educating our youth, especially through the schools.

Mr. Speaker, I have here a couple of pamphlets that are sent out periodically by the department — Environment News, and one called The Glut which goes to every school in the province. I think our students are to be commended. They are the ones who are litter-conscious; it's our generation that is not. I hope this bill is a joint step forward in keeping Alberta not only beautiful but clean.

Mr. Speaker, I move second reading of Bill 48.

MR. TAYLOR: Mr. Speaker, I want to take part in this debate. I certainly commend the government in its efforts to keep our highways and our province clean.

I would like to deal briefly with two principles in the bill. The first is one I have been advocating for a long time in place of jail sentences and fines: that persons who commit an offence be required to undo to the greatest possible degree what they've done.

There are various kinds of litter. The definition of "dispose" in the bill has a number of interpretations. But I think another type of litter is the signs we see painted on overpasses, bridges, water towers, et cetera — many times by high school graduates. I don't know just what goes through the minds of some of our young people when they graduate from grade 12 that they have to get paint and destroy the looks of the beautiful overpasses, bridges, water towers, and so on. I don't know what fun they get out of that and what it accomplishes, because they simply hold up to the world that there are some pretty ignorant people in that graduating class. That is one type of litter.

I have heard of one town that's going to prosecute a couple of these people for doing that, because along with "Graduate '77" they put some pretty distasteful four-letter words. Charging them and making them pay a fine may be one thing, Mr. Speaker, but I wish the magistrate would make them climb that tower and clean it off. That would be the best possible lesson those young people could ever get. Why isn't someone who destroys somebody else's fence required to go back and build it up? If they push down the old lady's outhouse, let them go back and put it up. They'd think twice before they did it the second time, particularly if they slipped. [laughter]

Mr. Speaker, I know the hon. Solicitor General has been carrying out some experiments in this regard with various offences. Here's an excellent place for

the hon. Attorney General to use this type of thing. When litter is put out, have them clean it up. I think that is an excellent example of what justice will do. We do a young person no good by letting them get off scot-free when they commit offences like this. If you destroy somebody's property, then you should remedy that to the greatest possible degree. That's a lesson all of us should learn and follow.

That principle in this bill is excellent. I commend the hon. member and the government for putting it right into the law for all to see. I hope our provincial judges and courts will use it to the nth degree. If they do, I think we'll see an end of a lot of vandalism, litter, and destruction going on today, where people commit it and simply walk off and somebody else takes the brunt.

The other principle is one I can understand; that is, charging a person in a vehicle when they don't know which person littered. I have some question about this type of principle. When I was a student and somebody did something wrong, the teacher didn't know who it was, that person wouldn't confess, and the entire class had to suffer, I was very unhappy. I didn't think this was fair at all. Because the teacher couldn't find out who did it, the teacher decided to punish everybody. This is the principle that's going to be adopted.

If someone throws a beer bottle out of a car and a father, mother, and three or four youngsters are there, then I think it's probably logical to charge the father. He's responsible for those people in the vehicle. But if a taxi driver has five passengers and someone throws something out and won't confess, are we going to hold the taxi driver responsible? He has no control over what those passengers do, what they throw out, particularly if a neat little girl is driving the taxi and the passengers are all 250-pound giants. But even without size, a taxi driver hardly has control over what a person in his taxi does in regard to that type of thing. I think there might be some very unfair circumstances if it is not followed with a great deal of caution.

Those who denounce capital punishment have used the argument that it's better that 10 men go unpunished than to punish one wrongly. This is one of the strong arguments for those who don't believe in capital punishment. I believe in capital punishment, as all hon. members know. I still think every precaution should be taken not to punish the wrong man. If there's some doubt about it, there should be appropriate action, but certainly not death.

But when we adopt that principle in this, I think it puts an unfair onus on the driver when somebody throws something out of a car. If I pick up five MLAs tonight, decide to drive them down to the hotel, and one of them throws out a cigarette, undoubtedly he'd confess if we were stopped by the police. But what if he didn't? Would I be responsible for what a grown man did in my car because he's not going to be honest about it?

I have some thoughts about this type of legislation. I can understand why the police want it; the police also wanted it when I was in Highways. I could never see us bringing that in. Maybe I was wrong, but I felt we would be punishing some people unfairly and putting an unfair onus on someone who didn't have complete control of everybody in a vehicle. Perhaps it will be interesting to see exactly what happens. But

if this goes through Committee of the Whole as is, I hope our police forces will use it with extreme caution to make sure they're not going to be punishing someone for something he did not do, something over which he really has no control. Because if five passengers are in a car, the windows are open, and something goes out, that driver can hardly be held responsible for that cigarette, beer bottle, or whatever it happens to be.

I support second reading of this bill. As the hon. mover just mentioned, I hope it will keep our highways clean. I also would like to commend the 4-H people. It was my pleasure to work with one club at the last clean-up. I worked along a highway for three hours, and we picked up 50 or 60 sacks of litter. Time and again some of those 4-H members said, never again will I throw anything in the highway ditches. Perhaps that will be the lesson that we'll learn if we have to go out and clean it up. Even with that, I think it's going to be necessary to continue the splendid project started with the 4-H clubs by our Deputy Premier.

I just want to make one other comment in regard to that. I hope some other youth organizations might have an opportunity to share in that splendid public service too, such as the Boy Scouts, Girl Guides, and Wolf Cubs, all under very capable leadership, as the 4-H clubs are. This is a splendid project, and I hope it continues in Alberta.

MR. ZANDER: Mr. Speaker, I would take a few moments. I'm certainly in favor of the bill in itself, but the bill does not go far enough. I am in agreement as to the nuisance grounds, the disposition of the refuse taken from a town — that it also be responsible for taking it to the proper destination and disposing of it at that time.

Mr. Speaker, when we drive along our highways through most of the province, on one or the other side of the town, wherever the refuse is taken to a nuisance ground, we find the highways are littered for about half a mile or a mile on both sides of the highway, which shows that caution isn't used by people. Mostly it's paper boxes and newsprint that lie in the ditches. But, Mr. Speaker, if we are so determined to clean up the mess along our highways, and it's costing a lot of money to do, why is there not a section in this bill which prohibits a municipality that does not contain the garbage within the boundary of its nuisance ground? This is one section that is not in here.

In my constituency almost once a year an owner of land on which the nuisance ground is — and it is cultivated land, either in hay or grain — has to go to extreme measures and threaten suits where the municipality has failed to properly fence the nuisance ground to contain the paper products where burning is not allowed. I believe other rural MLAs have the same problems, because it is almost once or twice a year that the farmers, the owners of the land wherein the nuisance grounds are situated, come and say, come out and take a look at the mess there, because the wind does blow the paper, boxes, and containers around. The farmer is sometimes forced to go out into the field and pick up the garbage before he can harvest his crop.

Surely there should be an amendment in this bill, Mr. Speaker, to make the offence the same as for an

individual driving along the highway who throws any refuse into the ditch. Surely the municipalities which have these nuisance grounds situated throughout their municipalities, and most of the towns have an agreement with the rural municipalities — there must be something, a deterrent, that the municipality, whoever has the control of the nuisance ground, keep the fences in good repair, and that if something does happen their crews are out within a short time to clean up the farmland surrounding that area.

