

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Friday, April 11, 1980 10:00 a.m.**

[The House met at 10 a.m.]

**PRAYERS**

[Mr. Speaker in the Chair]

head: **TABLING RETURNS AND REPORTS**

MR. MOORE: Mr. Speaker, today I wish to table the annual report of the Department of Municipal Affairs for the fiscal year ended March 31, 1979. The department report also includes the annual report of the Alberta Planning Board as required by The Planning Act, 1977, and the audited financial statement of the Special Areas Board as required by The Special Areas Act. In addition, I would like to file with the Legislature Library copies of the annual report of Alberta Disaster Services.

MR. HYNDMAN: Mr. Speaker, I wish to table copies of the Auditor General's report on the Alberta Municipal Financing Corporation for the year ended March 31, 1979.

MR. HORSMAN: Mr. Speaker, I wish to file with the Assembly the fifth annual report of the Alberta Council on Admissions and Transfer.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. L. CLARK: Mr. Speaker, I take pleasure in introducing to you, and through you to the members of the Assembly, seven boy scouts from the 1st Bow Valley Scouts of Langdon. They are seated in the members gallery. They are accompanied by their leaders, scouters Barry Clayton and Gordon Burton. I would ask them to rise and receive the welcome of the House.

MR. D. ANDERSON: Mr. Speaker, I am pleased today to introduce to you and to this Assembly the second press gallery of the day, 18 second-year journalism students from Mount Royal college in the city of Calgary, in the constituency of Calgary Currie. They are accompanied by their instructors Mr. John House and, an old friend, Mr. John Balcers, who is also chairman of the communication arts department in that college. I'd ask those people to rise and receive the welcome of the Assembly.

MR. KING: Mr. Speaker, I have a great deal of pleasure in introducing to you, and through you to the members of the Assembly, 37 junior high school students from McCauley school in the Edmonton Highlands constituency. These are all new arrivals to Canada. They are involved in the English as a second language program at that school. We have with us this morning students from Vietnam, Laos, the Philippines, the U.S.S.R., India, and a number of other countries, all of whom are one day going to be adult citizens of Canada and make a significant contribution to the country. I would ask them to rise and receive the welcome of members of the Assembly.

MRS. LeMESSURIER: Mr. Speaker, it is my privilege and pleasure to introduce to you, and through you to members of this Assembly, 26 grade 6 students from St. Catherines school. St. Catherines school happens to be in my constituency. This is one of the schools that has 16 classes for adults studying English as their second language. They are accompanied by their teacher Mr. Gordon Mitchell and are seated in the public gallery. I ask them to please rise and receive the welcome of this Assembly.

MR. HYLAND: Mr. Speaker, I'd like to introduce to you, and through you to members of this Assembly, four of my constituents from Bow Island. I don't get this chance very often, because not too many people come from that far south to visit the Assembly. I'd like Jackie, Terry, Stefanie, and Doug Dorn to stand and receive the welcome of the Assembly.

head: **ORAL QUESTION PERIOD**

**Interest Rates**

MR. R. SPEAKER: Mr. Speaker, I would like to direct a question to the Provincial Treasurer. It's with regard to the high interest rates not only in Alberta but in the rest of Canada. I'd like the Provincial Treasurer to indicate at this time what position the government is taking, or what policy the government has, with regard to high interest rates. Secondly, what measures is the government taking to shield Albertans or Alberta industry with regard to high interest rates?

MR. HYNDMAN: Mr. Speaker, that's a difficult subject to deal with adequately in the question period. However, we do share the concern of those Albertans who are affected most directly by the high interest rates which now face the country. I think we all realize in this Assembly, as in other provincial assemblies, that the root causes of those high interest rates lie not only internationally but nationally and are under the purview and control essentially — the monetary policy of the country — of the federal government and the Bank of Canada.

Over the course of the last nine months, though, this government has introduced a number of specific policies which have rifled in to protect and assist the greatest adverse impact of those interest rates, particularly as they affect small businessmen, home-owners, and farmers. We'll continue to do that. The programs that have been announced in the agriculture area by the Minister of Agriculture demonstrate, I think, our concern in that area. The special preferred rates of the treasury branch indicate the concern and the assistance for small businessmen. The shielding of 9 per cent under the Alberta Municipal Financing Corporation for municipalities is a benefit to all taxpayers of the province in the municipalities.

So there is a range of programs this government has taken specifically to rifle in to assist those most in need. We'll continue to assess that as the months go by.

DR. BUCK: A supplementary question to the Minister of Federal and Intergovernmental Affairs, Mr. Speaker. Can the minister indicate to the Legislature and the people of Alberta what steps the minister has taken in consultation with his federal counterpart to bring this serious matter to the federal minister's attention?

MR. JOHNSTON: Mr. Speaker, I'm pleased to inform the Assembly that in planning for the western premiers' meeting in Lethbridge on April 21 and 22, we had attempted to have the Governor of the Bank of Canada, Mr. Bouey, attend that meeting to present broad understanding to the western premiers on his concept of the fiscal arrangements and the monetary planning for Canada. Unfortunately, Mr. Bouey wrote to the Premier just yesterday advising that he could not attend that meeting. Since we've had that information given to us only recently, we've not yet had a chance to make any adjustment in terms of the western premiers' conference. But I can assure you that the broad question of monetary policy and interest rates in Canada, from the western Canada point of view, will be carefully discussed by the western premiers next week in Lethbridge.

DR. BUCK: Mr. Speaker, a supplementary to the Minister of Federal and Intergovernmental Affairs. Can the minister indicate what consultation he's had with his western counterparts as to this serious matter?

MR. JOHNSTON: Yes, Mr. Premier — or Mr. Speaker. I can advise that ...

DR. BUCK: He's a few years away yet. [laughter]

MR. JOHNSTON: Mr. Speaker, I just want to advise the Assembly that of course within the last two weeks we have had meetings of the western ministers responsible for intergovernmental affairs, in part to plan for the western conference, but of course to deal with the question of interest rates — not so much directly, as the Treasurer has outlined, but to describe in a broad way the kinds of policies various provinces are developing to deal with the question of interest rate increases in western Canada and Canada as a whole.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. The minister has indicated that a presentation will be made at the premiers' conference in Lethbridge. What will be the position of the government of Alberta at that conference with regard to interest rates? Has the government a position that it will present that is clear and will give some direction not only to Albertans but to the federal government? Has the province a clear position to present at that time? We haven't heard it yet.

MR. JOHNSTON: The Member for Little Bow must not have been here during the first response by the Treasurer. I think he clearly outlined the government's position on monetary policy and the innovative programs this government is bringing forward. The fact that we do have the western premiers' conference will allow western premiers to express a clear perspective on how the federal government should handle monetary policy in this country.

MR. R. SPEAKER: Mr. Speaker, that's not a fact. The Provincial Treasurer told us what the government is doing. [interjections] There's no way there was policy there. There was no directive to the government of Canada.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Order please.

MR. R. SPEAKER: Mr. Speaker, I repeat the question to the Provincial Treasurer. What position will the Alberta government put forward with regard to floating interest rates and interest rates in Canada? What direction will the Alberta government give to the government of Canada? The earlier answer told about things that were going on in Alberta but nothing about a position ...

MR. SPEAKER: Order please.

MR. R. SPEAKER: ... with respect to the Thursday setting of interest rates. What's the government's position?

DR. BUCK: You are in the government, Johnston. You get \$60,000 ...

MR. SPEAKER: As I said on previous occasions, there's some question whether one can take on a succession of ministers with the same question, starting with those most likely to answer and ending with those least likely to answer.

DR. BUCK: It proves they're doing nothing.

MR. SPEAKER: But in fairness, in view of the remarks made by the hon. acting leader in connection with the question, it would seem that the minister, if he wishes, should have an opportunity to respond.

MR. HYNDMAN: Mr. Speaker, I think the Minister of Federal and Intergovernmental Affairs has answered the question entirely and adequately. The views of the government of Alberta will be put forward at the forthcoming meeting, in concert with and complemented by those of the other three western provinces. They have been made clear over the past number of months in this Assembly.

MR. NOTLEY: Mr. Speaker, a supplementary question to either the hon. Provincial Treasurer or the Minister of Federal and Intergovernmental Affairs. What review has been conducted by the province of Alberta since the newly elected federal government agreed to the changes brought in by Mr. Bouey with respect to the floating interest rates as opposed to the former approach of periodically adjusting interest rates? Has there been a specific assessment? What is the government's position with respect to floating interest rates?

MR. HYNDMAN: We've been assessing that, Mr. Speaker. I think it is a little too early to try to underscore or decide in a definitive way what the results will be. We recognize, of course, that over the past three weeks the rates have gone up. They stabilized yesterday. I think that during the estimates of the Department of Treasury we should probably get into this in more detail. I'll be happy to do so because at that time we'll have a few more weeks and days of experience of the floating interest rate and can be in a position to talk about it in a definitive way.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Federal and Intergovernmental Affairs. Will it be the intention of the government of Alberta to make representation to the federal administration with respect to the floating interest rates as opposed to the periodic fixing of interest rates?

MR. JOHNSTON: Mr. Speaker, I can assure the Assembly that because it will be considered by the western premiers as a major agenda item next week in Lethbridge, I can't say specifically in what direction the western premiers will go. But I can assure the hon. Member for Spirit River-Fairview that all aspects of federal monetary policies which affect Alberta will be carefully considered.

I would only go on to add that in the area of monetary policy, our colleagues in the Social Credit Party don't make a very credible stance because their monetary policy is, at best, illusory anyway.

MR. NOTLEY: To the hon. minister. Is the minister telling the Assembly at this stage that the question of tactics in terms of making representation will have to await the western premiers' conference or that a position with respect to floating interest rates will have to await the western premiers' conference? I think that is the question members of the Legislature would like answered.