I would hope that the mover of this bill later on, in replying, or whatever he's going to do — I think we should look at another section in this bill which would make it an offence for a municipality not to properly maintain its nuisance ground.

MR. BUTLER: Mr. Speaker, I would like to make a comment or two on the bill before us. I'd like to commend the hon. member for bringing this bill in. I think it has a lot of good features. I particularly like the feature that provides for cleaning up the highways rather than paying a fine. I think that has worked very well in other countries. On a trip to Hawaii I asked our tour guide: with so many travellers and tourists, how come your highways are so clean and there's no garbage along the roads? He said: we have a bill here that there is no fine for littering the highways; if anyone is caught throwing anything on the highway he is sentenced to clean 2 or 3 miles of roads, and the sheriff goes along to see that he does it. It has been very effective, and I would very much like to see that brought in here.

There is one section in the bill that I think we'll have problems with, and that is with regard to watering cattle on creeks or waterways. I could not go along with getting a permit to water my cattle on a creek that I've been watering them at for years. I would have to oppose that section of the bill. I hope we can have that changed. That would be just one more way we're regulating our lives and piling up the paperwork on a farm or ranch, and particularly in Edmonton, and giving the bureaucrats one more handle on our ranching operation.

I don't believe it has ever really been established that animal waste contaminates the water that badly. I know of one case where a feeder had a feedlot on a creek west of Claresholm. They were going to make him move his feedlot. University students were out there the biggest part of the summer taking samples of water from above and below the feedlot. They never proved a thing.

So I would have to oppose that section of the bill. If we can get that changed I'd support the bill in principle.

Thank you.

[Motion carried; Bill 48 read a second time]

Bill 49

The Land Surface Conservation and Reclamation Amendment Act, 1978

MR. BUTLER: Thank you, Mr. Speaker. It's my pleasure to move second reading of Bill 49. This bill has to do with changing The Land Surface Conservation and Reclamation Act.

The main principle of the act is to change the principle by which the reclamation deposit could be

returned to the operator on an ongoing basis. I'm sure this will improve the manner in which reclamation is done and, particularly, speed it up, especially on larger operations such as coal mines or tar sands where they can get part of their reclamation deposit back as the reclamation proceeds. I'm particularly interested in that section because there are prospects that we may have a large coal mine in my constituency.

Other than that, it tidies up the existing act in a couple of places by changing one word and correcting a typographical error in another. It changes the manner in which the Lieutenant-Governor may make regulations prescribing the circumstances under which inquiries may be conducted by members of the council other than members appointed by the local authorities, and the procedure to be followed in these inquiries.

I think it will speed up and enhance the reclamation process in the province, and I hope you can support Bill 49 on second reading.

Thank you.

[Motion carried, Bill 49 read a second time]

Bill 57

The Energy Resources Conservation Amendment Act, 1978

MR. GETTY: Mr. Speaker, I move second reading of Bill No. 57, The Energy Resources Conservation Amendment Act, 1978. The principle in this bill is that the Energy Resources Conservation Board may be able to assist people who have a proprietary interest in lands or minerals and may have to appear before the board in order to protect their interest and therefore expend certain moneys. In the past the board has been unable to award costs to assist interveners. If the board initiates the hearing, the bill will allow them to have costs paid by the government, or if the hearing is initiated by an applicant for a resource project, the applicant would pay the costs which the board awards.

[Motion carried; Bill 57 read a second time].

[On motion, the Assembly resolved itself into Committee of the Whole]

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

[Dr. McCrimmon in the Chair]

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

Bill 47

The Department of Education Amendment Act, 1978

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

[Title and preamble agreed to]

MR. KOZIAK: Mr. Chairman, I move that Bill No. 47, The Department of Education Amendment Act, 1978, be reported.

[Motion carried]

[Motion carried]

Bill 53
The Alberta Opportunity Fund
Amendment Act, 1978

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

[Title and preamble agreed to]

MR. DOWLING: Mr. Chairman, I move that Bill No. 53, The Alberta Opportunity Fund Amendment Act, 1978, be reported.

[Motion carried]

Bill 50
The Glenbow-Alberta Institute
Amendment Act, 1978

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

[Title and preamble agreed to]

MR. SCHMID: Mr. Chairman, I move that The Glenbow-Alberta Institute Amendment Act, 1978, be reported.

[Motion carried]

Bill 51
The Alberta Income Tax
Amendment Act, 1978

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

[Title and preamble agreed to]

MR. LEITCH: Mr. Chairman, I move that Bill No. 51, The Alberta Income Tax Amendment Act, 1978, be reported.

[Motion carried]

Bill 55
The Oil and Gas Conservation
Amendment Act, 1978

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

[Title and preamble agreed to]

MR. GETTY: Mr. Chairman, I move that Bill 55, The Oil and Gas Conservation Amendment Act, 1978, be reported.

Bill 56
The Gas Resources Preservation
Amendment Act, 1978

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

[Title and preamble agreed to]

MR. GETTY: Mr. Chairman, I move that Bill 56, The Gas Resources Preservation Amendment Act, 1978, be reported.

[Motion carried]

Bill 59
The Freehold Mineral Taxation
Amendment Act, 1978

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

[Title and preamble agreed to]

MR. GETTY: Mr. Chairman, I move that Bill 59, The Freehold Mineral Taxation Amendment Act, 1978, be reported.

[Motion carried]

MR. HYNDMAN: Mr. Chairman, I'd like to ask unanimous leave to do committee study of three bills just given second reading today: 48, 49, and 57.

HON. MEMBERS: Agreed.

Bill 48
The Litter Amendment Act, 1978

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

MR. BUTLER: Mr. Chairman, I would like to offer an amendment, but at this time I don't have it ready. As I mentioned in second reading I would have to oppose some things about the bill. I think some amendments should be brought in, but I'm not ready at the moment. I would like to adjourn debate and have it held over.

HON. MEMBERS: Agreed.

MR. CHAIRMAN: The bill will be held over until the next time the Committee of the Whole Assembly sits.

Bill 49
The Land Surface Conservation and
Reclamation Amendment Act, 1978

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

[Title and preamble agreed to]

MR. BUTLER: Mr. Chairman, I move that Bill 49, The Land Surface Conservation and Reclamation Amendment Act, 1978, be reported.

[Motion carried]

**Bill 57
The Energy Resources Conservation
Amendment Act, 1978**

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

[Title and preamble agreed to]

MR. GETTY: Mr. Chairman, I move that Bill 57, The Energy Resources Conservation Amendment Act, 1978, be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

DR. McCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bills and reports the same: 47, 53, 50, 51, 55, 56, 59, 49, 57.

Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bill 48 and reports progress on the same.

MR. SPEAKER: Having heard the report, do you all agree?

HON. MEMBERS: Agreed.

head: **GOVERNMENT MOTIONS**

20. Moved by Mr. Lougheed:

Be it resolved that this Assembly approve in general the operations of the government since the adjournment of the spring sitting.