MR. JOHNSTON: Mr. Speaker, first of all I can assure you that the leadership Alberta will take at the western premiers' conference will continue to be the same as it has. We'll have our positions. We'll hope that we can persuade other governments to follow our views. If there is a consensus, then in the normal process communiques will be issued. That's the way the western premiers' conferences have operated. [interjections]

As to the specific question as to whether Alberta's position has been articulated or decided, I think the Treasurer has dealt with that already.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer. Has the Alberta government or the Provincial Treasurer considered entering the market for federal treasury bills in order to keep the floating interest rate down in Alberta and Canada?

MR. JOHNSTON: That will put the price up, Ray.

MR. R. SPEAKER: Not necessarily.

MR. HYNDMAN: I think the hon. gentleman will want to rethink the question he's asked.

MR. R. SPEAKER: Who knows what these guys are going to do. Maybe they didn't know. Amazing. [interjections]

MR. NOTLEY: Mr. Speaker, my supplementary question is to the Minister of Federal and Intergovernmental Affairs. The minister indicates that Alberta is going to be providing leadership, which I am sure we're all pleased to hear. But the hon. Provincial Treasurer indicates that the government is still reviewing the question of floating interest rates. At this stage is the Minister of Federal and Intergovernmental Affairs in a position to say definitively in this Legislature, today, whether the Alberta government favors or doesn't favor the present practice of the Bank of Canada to have floating interest rates that are determined every Thursday?

MR. JOHNSTON: Mr. Speaker, I'd dearly love to give my member from Spirit River-Fairview a small briefing on the economics of the flow of funds between Canada and the United States. Unfortunately I don't think the question period is the place for that.

MR. NOTLEY: No policy yet.

MR. JOHNSTON: I can advise the Assembly of course, as the Treasurer has outlined, that the prime increase in the United States over the past six weeks has moved 4.5 to 5.5 percentage points. We have always said in the past that perhaps we should reconsider whether or not the Canadian dollar should track the American dollar.

Secondly, we have suggested that the merchandise balance, the balance of goods and services in Canada, could well be expanded by the expansion of natural gas exports. There are many aspects of the way in which Alberta could participate in expanding the role of Canada on the question of balance of payments, which we think is at the heart of the flow of funds questions. But to say specifically that we have a position on the tracking at this point is much more embracing than that. We have a broad package of arguments which we think affect the monetary policy in Canada.

MR. KNAAK: Thank you, Mr. Speaker. My question is to either the Minister of Federal and Intergovernmental Affairs or the Minister of Energy and Natural Resources on interest rates. The question I intended to ask has been partially answered. Has the minister's department assessed to what extent the necessity of tracking the American interest rate — and there's an argument about the necessity, but assuming there is a necessity by the federal government to track the American interest rate — is reduced if the federal government approves substantial gas exports and approves the commercial terms for the two large heavy oil and tar sands plants, in terms of the very significant direct capital investment that would bring into Canada? Has an assessment been made to the extent that that would reduce the necessity of tracking?

MR. JOHNSTON: Mr. Speaker, this is a difficult one because it touches on three portfolios. But I would only advise the Assembly that the 1979 balance of payments deficit for Canada was approximately \$6 billion. If the projections continue through to 1985, the cumulative deficit in Canada will be \$63 billion. That in itself puts extreme pressures on our balance of payments questions, our merchandise service account; that is, the flow of interest in the United States. Among other suggestions to improve the merchandise balance of payments account, we have advocated that the export of natural gas will be one way in which the flow of funds would come back into Canada, not to invest but on an exchange basis; that is, on the merchandise exchange balance.

Others may want to contribute to that particular aspect, because it's much more complex than a simple flow of funds question. But in the case of exchanges and expansion of our merchandise account, we have advocated the export of natural gas.

MR. SPEAKER: The hon. Member for Bow Valley. Then if there is time we can come back to this topic further on in the question period.

MR. MANDEVILLE: Thank you, Mr. Speaker. To the hon. Provincial Treasurer. The announcement was made that the interest rates were frozen at 14.5 per cent. Could the minister indicate when the freeze was taken from the treasury branches, and what the policy is now with the treasury branches as far as interest rates are concerned?

MR. HYNDMAN: Mr. Speaker, as one of a dozen of the suggestions found on page 9 of the budget speech of approaches we are taking to assist and shield Albertans, the treasury branches have been following a position of a preferred rate of, on the average, probably 0.5 per cent to small businessmen and to farmers under those particular programs. That special benefit, that preferred rate, will continue. It has of course increased over the past number of weeks, as have the general rates of cost of money. They will increase, but that benefit and that preferred rate will continue.

MR. R. SPEAKER: No freeze then. The freeze is off.

#### **Gas Plant Emissions**

MR. BRADLEY: Mr. Speaker, I'd like to direct a question to the hon. Minister of Environment. It regards concerns raised by parents in the Pincher Creek area about the causes of illness in their children. Could the minister advise as to the status of monitoring stack emissions from gas plants south of Pincher Creek?

DR. BUCK: They're sick of their MLA.

MR. COOKSON: Mr. Speaker, this problem that's being created in the Pincher Creek area, presumably because of emissions from gas plants in the area, is being very closely monitored by my department. We have monitoring equipment in place. So far, I guess it's fair to say we haven't been able to pin down exactly what the problem is. It could very well be a problem with regard to concentration of ozone. For those who don't know what ozone is, it's that protective layer we have above us in terms of sun rays. In higher altitudes the ozone concentration tends to be higher, and if it reaches a certain point it does cause problems for those subject to asthma attacks. We are pursuing that possibility at the present time.

MR. BRADLEY: Supplementary, Mr. Speaker. Could the hon. minister advise the Assembly when he will be in a position to obtain results from the monitoring of the stack emissions?

MR. COOKSON: I don't know whether I could put a specific time frame to it, Mr. Speaker. As I said, the other emissions seem to have fallen well within the requirements laid down for safe health. The only problem is the ozone. Whether we can attribute that entirely to the problem of the plant is something we have to review. As I said, at higher altitudes ozone concentration is a problem. If it's based partly or primarily on the altitude problem, there is really very little we can do other than continue to monitor. Possibly at some future date we may have to tighten the requirements for emissions which contribute to the problem.

#### **Nursing Homes**

MR. NOTLEY: Thank you, Mr. Speaker. I'd like to direct this question to the hon. Minister of Hospitals and Medical Care. It concerns the recent interim report of the Canadian Union of Public Employees workers' inquiry into the operation of nursing homes in the province of Alberta. Has the minister or the government had an opportunity at this stage to review the concern expressed by the workers' inquiry that a number, not all, of Alberta

nursing homes were operating beneath the minimum standards set by the provincial government?

MR. RUSSELL: Mr. Speaker, I don't believe we've yet received the report.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. What steps has the government taken to review the report of the Alberta Health Facilities Review Committee, particularly with respect to the recommendation that people providing geriatric care require special training? Has any initiative been undertaken by the government, subsequent to the receipt of this report, on the question of additional training for people providing geriatric care?

MR. RUSSELL: Mr. Speaker, I'm not quite sure which specific recommendation the hon. member is referring to, but I'll take the question as notice and report back. I say that because I continue to receive ongoing reports from the committee chairman, and we usually respond to them pretty quickly. I'd have to look in the files for the answer to that.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Has the government had an opportunity to review the issue of the people who dispense medications? This is one of the concerns raised in the workers' inquiry. But apart from the workers' inquiry, has there been any specific assessment of that question by the department to ensure that in fact properly qualified people are dispensing medication?

MR. RUSSELL: Well, Mr. Speaker, there is an inspection division within the department which carries on those kinds of activities on an ongoing basis throughout the year.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Again this flows from the 1978 annual report of the Alberta Health Facilities Review Committee, dealing with the level of staffing. Is it the intention of the government to make available sufficient funds from the provincial revenue to permit an increased level of staffing as recommended in the committee report?

MR. RUSSELL: Well certainly, Mr. Speaker, again, staffing ratios are something that are covered on an ongoing basis within the inspection division I made earlier reference to. The other thing is that when the negotiations for both the daily contract rates for private homes and the provincial subsidy for board-operated and public homes are considered, those correct staffing ratios are given consideration when the global budgets are set.

#### **Dunvegan Dam**

MR. STROMBERG: Thank you, Mr. Speaker. I wonder if the Minister of Utilities and Telephones could shed a little more light on a recent announcement of the go-ahead of the Dunvegan dam. Does the minister have an ironclad guarantee with the province of British Columbia that for the life of the Dunvegan dam B.C. will guarantee 100 per cent flow of the Peace River to Alberta and not divert water from the Peace into the Columbia River or export water from the Peace to the United States?

MR. SHABEN: Mr. Speaker, I'm not aware of any plans by the British Columbia government to divert water from the Peace into the Columbia River system. The joint study on the development of the Peace undertaken by Alberta and British Columbia in 1974, completed in 1976, made no mention of any diversion. In meetings I've held with the hon. Mr. McClelland in British Columbia there were no discussions in that regard. The Minister of Environment may wish to comment on the question because meetings were held with Environment officials and British Columbia officials last year.

There was some suggestion a great many years ago — I'm not sure of the time, and I believe it originated as an American suggestion — that some waters be diverted through the various systems in British Columbia to the United States, but I'm not aware that British Columbia is considering it at all at this time.

MR. STROMBERG: Mr. Speaker, supplementary. The question I asked is: do we have an agreement with British Columbia? Do we have a verbal agreement? Do we have a written agreement? Do we have a treaty that we'll be guaranteed 100 per cent water for the life of the Dunvegan dam?

MR. SHABEN: Mr. Speaker, there is no guarantee of 100 per cent water. There are interprovincial agreements on the movement of water between provinces, and these involve differences in terms of the amount of water that moves from one province to another. There are various arrangements on different river systems. I would have to check the particulars of the arrangements on the Peace River and report back to the hon. member.