[Adjourned debate October 13: Mr. Yurko]

MR. YURKO: Mr. Speaker, it is my purpose today to speak on four different subjects. The first area I hope to touch upon and make some remarks on is the swan song of some of the ministers and MLAs from this House. The second area I would like to comment on or provide is a brief description or identification of the major highlights of the Alberta government during the last seven years. Thirdly, I'd like to cover to some degree the growth of the western economy and Alberta's leadership role. Fourthly, I would like to touch upon and refer to some needed new tax initiatives.

But before I get into the topics of my discussion,

Mr. Speaker, I would like to comment briefly on the headline that appeared in the Journal today as a result of my remarks in the House yesterday. The headline says: Let rest of Canada in on heritage fund action: Yurko. [laughter]

Freedom of the press is something very precious, desirable, and cherished by all people in a democratic country. But there is such a thing as accuracy of press reporting, and there's such a thing as fairness of press reporting. I find I am somewhat grieved by that headline, because in my estimation it's inaccurate, first of all, for the simple reason that 15 per cent of the heritage fund is now identified for investment in the rest of Canada. Secondly, it's misrepresentation and, thirdly, I'd have some stronger words to say if I thought there was some very specific intent behind that headline. Indeed what I had said, and what was said by a number of members in this House yesterday, is that we should be seriously examining additional investment of heritage savings trust funds in the rest of Canada beyond the 15 per cent now directed in that direction. That was the intent of my remarks, not: Let rest of Canada in on heritage fund action.

Mr. Speaker, I must say that I have been overwhelmed with my leadership ability in leading an exodus from that cabinet. When I started, back in April 1978, and gave very serious consideration to projecting myself onto the federal scene, because that's where I saw most of the problems and difficulties in the nation, I didn't realize so many people would consider alternative employment. Mr. Speaker, I want to suggest that I had expected the Doc himself to give some serious consideration to alternate employment, but he has fooled me. Obviously he's realized that Alberta needs at least one Horner in politics in Alberta. [applause]

AN HON. MEMBER: The right one.

MR. YURKO: And that's a sound and wise decision on his part.

Mr. Speaker, I want to place on record in this House the very great privilege and indeed exhilaration I have enjoyed during the last seven years, working with cabinet ministers and the Premier in this province. I would like to identify how exhilarating it has been to work with those members of the Executive Council who for one reason or another have indicated they would like to seek opportunity in other walks of life: Bob Dowling, Jim Foster, Gordon Miniely, Don Getty, Helen Hunley, Bert Hohol, Roy Farran, and Allan Warrack. I don't know if there will again be an opportunity in this House to pay my respects and tribute to these members of the Executive Council who are leaving. So I felt it appropriate to pay my respects and thanks for the co-operation I have had during the last number of years in working with these people.

Mr. Speaker, each of them has served the people of Alberta very well during the difficult '70s. Each has been a leader in his own right, dealing with major problems. In my estimation there has been more vision, more courage, and more action in Alberta in the last decade, or the '70s, than in literally any three or four prior decades. Some of them have gone gray, some of them have lost some hair, and some have indicated that they're tired. Nevertheless I want to

place on the record the fact that they have done a remarkable job on behalf of the people of Alberta during the last seven years.

Also one must acknowledge with some degree of sadness the swan song of some of the other MLAs who have decided to seek alternate opportunity in this province of great opportunity. Those of us who have been associated with them in caucus and on committees know the extent of their contribution, and it was certainly welcome on behalf of the people of Alberta. My understanding is that they are Rusty Zander, Ron Tesolin, Wins Backus who is a former minister, Fred Peacock, also a former minister, Cliff Doan, John Walker, John Ashton, Fred Kidd, Don Hansen, Mick Fluker, Jack Butler, John Kushner, and Tom Donnelly. Not a single one of these people need in any way be apologetic for anything they have done in the service they provided to the people of Alberta during the '70s. All are leaving with a good record of service, leaving with decorum and dignity.

Mr. Speaker, it is a pity that some of the opposition members do not also recognize the need for new leadership and vitality in their ranks. Like Dr. Buck . . .

SOME HON. MEMBERS: Who?

MR. YURKO: The Member for Clover Bar. Now, Mr. Speaker, we all know that he's a much better dentist than he is a politician . . .

SOME HON. MEMBERS: Agreed.

MR. YURKO: . . . and he would do his party and the people of Alberta a service if he concentrated on the profession he is really good at, dentistry, instead of dabbling.

DR. BUCK: I'd make more money too.

MR. YURKO: He's been doing this dabbling in the profession of politics for 10 years now.

Mr. Speaker, in connection with the highlights in Alberta during the last seven years, they have been extensive, and we can't take credit for all that's happened in the province. Certainly we have to acknowledge that the OPEC nations increased the price of oil, established a political price rather than a market value price. This has had and will continue to have profound effects upon Alberta.

But one can, and this government should, take credit for some major new directions in the last four to seven years, in at least four areas. First of all, a deliberate and comprehensive policy for diversifying the economy and balancing the growth across the province, against all the established wisdom, understanding, and knowledge of the government prior to 1971, which repeatedly said, let them come to the cities. Indeed the growth — 94 per cent of the growth, I believe it was — was occurring in the cities of Edmonton and Calgary at that time. And, Mr. Speaker, this government can be proud indeed of its record of diversifying growth not only of the economy itself, but across the province, as the Premier indicated in his state of the province message, that literally 40 per cent of housing was now being constructed in other than Edmonton and Calgary.

The second area I would like to just touch upon is

this: a very deliberate direction and sustained thrust for improving both the physical and the human quality of life in Alberta and for Albertans. This covers a very wide spectrum of endeavor and relates to the field of most of the ministers. Indeed, not only are there now laws and appropriate departments for looking after the physical environment — the east slope hearings and the subsequent policies were a direction experienced by few countries, few provinces, and few political entities in the world; it was literally a first — the whole area of human dignity and human sustenance has been looked after in this province second to none in Canada. In this province senior citizens are treated and looked after and considered as human beings in every sense of the word. They are provided, at every turn possible, with the means to live out their latter years in dignity.

This government doesn't have to apologize to anybody for the housing policies of this province in respect to supply, affordability or, for that matter, repair. Interest rates in this province are provided at percentages as low as 5.75 per cent. Now how many people in the opposition who have indicated that some of the heritage savings trust fund should be used in this direction have even made a calculation to determine that the subsidies under SHOP, coupled with the interest rates provided for lower income families, bring the effective interest rate down to 5.75 per cent? Now obviously that's not always true, because the interest rates are rising because of the Bank of Canada rates. But in the last three years you will find that interest rates of that level have been provided for couples in the province of Alberta.

Mr. Speaker, I have a lot to say.

DR. BUCK: When are you going to start?

MR. YURKO: When did I start, if I might ask you, sir?

MR. SPEAKER: If I may be so bold as to quote the Clerk Assistant literally, he has just said that the hon. member is good until 4:38.

MR. YURKO: Mr. Speaker, the third area I want to suggest is that the province embarked on a very forceful posture and position for redefining and entrenching the role of a province within Confederation. This process will continue. It's a difficult process, but one being tackled with courage in this province.

The last one is an overall plan for the development and equitable sharing of the revenues from Alberta's resources between the present and future generations. I spoke on that yesterday.