MR. STROMBERG: Supplementary, Mr. Speaker. Would the minister be seeking a treaty between our province and British Columbia as to this water flow, and an agreement with the federal government?

MR. SHABEN: Mr. Speaker, I thought I'd indicated in the early part of my answer that the joint study initiated in 1974 between the two provinces on the development of the Peace considered the various potential hydro developments in both British Columbia and Alberta. That study was completed in 1976. Discussions are going on at all times between officials from my department, Environment, and British Columbia on joint planning in terms of proposed developments on that river system.

MR. STROMBERG: Mr. Speaker, my last supplementary to the Minister of Environment. What assurance could he give that history won't be repeated, that when the Dunvegan dam is being filled with water the citizens of Fort Chip will not lose their livelihood due to the Athabasca delta drying up?

MR. COOKSON: Mr. Speaker, the Member for Camrose raises a good question when he asks me to assure him that in a general way history won't be repeated. I think history indicates that history sometimes is repeated. However, with regard to the specific question, perhaps I could add to the response by the Minister of Utilities and Telephones. I have had discussions with the hon. Rogers, Minister of Environment in British Columbia. We discussed primarily the impact of the Dunvegan dam on good arable land within the boundaries of British Columbia. We didn't touch on the problem of diversion of water. I'd be happy to receive any indication from the

Member for Camrose if he has anything concrete in the way of information indicating that such a diversion might take place.

The only other thing I might comment on is that at the present time no concern is being expressed within government about the possibility of a diversion from the Peace. We are looking at the water supply needs of parts of the province. That's our primary concern within the river basins. Any transfer of water between boundaries of provinces would certainly involve the federal government.

MR. STROMBERG: My last supplementary, Mr. Speaker. I was going to ask what color . . .

MR. SPEAKER: Followed by a supplementary by the hon. Member for Spirit River-Fairview, another by the hon. Member for Vegreville, and a final supplementary by the hon. Member for Calgary North Hill.

MR. STROMBERG: Have any studies been implemented by the Department of Environment as to the impact of the Dunvegan dam on the Peace and Athabasca deltas?

MR. COOKSON: Mr. Speaker, the dam hasn't been built yet. There's no assurance yet that the dam will be built. We're simply — the Minister of Utilities and Telephones might like to expand on that point, too. As I understand it, we're asking for proposals. Once those proposals are received and analysed, then if need be further studies would have to be done in terms of impact downstream. Again that relates a lot to the size of the dam which ultimately may be constructed.

There are ongoing studies by Environment with regard to the impact on ice conditions downstream from a potential dam in terms of mock-ups. Certainly there are continuous studies with regard to impact on areas that may be affected by low and high flows of dams. That's a sort of ongoing thing we're doing at all times.

MR. NOTLEY: Mr. Speaker, my supplementary question is to the Minister of Utilities and Telephones. To save time I'll try, if I may, to combine two in one. Has the government of Alberta had any recent discussions with the government of B.C. concerning the timetable for the Site C dam adjacent to Fort St. John? This is relevant in terms of the time to back up the water and the logistics of getting the Dunvegan dam off on the projected schedule. Has there been any discussion on Site C?

To the Minister of Environment: is the minister in a position to report whether the action taken by the government as a result of the Peace-Athabasca study will in fact alleviate the concerns expressed by the Member for Camrose?

MR. SPEAKER: As I understand it, those are two completely separate questions. We do have a few members who have not yet asked their first question. Perhaps the minister might choose which one of those he wants to answer.

MR. SHABEN: Mr. Speaker, on the question of Site C and the timing for British Columbia's intention to develop it, we haven't discussed the specific timing. It would be difficult to do because the timing is not firmed up as to the appropriate time for Dunvegan to be developed.

I would like to comment briefly on the suggestion that there may be ecological difficulties as a result of Dunve-

gan. I'd like to remind members of the Assembly that the study commenced in 1974 and completed in '77 dealt with a broad range of aspects, including problems which may be associated with downstream problems including the item referred to by the hon. Minister of Environment.

It should be kept in mind that the proposed Dunvegan dam is a run-of-the-stream dam, as opposed to the type of development members are aware has been constructed at the W.A.C. Bennett dam, a completely different type of dam. As well, the Site C dam proposed by British Columbia is a run-of-the-stream dam, which has completely different effects downstream than a dam such as W.A.C. Bennett.

MR. BATIUK: Mr. Speaker, I'd like to direct a supplementary to the Minister of Environment, the Minister of Utilities and Telephones, or even the Minister responsible for Culture, realizing that there is a very important and interesting historic site at Dunvegan. Also there is a very elaborate hillside home a short way from Dunvegan. I'm sure these will have to be relocated should this project go ahead. Could either minister advise whether they would consider the relocation to Camrose if this project goes ahead?

MR. SHABEN: Mr. Speaker, the hon. Minister responsible for Culture may wish to supplement my answer. But one of the very attractive features of the development of the hydro potential at Dunvegan is the very minimal effect on any archeology, farmsteads, or farmlands. That beautiful campground and historical site at the bottom of the suspension bridge in the valley will not be disturbed. I think the hon. member should probably have a discussion with me on the location of the dam.

MR. COOKSON: Mr. Speaker, I was wondering if the Member for Vegreville was referring to the Notley home as an historic site?

MR. BATIUK: Mr. Speaker, if I could just inform the minister, the historic site is right at Dunvegan. I was referring to the home a little way from Dunvegan.

MR. OMAN: Mr. Speaker, a supplementary to the Minister of Utilities and Telephones. When the proposed western grid was announced in the Manitoba House, I understand some documents were tabled which indicated, at least in a preliminary sense, the basis of sale between the provinces. The government had been criticized because Manitoba may be selling to other provinces at a subsidized rate. I don't recall any document being tabled here that might indicate that, but could the minister indicate to us if there are some preliminary indications as to financial arrangements of this kind?

MR. SHABEN: Mr. Speaker, I'm not aware of the particulars of the documents that might have been tabled or filed in the Manitoba Legislature. However, I am aware of the great deal of work we've undertaken since '78 on the feasibility of the western electric power grid. In the course of evaluating the potential of this very important step, one of the factors that had to be considered was the cost of power in Manitoba, as well as the landed cost of power in Saskatchewan and Alberta. Certainly those costs were considered, but not in any final sense because that's part of the exercise of the next six months in determining ultimate costs of transmission, generation, and distribution, which have not been finally determined.

MRS. CRIPPS: A supplementary, Mr. Speaker.

MR. SPEAKER: Possibly we could come back to this topic after some other members have had an opportunity to ask their first question. We're running a little short of time.

#### **Bow River Pollution**

MR. ZAOZIRNY: Mr. Speaker, my question to the hon. Minister of Environment relates to the pollution of the Bow River. Could the minister advise the Assembly whether he has received a request for a meeting with the Brooks area residents who have prepared a petition regarding a clean-up of the Bow, and whether he is prepared to meet with them to discuss their concerns?

MR. COOKSON: That's correct, Mr. Speaker. I'd be very happy to meet with them.

MR. ZAOZIRNY: A supplementary. Can the minister advise the House as to what specific measures the government now intends to take to stop the pollution of the Bow and the other rivers of the South Saskatchewan system?

MR. COOKSON: As the Member for Calgary Forest Lawn knows, we made a statement in February which gently but persistently and clearly directed the city of Calgary to proceed to reduce the phosphorus content of the Bow River. The city of Calgary has been very co-operative. They are proceeding with tertiary treatment, which will be in place by 1983. It requires some major capital investment and major operational cost.

To refer to the question, we're presently looking at the balance of Alberta with regard to an overall policy.

MR. ZAOZIRNY: A supplementary, Mr. Speaker, just for clarification. The minister made reference to the city of Calgary's installing tertiary treatment facilities. Could the minister confirm for the House whether the facilities in question will simply remove phosphorus or will they in fact also remove other forms of bacteria, which is where I believe the term tertiary treatment applies?

MR. COOKSON: In our studies, and studies that have been made with regard to the Bow, we are convinced that the most important part is the removal of phosphorus, which in turn will reduce the algae growth in the river and therefore have an impact on the biological oxygen demand of the river. It should have a positive impact on the fish population and, in general, be positive to everyone downstream from Calgary.

In terms of bacteria, about the only way we could handle that is to provide for chlorination or some suitable material to deal with the effluent as it leaves the plants in Calgary. If increased to certain levels, this would simply have a deteriorating effect on the fish within the river system. So you're walking a very tight line in terms of handling the bacterial problem.

In terms of other nutrients that are found in the effluent, sewage, again we don't feel at this point in our studies that some of the other trace elements, even cadmium, the one that's suggested, is necessarily at any level which would be detrimental to human health. So we're confining our basic removal to phosphorus.

MR. ZAOZIRNY: One final supplementary, Mr. Speaker. Can the minister then advise whether the overall study of the South Saskatchewan River system, which in its original terms of reference was limited only to a study of the phosphorus question, has been expanded to include a study of the degree of the seriousness of pollution that may be occurring by virtue of bacteria and other chemicals entering the river system?

MR. COOKSON: That's correct. The overall study which we're involved in, and which is going to take several years, will deal with the total complex picture of the water system in the South Saskatchewan drainage basin. It will deal with all these other factors, including the determination of just what the capacity of that total system is. When we have that information, we'll have a lot better idea of what we are talking about in terms of growth and irrigation, both of industry and in terms of domestic supply.

MR. R. SPEAKER: Mr. Speaker, a supplementary question.

MR. SPEAKER: Might this be the last supplementary.

MR. R. SPEAKER: Following the throne speech announcement and the comments of the minister today, would it be the intent of the minister to make a comprehensive ministerial statement or other statement during this spring session on actions that will be taken by the government in the summer of 1980 with regard to pollution in the Bow River?