But, Mr. Speaker, undesirable fall-out has indeed occurred, and we don't deny that. Some members of this House may not like to hear some of the things I'm going to say. But drunkenness and alcoholism and their consequences are up. In my estimation, the last thing this province needed was television advertising of beer and wine. I would like to see an analysis made of the effect of this type of advertising upon drinking amongst young Albertans.

DR. BUCK: Your cabinet put it in, Yurko.

MR. YURKO: Abortion and family breakdown has accelerated to what I consider disturbing proportions.

Crime, suicide, and violence are exponentially increasing. I am distressed to see gambling skyrocketing. We had a good resolution on that in the spring; many members spoke on that matter. Automobile accidents and fatalities are taking life, and insurance rates are spiralling. I had occasion to renew my insurance the other day, and I was appalled at the rates.

AN HON. MEMBER: What's your driving record?

MR. YURKO: I have a clean driving record, too; a very clean driving record.

Even prostitution and all the associated vices are developing fertile environments. I might say again that discrimination and the abrogation of basic human rights seem to be taking an upturn after years of improvement. Affirmative action may indeed be necessary.

These are human problems, Mr. Speaker, and perhaps somewhat beyond the scope of government. Nevertheless they are part of an overall climate which can be influenced by government direction. Future Alberta governments are going to have to cope with these problems. These are human machinations of the fall-out of growth and unprecedented prosperity. The effective management of growth and prosperity is and will continue to be one of the most pressing problems of the government of Alberta. Future governments have to be dedicated and knowledgeable, courageous and energetic to deal and cope with some of these problems.

I, Mr. Speaker, am particularly encouraged by the fact that there are a number of women seeking nominations for the Progressive Conservative Party in the province of Alberta today, and a number have won nominations. This is encouraging, because some of these human problems need the presence of women in caucus and in cabinet. None appreciates more the efforts of the Hon. Helen Hunley than those of us who have experienced her wisdom during the last seven years. [applause]

Mr. Speaker, I'm going to reverse the order of my thrust today and speak on the fourth item rather than the third. In case I get cut off it will be on the third rather than the fourth.

Briefly I would like to speak first of all on some needed new tax initiatives in Alberta and in Canada. They are interrelated. In the last half a dozen years, government tax structures in Canada have been badly distorted as to magnitude, equity, and affordability, because of three reasons: (a) inflation, (b) the unemployment rate, and (c) property re-evaluation.

There is need for tax reform. In my opinion there is need for: one, relieving the total tax load on the low- and middle-income segment of society; two, removing instances of double taxation. I have been very encouraged as to the arguments of this government in arguing with the federal government with respect to double taxation, or the taxation on royalties if you wish, with the corporate sector. I will come back to the idea of paying income tax on property tax in this nation in a minute. Three, stimulating the economy through business tax incentives; four, shifting to some extent the potential for tax revenue from the federal and provincial levels of government to the municipal level. More tax room and diversity and not necessarily a share of the royalties are needed at the

local level of government. There is plenty of opportunity at the local level of government to obtain sufficient money with their existing tax systems if we shift more tax room toward that area of government. Fifth, improving substantially the taxation equity in the property tax regime. In my estimation there is considerable inequity in the property tax regime in this province. Lastly, improving the equity and diminishing the small investment deterrent in the capital gains regime in this nation.

Mr. Speaker, I don't have sufficient time to discuss all these points fully in terms of their implications. But I want to make some very specific points. The first is that the very high inflation in Canada during the last four years has seriously distorted the entrenched tax schedules in the nation. This has trapped many low-income families and senior citizens in tax brackets which are simply not affordable, because so much more of their income is necessary for other necessities like rent, shelter, light, energy, and food. No less than \$2 billion of income tax relief is necessary in the nation for this low- and middle-income segment of society. This has been advocated and, in my estimation, is a justifiable advocacy.

Second, an appropriate start on eliminating double taxation is necessary in the nation and in Alberta. All indirect taxation, in my estimation, should be deductible for direct taxation purposes. A start is necessary in this area before very long.

Property taxation should be deductible for income tax purposes. Mr. Speaker, as a minister I made this recommendation to the federal government repeatedly. Every year, every time I met with the federal minister I attempted to make this recommendation, because it is an instance of double taxation. I also made the recommendation to the Provincial Treasurer, but there are difficulties. It is more appropriate to instigate such a system on the national level.

However, I want to say that at last January's conference of provincial ministers with the federal minister, the provincial ministers reached an excellent consensus on this point and recommended it to the federal minister. Interestingly enough, the Provincial Treasurer of the government of Saskatchewan was there and opposed it, and subsequently, because of an election coming on stream, found it appropriate to reconsider his position and indeed favor such a situation.

SOME HON. MEMBERS: Shame, shame.

MR. YURKO: And I'll come back to the other one. I suggest, Mr. Speaker, that it might be timely for the Provincial Treasurer, and perhaps even the Minister of Municipal Affairs, to give some reconsideration to this matter.

Thirdly, the federal capital gains tax regime should be changed. This has been a drag on the Canadian economy, on the Alberta economy, has reduced entrepreneurship, indeed has reduced the risk involvement capacity throughout the nation. I am going to suggest what others have suggested, first of all that there is need for an annual inflation adjustment factor in calculating capital gains if we're going to retain the system at all. It is unfair to have to pay federal tax on inflation caused by the federal government itself to a large degree, just totally unfair.

Now the second thing we must do with the capital

gains tax if we don't eliminate it entirely, Mr. Speaker, is permit an annual, non-cumulative, deductible amount of somewhere between \$5,000 to \$10,000, or maybe a little bit larger, from capital gains generated during any current taxable year. This is advisable to stimulate personal investment in securities, rather than in the bank with the low interest drawn. It would also balance the capital gain reduction or elimination of tax on a house, so that if a person felt it more appropriate he could invest in securities and provide the basic means for the growth of the economy, of entrepreneurship, and of small business in this country. It is vital that this matter be considered at the earliest opportunity.

Mr. Speaker, fourthly, I want to say very specifically that property tax at the municipal level is not based on service to that property but on asset value of the property. Anybody who will say anything different simply doesn't understand the facts. Therefore asset evaluation to provide equity — a tax across an urban community, for example, at the municipal level is vital in order to provide equity between the taxpayers in an urban centre. Therefore I will never understand why a company or anybody owning land within an urban centre which has potential for development and is priced in the market place at \$50,000 to \$150,000 an acre should have to pay tax at \$40 an acre. This is absolute and unacceptable inequality within a municipality. I believe that the government should seriously re-examine the change in legislation needed to turn over to municipalities the opportunity to make their own decision in terms of taxing vacant land at market value. I believe the government should review its position on this matter at the earliest opportunity.

This is not a case of increasing the price of housing. It will not do anything with respect to the price of housing, irrespective of the Greenspan report. All it will really do is transfer tax from the federal government back to the municipality, because every corporation uses that as a deductible feature: they deduct all the tax paid. If it does have any effect on the very high profits of the developer, it'll be such a ripple at the top of the profit spectrum that hardly anybody will see it. It's an extreme case of inequity in regard to property taxation based on asset evaluation and has become strikingly more inequitable since asset re-evaluation in the nation, which has caused property, and particularly land, to skyrocket to unbelievable levels.

Mr. Speaker, fifthly, and this is my last point because obviously I'm not going to have too much time, I want to suggest that as Minister of Housing and Public Works I also recommended to the federal government the need to examine seriously and instigate a national program of making deductible for income tax purposes some portion of interest rates payable. A very, very good case can be made for that. Indeed it's a different sort of double taxation. The renters now get it because all the people who own rental property have their taxes deductible from their statements when they file income tax, and so they get it indirectly. In the area of renters we have provided advantages through lower interest rates in the province of Alberta — 8 per cent in CHIP. Much of the housing built in Alberta under public housing and senior citizen housing for renters is put on the market at extremely low rates.

The capital cost allowance is a direct subsidy, if you

wish, to the renting faction of our housing industry. Indeed, most of the advantages that I have been associated with housing have been provided to the renting public, but the ownership public has not received any equal treatment in my estimation. We have tended to provide lower interest rates and subsidies to some of the low-income families, but the average householder has to have his wife and himself working to pay these very high interest rates. In my estimation they're really paying tax on a form of tax, because those high interest rates are to a very large degree the result of inadequate government at the federal level. If the federal level is good at anything, it's good at taxing the citizens of this nation.

Mr. Speaker, above all else, it would provide equity between home-owners. There is no reason there shouldn't be some equity between home-owners because one is lucky enough to have gotten his loan when the rate was 8 per cent, and six to 10 months later, because of inadequate federal management, the rate is 10 per cent and one suddenly has to pay 25 per cent more interest than the other. It would simply provide a slight amount of equity.

Mr. Speaker, it had been my intention really to dwell with some degree of emphasis on the growth of western Canada's economy and Alberta's leadership role, not only in the past but the developing leadership role it will have to play in the future. I had intended to indicate the growth in the manufacturing sector of western Canada, a slightly lesser growth than the rest of Canada. I had intended to indicate the growth of the mineral sector, of the construction sector as a percentage of the gross national product, to indicate to the House that the western Canada economy is a vibrant one and that nobody in this nation should attempt to throttle it in such a way that people from Ontario, Quebec, and the eastern part of the province couldn't journey to this part of the nation to enjoy some of the prosperity now being generated in western Canada — I don't just mean Alberta, the whole of western Canada. But I shall have to do that some other time.

Thank you, Mr. Speaker.

MR. BATIUK: Mr. Speaker, I too would like to participate in Motion No. 20 in reference to the address by the hon. Premier, who spoke so well the other day. One reason I feel obligated to speak — I notice that the Premier spoke for 90 minutes on the progress and the state of the province since adjournment of the spring session. If I had the time, I also could spend 90 minutes elaborating on the activities not only in the province but in the Vegreville constituency. Indeed, there have been many activities, many more than I really expected, and because of all those activities I had no chance to get a week's summer holiday this year.

As we read *Hansard*, both the Leader of the Opposition and the hon. Member for Spirit River-Fairview had stated in response that it would seem the only two things that happened during the five months were the successful Commonwealth Games and the royal visit. Mr. Speaker, I was delighted with the success of the Commonwealth Games and with the royal visit, for various reasons, particularly when we saw that the royal visit had to be limited. She had the opportunity of visiting Grande Prairie, Peace River, St. Paul, Vegreville, and the whistle stops through the

towns and villages to Edmonton. I was very impressed by the fine reception the royal couple received with their visit in Vegreville, a town growing at a very fast rate, one of the fastest in this province. Also the Queen had indicated her satisfaction in visiting that area, not only because Vegreville is a big place but it was the same — I would just mention the small village of Chipman, where not too long ago it was predicted that it would be taken off the map. But the royal couple said they were impressed to stop at a community where there were only 300 people and over 1,700 came to receive them.

I was also very impressed with what has been done in the constituency and other places because of the royal visit. A number of elevators were painted. No doubt they wouldn't have had that facelifting for another couple of years. The dilapidated stations that were an eyesore for a good number of years, and requests were made by the municipalities to have them removed, were done within a matter of a month before the visit. The towns and villages improved their appearance, and I think this is something that is going to stay with us.

The Commonwealth Games and the royal visit were something we looked forward to; we lived with it; it's gone — just memories left. However, I think much more has been done in the constituency that is meaning plenty now and will for the future.

As I mentioned, I had no chance of having a holiday, a week's break, because of all the activities. I'm glad there are activities. I think it would be a real sad day in this province if there weren't those activities. When I think back, the former representative of the Vegreville constituency, whom I admire and respect, was able to take three to six weeks off every year to come to the session and to hold his job for the balance of the year, and probably had a good summer holiday.

However, things have changed. There are many areas. Six agricultural societies have been formed in the Vegreville constituency during our term of office. There were seven agricultural fairs this year, and all of them demand that the representative attend part or all of them. Along with that, Her Majesty had the privilege of attending a little portion of the Vegreville exhibition and agricultural fair to provide ribbons to the winners. This was the seventy-fifth annual exhibition.

The Ukrainian cultural festival for the fifth consecutive year was very successful. Even though I have never had the chance to see the one in Dauphin, I have been told that this one supersedes the one in Dauphin, Manitoba. It appears that three days will not be enough in the future; maybe four or five days will be needed to accommodate all those who want to come in.

Along with that, I would like to mention that again this year, as in every other year, there was an annual Two Hills rodeo sponsored by the Lions Club. Even though I attend theirs every year and I attend the one in Edmonton, I can assure hon. members that the one in Two Hills supersedes the one in Edmonton by far.

Another area of real concern — and it was very gratifying to see this summer the completion of the Edmonton and area regional water study. As our communities continue to grow, it seems there is a real demand for more and more water. I was glad to see the completion of this study. There are several

alternatives. No doubt one of the alternatives is to get water from the Vermilion River for the two towns of Vegreville and Mundare. The Beaverhill Lake area would have to supply Lamont and Chipman. This is good, but there is nothing to guarantee that the Vermilion River will supply water. For the past two years the town of Vegreville had to pump sloughs into the Vermilion River to be able to acquire enough water. With a growing population, I wonder whether over the next 25 years there could not be a real crisis. Listening to the motion debated yesterday about the heritage trust fund, quite a number of hon. members suggested that maybe a bit more money should be spent rather than being put in investment. This may be a good time to think of one of the alternatives, and that is to provide water to these towns from Edmonton. It will cost a bit more, but it would be a guaranteed supply of water.

Another very interesting and I think very beneficial activity took place in the province, and that was the cabinet tours. Some hon. members may have opposed it and feel that it didn't gain very much. But I was really happy. In the areas the cabinet visited in my constituency I expected more requests and demands for services. The visits were looked at in a very positive manner, and there was more praise for what the government was doing than there were requests or maybe dissatisfactions. I can honestly say that I think the tours were very positive.

Another area I must mention is the sod-turning ceremonies for our new hospital. This hospital was promised I guess about seven, eight, 10 years ago. It took a long time, but one of the reasons was the slowness — the previous government was so far behind in their hospital services and building that it's very hard for this administration to try to catch up. However, this was a very momentous occasion.