MR. COOKSON: I think, Mr. Speaker, that the statement has been made with regard to the phosphorus problem in the river. Any statement made during the session will be in terms of shared cost of capital construction for removal of phosphorus.

#### Recreation Facilities — Calgary

MR. SINDLINGER: Mr. Speaker, my question is to the Minister of Government Services. Approximately two and a half years ago the minister, who was at that time responsible for Calgary, travelled through the city and urged various recreational groups to present a proposal for recreational facilities in the city. Has that group yet made a proposal to the government for recreational facilities?

MR. McCRAE: Mr. Speaker, in the performance of my previous duties, I had a lot of discussions with different groups. I wonder if the hon. gentleman could be more specific as to which group he's speaking of.

MR. SINDLINGER: Mr. Speaker, the group is comprised of almost all the amateur athletic groups in the city of Calgary, as well as institutions such as Mount Royal college and the University of Calgary. It combined to register under The Societies Act as the Southern Alberta Recreation Development Association. The acronym for that, sir, is SARDA.

MR. McCRAE: Mr. Speaker, in all fairness I think the question should be referred to the Calgary caucus as a whole. There have been representations by SARDA, and there has been a response to them.

MR. SINDLINGER: A supplementary, sir. Has a written response been made to SARDA with regard to the proposal?

MR. SPEAKER: Order please. Of course I couldn't anticipate how far this would go, but hon. members are probably aware that questions to ministers are expected to deal with their present responsibilities, not with previously held portfolios.

MR. SINDLINGER: Sir, I might try this a little bit further. I don't want to stretch your patience, but there's a great deal of money involved in the construction of facilities for athletics in the city of Calgary, and I think that . . .

MR. SPEAKER: It's going to be necessary for me to get a financial assistant if I'm going to weigh questions in terms of money.

MR. NOTLEY: Mr. Speaker, perhaps I could put a supplementary question to the present Minister of Recreation and Parks, and ask whether it's the intention of the government to redeem the promise of the hon. gentleman who answered the question in a former capacity, but is not responsible even though he made the promise.

MR. TRYNCHY: Mr. Speaker, it's pretty hard to redeem a promise I don't even know about.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Acting Premier. What commitment has the government made with regard to the question of the hon. Member for Calgary Buffalo to provide these dollars for recreational facilities, and is the government going to live with the commitment?

MR. HYNDMAN: Mr. Speaker, I think it's clear that when this government makes a commitment, it keeps its commitment and will do that in the future.

MR. R. SPEAKER: Mr. Speaker, I think that's great. The hon. member wants to know when the written reply will be forwarded.

MR. SPEAKER: Order please.

MR. McCRAE: Could I clarify, Mr. Speaker? There was no commitment made to SARDA or any other group in terms of any facilities. As is quite often the case, the hon. gentleman is totally off base in alleging there was a commitment. What had happened was that there were representations . . .

MR. R. SPEAKER: Mr. Speaker, I don't know why the minister is explaining the answer now. He's not responsible. Why doesn't he sit down? He finally found an answer. I don't want to hear the answer. If they're going to do nothing, sit down. That's all I can say.

MR. McCRAE: Mr. Speaker, if the hon. member doesn't want an answer, fine. [interjections]

MR. SPEAKER: Order please. Order please. The hon. Member for Calgary North West.

MR. SINDLINGER: A supplementary, sir.

MR. SPEAKER: Possibly if there's time we can come back to this topic, but I know now that there won't be time. [laughter]

### Television Services

MRS. EMBURY: I might add that that's a kind of hard act to follow.

Mr. Speaker, my question is to the Associate Minister of Telephones. It's regarding the Canadian radio-television commission hearings into pay television. Could the minister indicate if the government of Alberta is participating in those hearings?

DR. WEBBER: No, Mr. Speaker, Alberta is not participating directly in those hearings, although the matter was discussed at the last communication ministers' conference in Toronto last October. There are two phases to the hearings. The first phase would involve hearing proposals for the provision of television services in northern and remote areas. It also would include the matter of pay TV. It was the intention of the former government to bring a report back to the ministers at the next communication ministers' conference, and that would be followed by CRTC licensing the providers of those services.

MRS. EMBURY: A supplementary question, Mr. Speaker. Could the minister please indicate the position of the government in regard to those hearings?

DR. WEBBER: Mr. Speaker, as I indicated, we're not participating in them. However, beginning Monday, April 14, our Alberta Public Utilities Board will have hearings in Calgary. This inquiry will look into the provision of what is referred to as local non-broadcast telecommunications services, and that includes the whole area of pay TV. I might add that this particular hearing was initiated prior to the federal hearings.

Certainly pay TV can take on many forms. One of those forms is in a closed-circuit type of operation. As a province, we have doubts as to the regulatory jurisdiction of the federal government in that area. It may well be that a provincial or local pay TV system would be preferable to a national pay TV system.

MRS. EMBURY: A supplementary question, Mr. Speaker. Could the minister please indicate if there's been any decision regarding the use of earth stations by isolated northern communities?

DR. WEBBER: Mr. Speaker, it really is a federal jurisdictional problem. The current CRTC hearings looking into the provision of television services to remote northern communities — I guess it is a concern of theirs that there is a proliferation of earth stations throughout northern Canada and that they are receiving signals from American satellites.

I have met with the chairman of the Northern Alberta Development Council, Alberta broadcasters, and cable television people to explore the possibility of making alternate Canadian programming available to these northern and remote communities. It was interesting during the CRTC hearing that an Edmonton-based broadcaster has joined with several other companies and has submitted a proposal to the CRTC which would see Alberta-originated TV signals available to those communities via the satellite.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister, if I may.

MR. SPEAKER: Followed by a final supplementary by the hon. Member for Grande Prairie. We've slightly exceeded the time allotted for the question period.

MR. NOTLEY: Has the government of Alberta had an opportunity to evaluate the proposals of the two national broadcasting corporations, CTV and CBC, with respect to the establishment of a non-profit company which would in fact handle pay TV so the profits made would exclusively be poured back into the production of Canadian content programs?

DR. WEBBER: Mr. Speaker, I haven't received those proposals. It's my understanding that those proposals have gone to the CRTC and they would be examining them. I would go back again to our own Public Utilities Board inquiry beginning next week and the fact that closed-circuit operations with respect to pay TV may well be an interest to this government and the citizens of Alberta. It may well be that there would be no federal jurisdiction in those areas.

MR. BORSTAD: My supplementary regarding the earth stations is to the minister. I wonder if there are any recommendations from the minister's department to the CRTC on these earth stations.

DR. WEBBER: Mr. Speaker, as I indicated earlier, we as a government haven't made any representations to the CRTC hearings that are going on. I have discussed the matter with the former federal Minister of Communications. It was a topic of discussion at the communications conference in Toronto last fall.

MR. BRADLEY: A supplementary question, Mr. Speaker. Has the minister received any communication from theatre owners in the province with regard to the possible effect granting pay TV licences would have on their operations?

DR. WEBBER: Not that I recall, Mr. Speaker.

## ORDERS OF THE DAY

### head: GOVERNMENT MOTIONS

6. Moved by Mr. Hyndman:

Be it resolved that this Assembly approve in general the fiscal policies of the government.

[Adjourned debate April 9: Mr. Kroeger]

MR. KROEGER: Thank you, Mr. Speaker. I'll start slowly and give the departing members time.

DR. BUCK: Did you say, departed members?

MR. KROEGER: Mr. Speaker, I know what the opening line should be, but it doesn't do anything in particular for me to be standing in this Assembly in the capacity of an entertainer or a speaker. It was someone's idea that there might be value in covering the Department of Transportation. Maybe I can disabuse that person of the need for

that in the next few minutes.

I do want to open the easy way by reading three lines: There are three things that make a nation great: fertile soil, busy workshops, and the easy conveyance of men and goods from place to place. Now that may not be horrendous in itself, but the interesting thing to me is that it's dated 1600 — Lord Bacon. So maybe there is value in having this kind of department.

I want to touch lightly on those things we do. Then perhaps I'll get into how we do them, why we do them, what the costs are, and what the benefits might be. Keep in mind that the department covers a good deal more than roads. We're heavily in funding on the urban transportation side. As a province we own a railroad and an air line. We have a system of airports that is excellent. We have programs for street assistance for towns and villages, and programs for resource development. Finally, of course, we have the road system itself.

I don't know how you would approach taking people through this system, but the way I intend to do it is to take you on a bit of a tour. Since it is transportation, it should be relatively easy. I guess the exotic way would be to start on the west side between Banff and Jasper on Highway 93, but I won't do that because that's well travelled. I did think of going up Highway 22, hitting Cochrane and going up through Rocky Mountain House, but there are too many uncompleted gaps there. I said it before you did.

The major trunk, No. 2, starting in the southern part of the province, from Calgary to Edmonton is the busiest corridor this side of Toronto, and it goes on north. I don't know what the planning was, Mr. Speaker, but in checking the map, I discovered No. 2 went to Peace River town and stopped. Presumably, at the time when the numbering was done, that was as far north as we were going to go.

DR. BUCK: Mr. Speaker, while the hon. member pauses, may I ask permission of the Assembly to revert to introduction of visitors?

MR. SPEAKER: Does the Assembly agree?

SOME HON. MEMBERS: No.

MR. SPEAKER: I think we should find out whether the hon. minister who is speaking would prefer to have this done when he finishes. I don't know of any occasion in the past when we have interrupted a speaker for a matter of this kind.

MR. KROEGER: Mr. Speaker, the interruption has occurred. Let's go ahead with the introduction.

#### head: **INTRODUCTION OF SPECIAL GUESTS** (*reversion*)

DR. BUCK: Thank you, Mr. Speaker; thank you, Mr. Minister; and thank you, members of the Assembly. I wish to apologize to the minister for interrupting him, but I didn't want him to get so wound up in his speech that it may be more inappropriate to ... [interjections] I'm apologizing to the man. What's the matter with you Tories? You're so bloody touchy this morning.

Mr. Speaker, I would like to introduce to you and to members of the Assembly 53 grade 9 students from the Tofield school. They are accompanied by their teachers

Connie Ozdoba and Mr. Bandola, and their bus driver Jim Ingram. They are seated in the members gallery. I'd like them to rise and receive the welcome of the House.

#### head: **GOVERNMENT MOTIONS** (*continued*)

MR. KROEGER: Mr. Speaker, having reached the north end of No. 2 at Peace River, and having looked at the map, I wondered about the change of direction. As I was starting to make the comment, presumably that was the end of development north, because No. 2 then started to swing west. It looks like it might go on 64, but it doesn't. It swings south, crosses No. 49, winds up at Grande Prairie, and then turns west again. So I'm not going to take you up No. 2.

We then go further east and have other accesses, like No. 21 and No. 36. But I'm going to go to the southeast part of the province and start in the constituency of the Member for Cypress, with a primary that was called 48 and has been changed to 41, combined with the name Buffalo Trail. In the southeast corner of Alberta, down on the 49th, at Wild Horse, you start travelling with me, heading north. As you start moving north, not very far, you can see the Cypress Hills, and it's a marvellous view. I've had a look at that area, and I can't believe the growth there. So you proceed, and then we intersect with No. 1. No. 1 is a very key trunk road. At what I consider the very beautiful city of Medicine Hat, there's a division where, going straight west, you go down No. 3. That would take you on to Lethbridge and west into British Columbia. The other part goes north and west to Calgary and is the Trans-Canada Highway, or was the Trans-Canada Highway. The traffic on that one is building horrendously.

We then move from No. 1 and head slightly north by northeast through some rolling country, past the so-called bombing area — and that may not be a good term — north of Medicine Hat and come to two rivers, the South Saskatchewan and the Red Deer. They join just east of a place called Empress. And, lo and behold, you have arrived in the constituency of Chinook. Right at that point, Mr. Speaker, the pavement ends. [laughter] Right at that point, the pavement ends.

AN HON. MEMBER: You're going to change that, aren't you?

MR. KROEGER: Now you're into something the Member for Calgary Millican — and I notice he isn't here now — referred to as the baldheaded prairie. I sent him a note objecting to the terminology when he spoke in the House and referred to that as the baldheaded prairie. I suggested to him that the prairie is beautiful. He immediately sent me something back called *Prairie Profiles*. I didn't know he was a poet, but he has written some things about the prairie, obviously, and there is a sentinel on the front page. I started out by reading you something very minor. I'm just going to quote our hon. colleague. He has one here that's just four little lines called *Prairie Seascape*:

These Great Plains can boggle the imagination  
with vast rolling vistas  
of apparent nothingness  
except heat and grass and — distance.

I don't know whether that improves on baldheaded prairie, Mr. Speaker, but there it is.

We move north on 41 now and come to Highway 9. If

this is a lesson in geography, or seems like one, so be it. Highway 9 is a route from Saskatoon to Calgary and intersects the run we're on just north of Oyen. Then you proceed north on an unpaved highway, 41, until you reach No. 12. No. 12 is the east-west that runs through Lacombe, Stettler, and Consort, to the border at Compe-er, and there joins Highway 51 in Saskatchewan. You know, highways have a history. Because Highway 12 is one I've spent a lot of time on, maybe we'll just stop for a minute and have a coffee at Consort. I have a special interest there and the coffee is always on. I want to make reference now to No. 12 specifically, because I get many letters — and I get most of them out of Medicine Hat, I guess — telling me about highways and what we should do and how long they've been there and how long they've waited. I can't help but think of No. 12, because I recall in 1947 when we worked as a chamber of commerce to get a bus service going from Lacombe to Consort. There wasn't a mile of pavement on it. They were hesitant, but they responded. They did come down, and the pavement started to grow from Lacombe eastward. The last mile of pavement on 12 to the Saskatchewan border was put in last summer. So it took 31 years to reach that point.

Now we head north. We come to the Neutral Hills. The Neutral Hills have quite a history. Keep in mind we're still on Highway 41. The country changes totally. On the north side of the hills it rains and on the south side it doesn't. On the stretch we just came through, it seldom ever rains. I can't explain the difference, whether the hills have anything to do with it. But when the special areas that represent most of my constituency were formed — 5 million acres of that dry land — the line was drawn just north of those hills. The country changes totally.

You move northward and come to Highway 13. That's the road from Provost on through to Camrose and Wetaskiwin, where it joins No. 2. You go north on 13 and hit entirely different country again. You hit what used to be the buffalo park. If you go into the town of Wainwright today you'll see a buffalo, about three times the size of a real live one, as a landmark commemorating the days when that was known as the buffalo park. The tree development makes a tremendous change in the whole outlook of the country.

When you hit Wainwright and start moving north, we get into more trouble, because we have another 40 miles that have no pavement. I keep hearing about that, but we're going to drive it anyway. That takes us from Wainwright to Vermilion, where we cross No. 16 east-west. That's the second trans-Canada highway now, running from Lloydminster through to Vegreville, Edmonton, and on west. The interesting thing is, while we designated the No. 1 highway through Calgary as the trans-Canada, the traffic from Edmonton west on No. 16, or the Yellowhead as it's known, is much heavier than the traffic from Calgary west on the so-called No. 1.

We won't stop at Highway 16. We will move north. I don't know how this numbering system was arrived, at Mr. Speaker, but the next east-west we hit is 28. And 28 will take you east into the Bonnyville-Grand Centre-Cold Lake area, which is very important. Going west, it takes you through St. Paul, a very interesting place. Then we head westward, because we're going to keep moving. We head west until we hit 63. That's where we're going to turn north. Now, 63 will take you up to McMurray, and it ends at Fort MacKay. But we're not going to go up that way. We'll just go up the 63 a short distance, because 63 requires a lot of work. There's a lot of pressure on that road. There are no shoulders on it. It is paved, but there

are no shoulders. With the indicated development, we have to worry about that one.

We just go north on 63 until we hit 55. Then we swing west again and wind up in the Athabasca area on No. 2; we finally do get to No. 2. We follow through on No. 2 and head northwest through the Peace River. Now you've come back into something that looks like prairie again. Notwithstanding the fact that you have Slave Lake and all the tree growth and great bodies of water, when you arrive at that area of Peace River-Grande Prairie — and I've been there when it was very dry and very hot. I recall walking through the grass from a hotel over to a convention centre. I left my tracks in grass that had dried up, just the same as it did down in our country. I was very surprised at that. So I guess periodically they do have sunshine.

Then you swing up No. 2. You get to Peace River and then, as I said, it turns and leaves you, and we want to go on north. Now we hit 35. We go up No. 35 until we hit 58 on the east-west. At the west end of 58, I get a lot of sounds about no pavement, as well as the east end. When you go on the east end of 58 and you look down, No. 67 drops down there and tries to get back to Slave Lake. From the south, as I mentioned, No. 2 goes up to meet it. So you have a tremendous network developing here. Finally, you move on up north and leave the province.

That little tour, Mr. Speaker, represents about 900 miles of a variety of roads, country, people, and conditions. That's only one trip. Anyone who's interested in the province, should make it sometime and just visualize the variety you've been experiencing and what it means. Through this whole system, through this whole drive, you constantly run into development, specifically of energy. While I only used the primary system, because of this kind of development and the activity that goes with it, the result is that we are getting a real pressure on our secondaries. Our primary road system represents something in excess of 8,000 miles. Our secondary road system represents something like 8,500 miles. These secondary roads are being subjected to something they were never intended to do, when you keep in mind that the load limits have gone from what most of you can remember, a fully loaded unit that might weigh 20,000 pounds. Now we're at 110,000 pounds, and we're asking this road system to cope with that kind of loading. The reason we have to do it is, to a degree, because of the development in oil and gas which requires much truck traffic.

Secondly, because we've had a deterioration of railway service, farm use itself is subjecting these roads to that kind of loading. Trucks that were intended for industrial use have now become farm trucks. These farm trucks pull 40-foot trailers. They're tandem diesels, and they're hauling farm loads now in the area of 110,000 pounds. What does that do? You get a great deal of stress. The road you visualize, that you drive up and down on, is the strip of pavement. But the real road is down underneath that pavement. The real enemy of that road is moisture. When you subject these roads to these excessive loads, you break the surface. Then the moisture goes in and destroys the base.

So this year, when we were working on a program to develop funding for our road system, we had to make a choice. Our choice was that since this loading factor on our road system was backing through the whole province away from the primary, we had to turn our attention seriously to regeneration of the secondary road system. There are limitations, and it isn't just funding, Mr. Speaker. You might very well say, why turn your atten-

tion to the secondary system? Are you thereby leaving behind the primary system? Because that's the showy part, you know. What we can do in the primary system is what everybody sees and everybody likes. The secondary or the regeneration of existing roads isn't a very visible thing or doesn't excite anybody very much. But you have to concern yourself with certain limitations on all of this, and it isn't just funding.

The funding has gone up substantially. The first numbers I saw last spring were \$441 million, and the last numbers I looked at now are \$562 million. That doesn't include if we have development at Cold Lake or at the Alsands site. We may be able to go with some extra funding there, but we are held to that \$562 million. Now, is that restrictive? The test is that you have to look at the capability of the industry that converts that money into roads and paving and whatever else we do, to cope with the funding that's available. The best judgment was that we could not exceed those limits by very much unless we were prepared to drive up the cost of the whole construction system, whereby we would create our own inflation and would probably not get any more roads for it. So we made the request to Treasury that this year we had to concentrate on saving what we have, not letting our secondary system deteriorate to a degree where we would lose it and have to rebuild the whole system. We had agreement on that.