The Commonwealth conference hosted by this province this summer during the time of the Commonwealth Games again took a considerable amount of time. I think it was very worthy. It came at the right time, and I think it was very receptive.

I must mention that very often the opposition likes to [say], and with no exception this year in responding to the Premier's address, that very little was done. As I mentioned, the two leaders of the political parties had only given credit for the two things. However, it was the same last year. I recall a year ago when the Premier gave his address, again one of the areas criticized severely was the trade mission to the U.S.S.R.

and to the Middle East. Three hundred thousand dollars was spent on this. Sure, it was a criticism at that time. But when I look at the accomplishments of that already this year, it's showing. When the trade mission went to the Soviet Union, at the Canadian Embassy they were told that this was the first time a minister of agriculture, whether provincial or federal, had visited them.

When they went to the Middle East the Premier inquired why Iran does not purchase any of their wheat. They have 37 million people; they consume a large amount of wheat. They were told, Canada doesn't produce what we want. We all are well aware that the Moslem world has a lot of bucks nowadays. They're willing to buy their wheat and willing to pay for it. But you can't blame them for wanting to get what they're going to pay for.

After the return of the Premier, he made it quite

clear that the Alberta Grain Commission, of which I am a member, would look into these possibilities. We put all the pressure we could to try to convince The Canadian Wheat Board and the Canadian Grain Commission to license wheats that are wanted in Iran. If Iran, with 37 million population, imported all the wheat they need — and that's the hard white wheats — we could get rid of 50 per cent of our surplus year in and year out, and no doubt they would purchase it. However, after a lot of persuasion we were able to convince the Canadian Grain Commission to provide samples on the request by Iran, providing again, as The Canadian Wheat Board requested, that we pay the freight on this. However, those samples went, and I guess they were quite favorable.

The government of Iran had requested us to accept their research technician. On May 20 this year Dr. Moesi came to Alberta to spend a month to learn the bread-baking techniques in this province. After spending about three weeks he requested an extension of another month. If ever I was optimistic that a trade mission may find some future exports, this was one time. And it really bothered me to see the opposition stand in this House and outside this House and say that the Premier of this province shouldn't interfere. I agree he shouldn't interfere. But when we see that 40 per cent of all the cattle raised in Canada are raised in Alberta, 35 per cent of all the feed grains raised are raised in Alberta, 50 per cent of all the agricultural products in Canada are raised in Alberta, the Premier must have a concern. I think it's his concern, and he has done a good job to let world know about it.

During the summer we were fortunate, particularly in the rural areas, to have the Minister of Utilities and Telephones bring in a program to expand the subsidy and rebate to gas co-ops and to users of propane for drying grain. When we — and particularly myself, being a member of the utilities committee — tried to find what programs there are in other areas, I found out that Alberta is the only province in Canada, and the only place on the North American continent, where there are gas co-ops. People in neighboring provinces were surprised that people in rural Alberta were being served with natural gas.

When Dr. Moesi from Iran was here — and we all know very well that the feedstocks of natural gas are far greater there than in Alberta — he stated that only about six cities in a country with 37 million people are using natural gas for heating and cooking. They're still using oil. They'd far rather sell their natural gas.

So one can see that our government has gone far in providing a quality of life that is going to encourage people to stay on the farms. And it's not surprising, Mr. Speaker, that since 1953 to 1957 there are 4,000 more people on Alberta farms.

To get back to *Hansard*, I would like to rebut a few areas, listening to other members speak for and against this motion. The Leader of the Opposition: "... the Premier never once admitted that despite the very good times we have in many areas of the province ... serious problems". Well it's expected. During my time I've never seen any program that satisfied every person, regardless of what they are. When Social Credit created the Debt Adjustment Board in 1937, I thought that was the best thing they could have done. Yet people today say they were hurt by

that.

As I say, with all our programs it's expected that some may not fit everybody. As Taras Shevchenko once said, he who tries and fails accomplishes more than one who doesn't and succeeds. How very true. If a person tries to do nothing, he's going to succeed because he's done nothing.

Another area I must mention is the placing of a freeze. The hon. member said he was disappointed the Premier didn't say that he would put a freeze on the size of the public service. I can well go along with this, that maybe the size of the public service has to be restrained. But here again we look at the programs of this province. One of them is to decentralize government services, exactly where we'll need more civil servants. It's going to cost.

I think back, as one of 1,200 people who sat in the Jubilee Auditorium in 1965. There were elected people and administrators. The Premier of that day very bluntly said that in 10 years, 85 per cent of the population of this province would be in Edmonton and Calgary, and that nothing could be done about it.

It was materializing, it was going in that direction. The village of Chipman was the first village marked to be taken off the map. There were three implement agencies; they went. There were two or three garages; they shut down. Chipman was left with one grocery store and a post office. However, because of the programs to decentralize, the population of Chipman has doubled in the last four years. Looking at the development, I wouldn't be surprised if it doubles again within the next four years.

The Premier mentioned that there were 48,000 more people working this September than a year ago. It shows that because of the programs and that, we need more civil servants. Naturally a watchful eye must be kept that there aren't too many.

But what I really liked was when the hon. Leader of the Opposition said: "But I'll tell you what a Social Credit government would do." He should have said, I'll tell you what a Social Credit government should have done when they had 36 years of opportunity to do it. They've got all the answers now, but it's unfortunate that it took a change of government for them to realize.

I regret that the hon. Member for Spirit River-Fairview isn't here, because I see his remarks and there are a number of them that I can't agree with. Again, as I had mentioned, the Commonwealth Games and the visit of the Royal Family were great. Nothing more.

But he also mentioned the northeastern tours, how the people accepted the cabinet tour. Yet he was so concerned about the shock absorber that somebody brought to the cabinet tour at Spirit River. Well, I know no car lasts forever. A shock absorber can go the same as anything else. But I look at the amount of road building in my constituency and the constituencies around. There have been contracts given out that should have been finished months ago, and they are not. The reason is the weather, and that there isn't enough equipment in this province to keep up with the dollars that have been put in. So it's just impossible to do more than is being done.

I travelled the Spirit River-Fairview area a couple of years ago, and I think their roads are comparable to any other place in the northern part of Alberta, or anyplace north of Red Deer. So you just can't look at

somebody who broke one of these shock absorbers and say that the roads are not good. Who knows, maybe it was the driver. There are people who ruin their cars on fine pavement.

Now what really puzzled me was another statement by the hon. member: by the time we get out to a rural school division, we have grade 1 students getting on the buses in Spirit River at 6:50 — getting on buses at 6:50 in a province that has almost \$7 billion in the heritage trust fund. Mr. Speaker, I find it appalling to see a leader of a political party, a member of the Legislature, a member of the committee on the heritage savings trust fund, who hasn't got a clue what the thing is all about. I just can't see what a school bus has to do with the heritage trust. Since the hon. member feels that way, he should have tried to convince the committee to recommend that the Legislature just take \$14,000 out of the heritage trust fund and send a bus to Spirit River.

I have served for almost 20 years on a school board. The earliest any children were getting on was 7:20, and I was concerned that that was long enough. But as a school board member, I used to alternate the bus so the same children would not always be getting on at the same time.