Now going back to the primary, we did not do that at the expense of the primary system. The funding there has gone up considerably. We are doing a great deal of work in that system, not to the degree we're being asked to do but to the degree that we have the funding and the capability in the industry. Keep in mind that last year we offered two contracts for paving that we didn't receive a bid on. It wasn't a lack of funding in that instance; we didn't get a bid on it. The reason we didn't get a bid, Mr. Speaker, was that there wasn't any asphalt. We let a third contract that couldn't be responded to because there was no cement. In that case we were using solid cement. So you have these limiting factors to contend with.

Mr. Speaker, we think we have an excellent program for 1980. I don't want to be any more specific on what we're doing because we're going into estimates and can cover all those things. I think we have excellent people in this department, many of whom have had many years of experience in this business. The way we arrive at 'prioritizing' is through the department people of course, but also by inviting the members, the MLAs, to come in with their priorities. Because we do funding in the rural areas through municipalities and counties, IDs and special areas, we go over the whole system with the members as they come in, and we match them when possible with the requests of the municipalities and counties. Sometimes we have to make the decision; usually the two are pretty consistent and we can live with that.

So that's the procedure. If any of you have tried to see me about getting your priorities and have had some trouble, let me say this: you don't need an appointment at 7 in the morning, and that's when I am here. If anybody has been having trouble getting in, first of all you need no appointment at that time of day. After 8:15 we go the other route, the same as everyone else. So I am suggesting to you now that if you have had some problems I'll take that excuse away from you.

Mr. Speaker, I'm getting all sorts of coaching from the side here. I made reference to the comment from the Member for Calgary Millican. He missed the exhibition, the reading of his marvellous compositions. It's unfortu-

nate, sir, that you weren't able to be here. I want to go over it again.

Now I get a second notice here. I did refer, Mr. Speaker and Mr. Minister, to the urban development we have. We certainly do fund the corridors and certainly we are looking at the Calgary by-pass, the northwest by-pass, and many others. That's the second diversion today, in the few minutes I've had.

MR. COOK: How about the city of Edmonton?

MR. KROEGER: Mr. Speaker, as I mentioned, we are going into estimates, and I'll be happy to cope with the kind of question you have just posed. Certainly Edmonton is not being forgotten.

I just want to restate that we have a system that works; we have the staff to do it; we have the industry that can cope with it; we're assured of supplies. We expect to come in with \$562 million worth of roads and development on time and on budget, as the Provincial Treasurer likes to say.

Thank you very much.

MR. SPEAKER: Before recognizing the hon. Member for Barrhead, followed by the hon. Member for Spirit River-Fairview, might the hon. Minister responsible for Personnel Administration revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

#### head: **INTRODUCTION OF SPECIAL GUESTS** (reversion)

MR. STEVENS: Thank you. Mr. Speaker, it is a privilege for me to introduce to you, and through you to the members of the Assembly, some very fine people from Cochrane: Councillor Don Colley, his wife Gayle, and their children are here today, and I'd like to ask them to rise and be welcomed by the Assembly.

#### head: **GOVERNMENT MOTIONS** (continued)

MR. KOWALSKI: Mr. Speaker, I very much welcome the opportunity to participate in the budget debate today. Before I get into my remarks, as I did not have an opportunity to participate in the throne speech, first of all I'd like to express my best wishes to His Honour Frank Lynch-Staunton, our new Lieutenant-Governor. One of His Honour's first responsibilities was swearing in the new Member for Barrhead. It was a first for him and a first for me as well. Secondly, I'd like to thank you very much, sir, for the patience and indulgence you've addressed my way over the last number of days, as I've struggled to maintain proper decorum in the House and to learn the proper methodologies with which a member is to function.

One week ago I participated in the debate on Motion 203. Since that time our Provincial Treasurer has brought down Alberta's first budget of the 1980s. It's a most significant document, and the Provincial Treasurer is to be congratulated by all members of this House for the empathy he has shown in ensuring that our 75th Anniversary budget is the most people oriented in Canada. This budget contains, without any doubt in my mind, the

tradition of responsible fiscal management that Albertans expect from their provincial government. Additionally, this budget displays to all Albertans our continuing belief in entrepreneurial integrity and our continuing belief in the individual.

It is significant that Albertans enjoy the highest quality health, education, and social services in Canada. It is even more significant that this budget, in the tradition of the past, continues to respond through a variety of innovative initiatives to the emerging needs of Albertans. We Albertans, as Canadians and as members of the international community, have much to be thankful for, and at the same time have much that others are envious of. If that statement sounds provincial or parochial, remember that it comes from a native Albertan whose roots go back three generations in this province and who has chosen to grow and develop with this province. Please remember as well that it comes from the newest member of this House, who until last fall enjoyed the richness of this province without the daily responsibilities of government that are the everyday challenges of all members currently sitting in this Assembly.

As I participate in the debate on our 75th Anniversary budget, I'd like to talk about Alberta, about our past, present, and perhaps just postulate about our future. In my view, our past, present, and future are and will be reflections of Alberta as part of Canada and as part of the world. Like all other Canadians, Albertans are composites of a great number of different people from nearly all countries of the world. Our traditions, culture, heritage, and beliefs have developed in the past 100 years or so. We've chosen the best from all and have webbed an Alberta identity and an Alberta way of life. Yet until the 1970s, we Albertans had a tendency to forsake our history and our culture. Perhaps it was because we really are composites of the world. Perhaps it was because our history is difficult to trace beyond two centuries. Perhaps it was because our growth and our building occurred primarily in the 20th century.

Mr. Speaker, while we are extremely fortunate to have one of the highest standards of living in the world, when Alberta entered the 20th century there was little so-called western civilization on the geographic face of this province. Our proud native people had been encroached upon by the white man and had been forced to begin the very difficult process of trying to understand this. The decades of the 20th century have seen the dynamic growth of this province. Our citizens have grown, some at a [more] rapid pace than others. But we've all grown together. All in all it's been rapid and positive. We've developed a province with organizational institutions, institutions of academic scholarship, a technological base, a resource base, an agrarian base, fine medical facilities, communication systems, and the like. We've learned much about Canada, much about the world, and have been rewarded with a standard of living and a way of life that in many ways is the envy of all.

In many ways this strength of ours is the result of our diversities: our cultural diversity, our racial diversity, our economic diversity, and our geographic, topographic diversity. When our Provincial Treasurer pens a document showing \$5.3 billion in expenditures and investments in Albertans, he must be cognizant of these diversities. In my view, this budget looks at all Alberta, its peoples and its topographies.

As we debate this cornerstone budget for the 1980s, it may be helpful if we reflect for a few moments on our past. By way of reflection, I would like to take off from

where the Member for Chinook left you in his travelogue of Alberta. I'd like to take you on a brief geographic, historic tour of Alberta, beginning in the very deep southeast corner of this province as we enter it from Saskatchewan.

If a traveller comes to Alberta he first of all runs across the Cypress Hills, a land long forgotten by the glaciers and particularly symbolic of peculiar fauna and flora, quite different from other parts of the province; insects of a type that are not located in other parts of this province of ours. As you move westward from the Cypress Hills, you come across the dryland farming area. Those of you who have driven, as I have on many occasions, the 40 or 50 miles, deep in the heart of the Cypress constituency, from places like Manyberries, through Etzikom to Foremost, and have seen the great distances — I might add, Mr. Speaker, on a fine, paved highway — and have stopped and talked to the people there, you meet and talk to an individual who has his own idea of Alberta that in many ways, perhaps, is different from other people in this province. I can recall so vividly being in Etzikom several years ago and stopping for lunch. An individual in the community came to me and looked at the licence number on my plate and said, oh, you're not from this area; where are you from? I said, I'm from Edmonton. He then proceeded to ask me, what's your business down here? I said, I'm associated with the government of Alberta. And he said, well, you're just the man I want to talk to. He proceeded to give me a 15-minute lecture about the large [landholder] and the large landowner in this particular province. After the 10- or 15-minute lecture, he gave me the opportunity to ask him several questions. I of course asked how much land he farmed and how much land he was responsible for. He told me that he was a small person; he had about 20 sections of land. Mr. Speaker, where I come from if you have three quarters of land, you are doing very, very well. The point here is simply that this individual was an Albertan with a different perspective on our province than perhaps I had grown up with.

Moving west from this dryland farming area, of course, you then move into the very, very rich irrigation area in Lethbridge and surroundings, the food basket of Alberta in many ways, simply because you have in close proximity the cattle and vegetables that are so important to allow diversity of this province.

Going westward from there, you move into the foothills and the ranching country along the Eastern Slopes. You can follow those Eastern Slopes well up the British Columbia border with Alberta. Moving north, you move to Calgary, another topographic plain, and towards Red Deer, another agricultural breadbasket; beautiful agricultural land, well developed, well endeared to the production of food for all our citizens, within the confines of the province of Alberta as well as Canada, North America, and the world.

We then move eastward from this breadbasket into the area represented by the Member for Chinook, another very, very dry land farming area. The member has made some bold statements in recent months with respect to the need for Alberta to divert water from the northern part of the province down into the many acres of land in his constituency that need water. When we talk about Alberta, it's interesting to note, Mr. Speaker, that half the divertable, consumptible water in Canada is diverted in this province, and of course it's diverted in the irrigation area that's so important to all agricultural production in this province.

Moving north, closer to Edmonton, in an easterly and

westerly direction from Edmonton, but most important in a northerly direction, you move from a transition zone of black soil to brown soil to gray-wooded soil. With it you get another type of Albertan, also endeared and prominent in agriculture but with a perspective on agricultural production different from his good neighbors and friends who live more southerly in this province. In some ways his difficulties are very different from those of his fellow Albertan living 100, 200, or 300 miles to the south. Yet he is an Albertan involved in agriculture; he is our primary producer.

Northeast of Edmonton, we move to an area where my roots come from, an area first developed for agriculture; then, in the last two decades, an area that has received one heck of a lot of attention from the recreation part of our society; and now an area perhaps represented by constituencies such as St. Paul, Bonnyville, and Lac La Biche-McMurray — now resources of a magnanimous importance to Alberta, to Canada, and to North America.

Moving westward from the northeast side of our province, we come to the area around Lesser Slave Lake. In Europe, and perhaps in any other country of the world, it would be an inland ocean, an inland sea. In the geographic mass of Alberta, it's simply another lake. But what a fantastic lake for the future, with beautiful beaches on literally all sides; an area soon to be developed by all Albertans and an area of tremendous pride for all Albertans.

But if you go north of Slave Lake, for 200 miles you go through largely undeveloped, unpenetrated, and unknown country. When you move north of Slave Lake to Fort Vermilion, we have a highway that the Minister of Transportation has funds in his budget to complete. It will open up this new part of Alberta for many citizens. It will also give us a link from Slave Lake to Fort Vermilion, our new agricultural frontier. Those members of this House who have visited Fort Vermilion will know there's an area of land approximately 40 by 40 miles that contains beautiful black soil; it's the new agricultural frontier in this province. I know the Minister of Agriculture is very proud of the fact that in addition to dollars in his budget, other provincial budgets contain funds to develop and expand the roadways and communication systems in that particular agricultural frontier.

Mr. Speaker, 175 miles or so northwest of Edmonton is an area of the province called the Peace River country. I'm sure the Member for Peace River would not be angry with me if I said to him that for all intents and purposes those Albertans who talk about the Peace River country and simply say, that's all of northwestern Alberta, are perhaps simplifying the situation. Because Fort Vermilion and High Level are some 200 miles north of Peace River. When one here in Edmonton talks about the Peace River country, he cannot talk about a part of Alberta that extends from here to the Northwest Territories boundary. The Peace River country is broken into several areas, and northern Alberta is beyond the Peace country, with due respect to the Member for Peace River. I'm sure his constituents who live in High Level and Fort Vermilion really do view themselves as members of northern Alberta rather than the Peace country.

The purpose of this travelogue is to point out one basic thing. When we talk about Alberta, we're talking about a province with enormous diversity and with diverse opportunities for all Albertans to develop and grow. Yet despite our diversities, despite the differences of our roots, we're all Albertans. As unfortunate as it may be, until recently

— and I'm very delighted with the ministerial statement of the Minister of Education yesterday — many Albertans never really took a geographic tour of Alberta. Even more remarkable, until the last few years much Alberta history was essentially unknown to our people.

Several years ago, in 1976, this government joined with the native people of Alberta in celebrating the 100th anniversary of the signing of Treaty 6. Other treaties and other anniversaries were commemorated in 1977. We followed with commemorations and celebrations acknowledging the coming of the North West Mounted Police. We shared in the joy of the celebrations of citizens in both Calgary and Edmonton in their centennial anniversaries. We've had some exciting times in Alberta recently, and we will have more in the future.

The Minister of Education announced yesterday that a new curriculum for social studies in this province will come into effect on September 1, 1981. It's important that it have an Alberta base and a Canadian base. As you travel Alberta, significant things exist in this province; as an example, our Egyptian hieroglyphics, or the petroglyphs on the Milk River at Writing-on-Stone Provincial Park. Those members who have attended and visited can look across the river. On one side you see our hieroglyphics, our history; on the other side you see our new form of history, the first building the explorer Jerry Potts built in the valley. My colleague from Drumheller has taken me on a tour of the Dinosaur Trail, Canada's Grand Canyon. But with respect to him and the good citizens of Drumheller, the more phenomenal Grand Canyon exists in the area north of Brooks.

Our history is rich with the private entrepreneur. One hundred years ago this was cattle country. This was the home of the individual who got on his horse and went over the next hill in search of the next adventure. How history has changed in a hundred years. The Minister of Transportation indicated a little earlier that today our problem is the tremendous truck traffic on our highways. A hundred years ago we had our entrepreneur: the cattleman, the cowboy. Today, with respect to all my trucking friends, we have a new kind of cowboy: the private entrepreneur, the trucker. Alberta currently has more trucks on its roads and byways than the other three western provinces put together. It's really a very interesting transition in history, because it deals with transportation and the movement of goods to allow people to settle and reside in certain areas.

Many people come to this province. My colleague the member from Calgary who spoke so eloquently the other day about his ethnic roots, the Ukrainian people, is only one of perhaps any member of this House who might want to talk about his own ethnic or cultural roots. Much of our history in Alberta has dealt with transportation. We've talked for so many years about our discussions, our resources, and our attention to railroads and railroad development. Many members will recall from history books, certainly not because of their own chronological development, the great debate in Alberta in the 1920s with respect to the need for building a canal from Edmonton to Lake Winnipeg. With the boldness displayed by the current Minister of Transportation on the diversionary schemes he would like the government to undertake, perhaps that is an alternative some might wish to pursue.

We've had many explorers from both the east and the west visit our province. I'm sure over the next summers the Member for Bonnyville will wish to try to find the actual location, on the north shore of Moose Lake, of

one of the first houses in Alberta, built by an early explorer by the name of Angus Shaw. As a young person growing up in the Bonnyville area, trying to locate the actual site of this first house in the late 1790s took care of many of my summer afternoons.

Our history is an interesting one that we need to know more about. Our history is one that our young people have to understand. It has not been all glory. As the Member for Lloydminster is aware, we've had unfortunate situations. The massacre at Frog Lake occurred in his constituency a great time ago. Yet people followed. The hardy Scots followed, and then set up the first of the Barr colonies in the Lloydminster area as well.

Alberta has also had some very, very unique political movements. Our young people should be aware of those political movements, the reason and need for them and how they occurred.

Over the last hundred years we moved in this province from a demographic transition where people came to Alberta in search of land. Unfortunately, it seems that as they first settled on the land in the 1910s and 1920s and remained through to the early 1930s, then disaster struck and they moved elsewhere — there's been a shifting of population in this province from the deep south through the central parts to the north. That is part of our history and part of integrity. That transition of people has continued. While the depression moved many people from the southern to the northern parts, the situation in our sister province in central Canada, Quebec, in the late 1940s and early 1950s, after World War II, also allowed many pioneer farmers to come from Quebec and move to this province. The Member for Smoky River is certainly aware of the large forces and very, very productive people who've turned the Falher area into one of the world's finest honey producing areas.

Our history is there; it's alive. In the last year we have continued to accept people from other countries of the world. Many of you know of the fine and splendid work of many volunteer groups in all communities in this province in welcoming the boat people to Alberta.

While our history for the most part has been a history of hardship, it has also been a history of people motivated by a desire to overcome and succeed. It's a history of perseverance. It's a history of a people with a dream for a better way of life. As we live in 1980, amid our prosperity and our optimism for the future, we can never forget about our past. We must never forget about the initial hardships in not too long ago chapters that others, our pioneers, had to endure so we can live with what we have today. To me it's very significant that in this, our 75th year, provincial leadership has been there to encourage all Albertans to remember. Of course, the mechanism is the 75th Anniversary Commission. It's widely received by all citizens in this province as being a most positive event.

Of course, Mr. Speaker, our prosperity really dates back to the constitutional developments in 1930, when the government of the day succeeded in obtaining from Ottawa full resource ownership for the province. That didn't mean much in 1930, but it certainly did as Alberta entered the last years of the 1940s with the development of oil in a major way. In the 1950s, oil brought us prosperity. We dipped a bit in the 1960s, only to see the 1970s bring us increased prosperity, power, and influence as a result of determination and integrity within the confines of the boundaries of Canada. In no uncertain way, our prosperity, because it is based on natural resource development, is dependent on what is happening

in the world.

Presently our future looks rather optimistic although, as the Provincial Treasurer so correctly pointed out, it is vulnerable. Dollars created out of resource development, on the land and beneath the surface, have given us those universities, those medical institutions, an expanded agricultural base, and a diversifying economy. Our urban centres would appear to be developing logically. And where else in the world can anyone find rural areas with electricity, telephones, natural gas, recreation facilities, a proximity to urban centres and, most important of all, an attitude exemplified by a desire to stay on the land.

The only cloud on our horizon is the limitation of our current supply of conventional oil, the most important natural resource of our time. If we look 10 or 15 years into the future, we have to be concerned about the possibility that oil will no longer be here to provide us with the quality of our present life. It is most important that we continue to support the original principles established for the Alberta Heritage Savings Trust Fund. It is a fund for the future, not a fund for irresponsible squandering in 1980 or '81.

I'm pleased, Mr. Speaker, that we are devoting considerable moneys to research and technological development. Our two million people must have the opportunity to become among the highest, and the most highly educated and technically sophisticated in the world. It must be our vision, it has to be our vision that Alberta brainpower become our new natural resource. We've used Alberta before to overcome difficulty. If the time comes to find a new resource or economic base, our citizens must be ready.

I'm very confident about our future, and I strongly believe that Alberta has a major role to play in the destiny of Canada. In many ways, we can be more assured of our future than our forebears ever had the opportunity to be. On a province-wide basis, the budget is a most positive document. On a constituency-wide basis, as the Member for Barrhead, the budget is most positive document as well.

For the benefit of all members, I've discussed very briefly the topography of Alberta. But I think it's rather important to bring to everybody's attention where the Barrhead constituency is. Unfortunately, I believe there is a perception by many members in this House, perhaps because of the very aggressive attitude taken by my predecessor — whom I want to talk about a minute or two from now — that really the constituency of Barrhead has nothing but flowers and smiles, and no problems. The problems are there, but I choose not to talk about them today. I intend to be a little more aggressive about that as the estimates begin next week.