Furthermore, Mr. Speaker, in 1975 I raised two issues that I feel I was elected on. One was that Alberta receive a fair share for depleting natural resources. Second was the creation of a heritage trust fund. Mr. Speaker, the heritage trust fund was intended for things like this. I think back to when I went to school. My classmates walked up to five miles. They didn't get on a bus at 6:50, but they started to walk much earlier. There was no other choice. The roads were bad, there were no snowploughs. Some of those children would come to school and fall asleep when the bell rang because they were tired.

But the heritage trust fund is intended for this purpose: that when the time comes that natural resources will not be bringing in any revenues, the investments of the heritage trust fund will provide the services we are enjoying today.

Going back to the expenditures and so forth, I had mentioned that I won an election over that. Yet at that time, and it's not much different from the philosophy of the New Democratic Party — leave the oil in the ground, leave it there if we don't need it. That's exactly what the Social Credit government was doing.* There's such a difference. There's no way anybody can say that the resources are only in Alberta. When one looks at the latest travel guide of Saskatchewan, on page 14 it says: Saskatchewan, the land and province of coal and oil. Much like Alberta, only they could have added potash and uranium. But look at the difference in the prosperity and poverty of those two provinces. A world of difference. I think eyes are opening up already, because explorations are going a bit. However, I sure would hope that eyes would open real well today as the people go to mark their X on the ballot.

However, as I say, I don't want to be very critical of the hon. member, because I've been in this House and it's always against, against, and against. I very seldom ever heard him say this government has done anything good.

Mr. Speaker, it just makes me think of that woman who fell into the river one time. The concerned

husband was walking alongside the river hoping to see her show up and he could rescue her. After running along for quite a way, he met a man and said, "Sir, you're coming from that direction. Did you notice anybody in the river? My wife fell in, and I'd like to save her." That man says, "Where did she fall in?" He says, "Oh, about a quarter of a mile back". And he says, "Man, you're going in the wrong direction, because the river is flowing that way". The man says, "You know, through all our life, whatever I said she contradicted. Whatever I did, it was wrong. Everything was wrong for her. I thought that maybe she's floating against the tide." [laughter]

Mr. Speaker, before concluding I would like to say that I have found the address of the Premier very interesting. I think the state of our province is very good. I think the election next spring will show whether the people of this province appreciate what we are doing or otherwise.

Thank you, Mr. Speaker.

MR. GOGO: Mr. Speaker, I too welcome the opportunity to participate in some small way in Government Motion No. 20, by which the Premier has reported to both the Assembly and the people of Alberta on what has happened since the spring session, that we in fact approve — and I note the words "in general" — the policies followed by the government since the spring session.

Mr. Speaker, as I've listened to the debate I think more and more that it's almost a tragedy to be successful in this nation. Here we have some classic examples whereby a province, although having 8 per cent of Canada's people, has been a pace setter and a leader, not only within the confederation of this nation but perhaps on the North American continent. We constantly hear people, not suggesting alternatives of what we should be doing, but constantly either criticizing or harping about some of the very successful programs we've had.

We have a government in this province that I happen to believe is a very open government. As a member, along with the Member for Lethbridge East, who represents a fair number of people within an area in this province, it seems each week, not counting cabinet tours, we have a member of Executive Council out amongst the people of southern Alberta, seeking ways of improving the government's performance on their behalf. Certainly that has to be a precedent in all jurisdictions within Canada: a government that's concerned enough that it sends its members of Executive Council, who I believe are extremely busy anyway — they certainly tell me they are — to southern Alberta, to discuss issues with the people they represent around the cabinet table and take back advice and alternatives.

It seems to me we're faced with members of the opposition constantly criticizing not only some of the policies they've adopted, but indeed the very fact that the government is not open. So it disturbs me somewhat to think that because you're successful in the province and in the country you tend to be criticized.

When the Member for Edmonton Gold Bar referred to the mass exodus of members of Executive Council, I can't help but reflect that only two weeks ago in Lethbridge I attended the opening of the Prairie Agricultural Machinery Institute, which is a three-

*See p. 1415, left

province project — Manitoba, Saskatchewan, and Alberta. The ministers from the other provinces were there along with our Minister of Agriculture. The deputy mayor, who is a socialist by nature, happened to be bringing greetings from the city. I mention a "socialist" chap because he, by definition, is someone who has his hand in someone else's pocket. He couldn't help but remark that never before in his five or six years of public office had he seen so many television cameras, radio reporters, and newspaper people attending something like the opening of PAMI. He felt that it must be a very important exercise to open this, or that he as the deputy mayor was very important. Then he disclosed that they were really there because they were waiting to see whether Marvin Moore was going to be number 10 in that long line of exodus from cabinet. When they found out he wasn't, they went home and reported on something else.

Mr. Speaker, I would like to make some comments relative to the area the Minister of Municipal Affairs and I represent — I'm not attempting to speak for him — and list some of the concerns as I see them in the area I represent relative to the motion on the Order Paper. I think we in Lethbridge are very fortunate in that we're Alberta's third largest city, 50,000 people. I would like to think that much of the history of this province has grown out of that southern Alberta area, that really is an extension out of the Medicine Hat area through the Crowsnest Pass. We have benefited in many ways from the policies of the government.

I can't help but look at housing. On one hand I hear the Leader of the Opposition saying that we should be wiping out that nest over at Alberta Housing Corporation because they're an arrogant bunch. At the other extreme the Member for Spirit River-Fairview says that for some reason, even though this government has delivered probably two to three times the amount of affordable housing through Alberta Home Mortgage Corporation, programs like — and I guess I can say them because the Premier is not here — SHOP, CHIP, the core program and other programs; even though we've been able to deliver a full 25 per cent of Canada's housing requirements, even though we have a record unparalleled anywhere in the nation of providing self-contained senior citizen accommodation, construction of lodges for senior citizens — even though we've done all that, that in some way or other we're responsible for the extremely high cost of housing in Alberta.

I have great difficulty with that, Mr. Speaker. I don't say we don't have problems, and I don't say that perhaps in many ways our housing is indeed not affordable by many people. But the average price of a house today is really no different from 15 years ago in terms of the organized, 'associationized', or professionalized person's income in Canada; that is, about three times his annual income. The affordability comes in, it appears to me, in terms of the interest rate. When we as citizens were unconcerned in 1965 in allowing the Bank Act to be changed whereby interest rates virtually went up 100 per cent and the cost of houses probably went up an equal amount, for some reason we tend to want to blame the high cost of housing on the people who build the home and the mortgage companies. The Leader of the Opposition makes reference — and I think it's probably an idea worth considering — that consider

Dion should be given to mortgage money being lent at 4 and 5 per cent.

Mr. Speaker, I think there are areas that we have to look at seriously with regard to housing. I am told that the state of Hawaii makes provision that upon marriage a person gets a lot at no cost, once in his lifetime. Perhaps that's radical thinking. When I look at the fact that raw land in the area I represent went from \$2,600 to \$26,000 an acre within 30 months, it brings to mind a suggestion made by the Member for Edmonton Gold Bar: is it really equitable to have a system whereby land can sell at \$40,000 to \$100,000 an acre, and then the tax revenue from that is \$1.75 an acre? I think that's almost ridiculous.

Where by statute we fix the assessment of agricultural land at a certain rate regardless of where it is — in my opinion that's one area where this government hasn't kept in tune with the times. Surely it's an area whereby if we look at the assessment formulas used in our municipalities, and irrespective of income we use the alibi that our house prices have gone up five times in five years, then you're justified in having a 200 or 300 per cent increase in taxation on that property. I think that argument is ridiculous, Mr. Speaker. The majority of the people I'm speaking for are not interested in selling their homes, but are interested in a place to spend their remaining years with some degree of certainty that they'll be able to afford it and not constantly worry that their pensions and other fixed income securities they've invested in are not going to be adequate.

Mr. Speaker, I would like to touch on an area where I believe the government has responded in a very positive way: recognition that at the one end of the province the Syncrude project is pretty well complete, and as a result there's a slowdown in construction — and the government recognizes that parts of Alberta are experiencing a slowdown in the construction industry.

We in Lethbridge are very fortunate that the government understands and recognizes some of the needs. One of those, of course, would be phase two of the University of Lethbridge, an \$18 million expansion that my colleague the Member for Lethbridge East and I have worked very hard to acquire; also the Solicitor General's initiatives in recognizing that the correctional institute is long out of date and should have been replaced. The provincial building opened several years ago has provided a much needed service for residents of the city of Lethbridge.

But there are some concerns and some soft spots, and I'd like to touch on them. One is that a local industry that assembles telephones has had to lay off about 25 per cent of its people. A recreational vehicle business has gone into receivership, leaving many people unemployed. We have a distillery in Lethbridge and, as many members may know — they may not like it — there is a surplus of the brown goods, which is really whiskey, out of Palliser, and that's not about to turn around for perhaps three or four years. As a result they've had rather important and massive layoffs. So the construction program announced by the government is more important than ever, except it only affects a limited number of people, those in the construction industry.

We're faced, Mr. Speaker, with an uniqueness in southern Alberta that we haven't experienced before. In 1975-76 we had a population growth of over 5 per

cent. In '77 it was reduced to 4.5 per cent, and now in '77-78 it's been reduced to 1.4 per cent. Now I think members should be aware that that does not indicate people are no longer coming to Alberta. Indeed they are. I think it's important to note that they're coming to the metropolitan areas of Calgary and Edmonton, mainly because that is where they find employment. I think it's a uniqueness in Alberta that when you have a soft spot in certain parts of Alberta, people coming to the province naturally avoid those places because there are not employment opportunities.

I think one area government could look at, Mr. Speaker, is amending the nutritive processing act whereby areas with populations of 25,000 or more are really not allowed to participate. I would suggest that any industry coming in which would need not only the labor force but the infrastructure, the schools and housing, for a major industry is not likely to find it in areas of Alberta less than 25,000. So I would like to see an amendment made to that whereby communities such as Medicine Hat, Red Deer, Lethbridge, Grande Prairie, and others could qualify.

Mr. Speaker, I recognize other members want to speak on this motion, so I would like to conclude my remarks simply by saying I think we in Alberta have been extremely fortunate. We have benefited in many ways from good leadership on behalf of the government, of which I'm proud to be a member. But there are areas out there that bear looking at, and I think that where this government has a record second to none in Canada in terms of economic performance, there are social areas that are going to have to be looked at.

I was so encouraged when the Minister of Social Services and Community Health was able to persuade the government to adopt a new policy on day care, because it is a fact of life that almost one out of every two women in this province is employed, which creates unique problems. But the general feeling of the public out there with regard to corrections and the way people are handled in our institutions is not perhaps the way it should be, and there must be alternatives.

We are unique perhaps in Canadian jurisdiction in that we have within our educational system not a kindergarten like some of the other provinces, which is virtually mandatory under school acts, but an ECS program, which is by its very nature I think, discriminatory. That's an area I'd like to see changed.

On balance, Mr. Speaker, I think we in Alberta, and certainly we in southern Alberta, have been extremely fortunate in having the type of representation and the policies adopted out of a political system which believes it has the opportunity of influencing the type of government it represents in Alberta.

Thank you very much.

MR. HORSMAN: Mr. Speaker, in rising to participate in the few moments left in the debate, may I say I very much regret I was not present last Wednesday when the Premier delivered his state of the province address, as I was in Quebec with you, Mr. Speaker, other members of the Assembly, and indeed with other representatives from other nations attending a very interesting conference on the future of the British parliamentary system in Canada. I was interested, of course, to return to find the television

cameras now firmly placed in the House. Indeed, last evening I found myself watching again what had taken place yesterday afternoon. To my absolute horror, I found myself listening once again to the speech by the hon. Member for Clover Bar. It was, quite frankly, a shocking experience that I would indeed be so fascinated with the proceedings of the House that I'd want to hear that twice.

Mr. Speaker, I want to say that the hon. Member for Clover Bar accompanied our group on the interesting trip to Quebec City and participated with us in a very non-partisan way in all the proceedings. It was a very useful conference. I hope sometime later during the course of the session, or perhaps on another occasion when we're discussing Commonwealth Parliamentary Association matters, to refer to some of the consensus that was arrived at.

Suffice it to say that there was consensus that the parliamentary system is indeed alive and well. The question posed to us was: the British parliamentary system — an anachronism or a modern reality? Even in the province of Quebec, where one might be led to believe that the British institutions and parliamentary system may not be held in high regard, there is indeed a very high regard for the parliamentary system and its adaptability to the various types of legislative requirements of the various provinces of this country, and indeed to the Canadian parliamentary system; the system which was immeasurably improved the day before yesterday and which will be improved indeed when the hon. Member for Edmonton Gold Bar achieves his rightful place, hopefully on the front benches of a new Conservative government.

Mr. Speaker, I want to comment once again, and I have done this on previous occasions in this Assembly, on the importance of *Alberta Hansard* to the members of this Assembly, to be able to sit down and reread what took place last Wednesday when the Premier spoke, and to read the replies of the Leader of the Opposition and the leader of the New Democratic Party on Friday. It was very useful to those of us who had to be absent. I wish to compliment the government that assumed office in 1971 for the introduction of *Hansard*. Think for a moment of the fact that all the debates that took place in this Assembly from 1905 until that date are unrecorded for posterity. That is regrettable indeed.

AN HON. MEMBER: Except for the Social Credit Party.

MR. HORSMAN: My hon. colleague says, except for the Social Credit Party. I would think those debates would prove to be very interesting reading today.

AN HON. MEMBER: But not for the Social Credit Party.

MR. HORSMAN: But not for the Social Credit Party. Well, that may very well be, but certainly historians would find them useful. Certainly some of the debates during the UFA government might be interesting to the hon. Leader of the Opposition, who is now urging a form of referendum government. That was urged in this Assembly back in the '20s by a party which came into office in those days; prior to their assuming office, that is. Amazingly enough, once they assumed office that notion was quickly discarded.

Those would be interesting debates to read. As a matter of fact, some debates in 1937, during the early days of Social Credit, on the subject of referenda as a method of governing the country, might also be interesting to read. However, perhaps I will have an opportunity to deal with that on another occasion.

Since the hour has now turned to 5:30, Mr. Speaker, I beg leave to adjourn the debate.

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