The town of Barrhead is 75 miles from where we sit today. The constituency begins in the southeast, just a few miles south of the village of Onoway, and moves north to approximately 50 miles north of Westlock. In essence, the northeast corner of the constituency is at the confluence of two rivers, the Athabasca and the Pembina. The two names have been joined to identify a little area called Athabina. From there the constituency moves almost straight west to north of the Swan Hills, and includes the town of Swan Hills. The line then moves from the northwest down to the southwest to a line between the two communities of Sangudo and Cherhill. The line then moves from south of Cherhill to the north shores of Lac Ste. Anne, over to south of Onoway as well.

In many ways, the constituency of Barrhead is similar to the topography of Alberta. It is prime agricultural land

in its south, southeasterly, and southwesterly sectors. The farther you move north and northwest within the constituency of Barrhead, you move from prime agricultural land to rolling foothills, muskeg and, finally, the hills known as Swan Hills. If those hills were located in any other constituency in the province of Alberta, they might be referred to as more than just hills. They might be referred to as miniature mountains, because if you fly over that country — and so many of you have, who have flown in northern Alberta — you can see the Swan Hills rise and rise and rise. A beautiful area, but a difficult area for people to live in, simply because of the height, the topography, and the nature of the land.

Mr. Speaker, the budget brings many benefits to the people of the constituency of Barrhead. We will receive considerable benefits in the area of transportation and roads. We will receive assistance in the development of a new nursing home within our constituency. Several of our communities will benefit from additional and innovative assistance with respect to water and sewer programs. Many of my constituents will benefit from specific programs initiated through the Alberta housing department. Our handicapped people will be greatly assisted, and that's very, very endearing for me, as the father of a handicapped child.

Our young farmers are being drawn, asked, and encouraged to return to the land. The beginning farmer's program announced by the Minister for Agriculture is a most positive and significant document for agriculture, not only in Alberta but — if I can be parochial — for me as an M.L.A. in the constituency of Barrhead. Our senior citizens — the town of Barrhead may very well have more senior citizens per capita than most other towns in the province of Alberta — are very happy with what we're doing, and are looking forward to even more assistance on our part toward ensuring that they are remembered as our pioneers, and that they do have comfortable retirement. The initiatives with respect to agricultural societies are positive. The Barrhead general hospital board has had a \$2.8 million debt retired. All our citizens will benefit significantly from the continuation of the natural gas price protection program.

We even have environmental concerns in the constituency of Barrhead, environmental concerns very similar in many ways to some of those of my colleagues from southern Alberta. The Minister of Environment has very significant programs on the Paddle River. In many ways the annual inundation of the Paddle River may be very similar to the inundation of the Nile delta in northern Egypt, and perhaps even to the continuous flooding that goes on in various irrigation sectors in southern Alberta. And, of course, library assistance, which is so very important to many rural citizens.

Mr. Speaker, there is one person who would be very, very proud of this budget today. He's not here; he can't speak. That is my predecessor, a man whom I greatly admire and respect, a man who a number of years ago looked at me and said: why don't you get involved? That man of course is Hugh Horner. There is not time this morning to devote in words what I really want to say about the gentleman. Last fall, so many members of this House got together and paid special honor to Dr. Horner. They created a little pamphlet and message, which I'd like to read into *Hansard*, because I think these words, perhaps more than any, really sum up the spirit of the person. While he's not, and no longer will be, in this House physically, I'm sure all members who can look around this ceiling can hear his voice booming off one of

the pillars or one of the lights, and his presence will be here.

Hugh Horner ... community doctor, leader, friend. A man of vision who saw the significance of rural life in the total landscape of Alberta.

Dr. Horner was born in Blaine Lake, Saskatchewan and educated at the Universities of Saskatchewan and Western Ontario. He maintained a general practice of medicine at Barrhead for [twenty] years.

His political career spanned twenty-one years. During this time he served nationally as a Member of Parliament, provincially as Opposition House Leader, Deputy Premier and Minister of Agriculture, Transportation and Economic Development. In 1979 he was appointed Grain Co-ordinator for the Government of Canada.

We salute our friend "Doc" Horner and honour his achievements — both his professional and public contributions. A man who served us well. A man for all Alberta ... a man for Canada.

In closing, I want to convey to members of the House the philosophical and psychological attitude of the new Member for Barrhead. I want to take a quotation from the 1906 Budget Address where the then Provincial Treasurer said:

We are a hopeful people. We have no pessimists in Alberta — a pessimist could not succeed. We're optimistic, and always look on the brighter side of affairs.

Mr. Speaker, for all members of the House, the new Member for Barrhead is a hopeful person. He is not a pessimist. He is optimistic, and he will always look on the brighter side of affairs, with a social responsibility for all.

Thank you.

MR. NOTLEY: Mr. Speaker, in rising to participate in the budget debate this morning, first of all I want to congratulate the hon. Member for Barrhead on his submission a moment ago, and the Provincial Treasurer on the presentation of the budget speech itself. While I don't agree with everything contained in it, as usual it was delivered with the kind of crispness and flair one associates with that particular minister.

Mr. Speaker, in addressing the issues contained in the budget speech, I certainly have to say at the outset that I welcome the increase in spending on libraries in the province of Alberta this year. Increasing grants to libraries was clearly overdue. I remember the debate held in this Assembly in 1976. We saw some increase that year, but for a period of time we seemed to stagnate. But this year the budget estimates of the minister responsible show an increase, and I applaud that move.

Similarly, with respect to the Minister of Transportation, it's encouraging to see an increase in that department. I must just briefly state, Mr. Speaker, that as an opposition member, I have found the present Minister of Transportation a very easy person to talk to and make representation to on behalf of my constituents. I applaud his attitude in dealing with all members of the House on that particular score. During the heritage trust fund discussions last year, we were told by the minister it would take almost \$2 billion to refurbish existing highways in Alberta. Clearly that is an indication that, while more money is available this year, the fact of the matter is that over the last number of years we have lagged behind in highway maintenance and construction programs.

I must confess I was rather amused the other day to hear several observations by the hon. Member for Cal-

gary Forest Lawn, the bulk of whose speech I enjoyed and thought very constructive. In rebutting the speech of the Leader of the Opposition, he made some derogatory reference to the five-year plan. When it comes to five-year plans, for highways in particular, I find that especially strange in view of the fact that, having served on the heritage trust fund committee, one of the most ardent proponents of a five-year construction program for highways in Alberta is none other than the present Minister of Advanced Education and Manpower. I don't know if that particular minister has fallen into wicked and socialist leanings in his little community of Medicine Hat to the south. As a matter of fact, I have here — and it's interesting enough for the hon. Member for Calgary Forest Lawn — a letter from the Medicine Hat Chamber of Commerce solidly supporting a five-year capital works program for highway construction in the province of Alberta, and indicating that all members of the House, both opposition and government, should get behind the hon. Minister of Advanced Education and Manpower, whose idea this five-year program was.

Well, Mr. Speaker, I'm not sure whose idea it was, but I just want to say it is an excellent concept. We should have block funding for highways. We should have project funding so that when we get these projects under way, we can have some reasonable anticipation of finishing them, and the money is in fact blocked out so we can avoid this stop/start arrangement. Over the last number of years, the stops have certainly been rather dramatic and the starts infrequent. Nevertheless, I would simply refer the hon. Member for Calgary Forest Lawn to the minutes of the heritage trust fund committee, as well as this excellent letter from the Medicine Hat Chamber of Commerce endorsing the concept of five-year planning in highways and the leadership on that score undertaken by the Member for Medicine Hat.

Mr. Speaker, I'd like to deal with three major areas in my remarks this morning. The first is to raise again some observations on the question of budget restraints and wage controls. I touched briefly upon that in my Speech from the Throne debate, but it is probably more relevant to go into it in more detail in a discussion of the budget. As I look at some of the problems this government has faced in the last few months, problems that have captured the headlines not only throughout Alberta but throughout the country as well — problems with respect to Westfield, the Peace River treatment centre, the tragic case of Miranda Phipps — it seems to me there is a constant thread one can see as an underlying reason why these problems result. Certainly I think a good part of the reason is that we've had less than competent leadership from the Minister of Social Services and Community Health. But an underlying reason that is probably equally important and the responsibility of every single government member in this House is that we have too few people in the department attempting to do too big a job.

In my view, talking to a number of social workers, one of the reasons we had problems over the handling of the Miranda Phipps case is that social workers have too big a caseload. Why do they have too big a caseload? [interjection] Some member back there says, aw. He hasn't been talking to social workers in his area. If any members of this Assembly care to talk to people working for the government service in this province, particularly in the field of social services and community health, they won't "ooh" and "aw" at statements like that, because they will know as a matter of fact that people are trying to do too much and are overworked because we are living within

tight budget constraints.

On the question of the nurses, Mr. Speaker, we have all sorts of talk in this Assembly about the increase in construction this government plans. Fair enough. But what are we going to do after those hospitals are constructed? At the present time our nurses' salaries are seriously under the level of salaries necessary to keep people in the profession. People are leaving the profession. There's a dramatic difference when one compares nurses' salaries in the province of Alberta with nurses' salaries in our neighboring province of British Columbia, as high as almost \$3 an hour in the case of senior nurses.

Mr. Speaker, many members in this House are now concerned about the possibility of a nurses' strike. That's a very real possibility. But as important and serious as a nurses' strike may be, over the long haul what will happen if we don't pay competitive salaries is that people will vote with their feet. They will simply leave the service and go on to other types of occupations. That will jeopardize the quality of our health care. We can have all the hospitals we want in every community, but if we don't have qualified staff to man those hospitals because we aren't paying proper wages, then we're going to have trouble.

Just before the Legislature opened I had an opportunity to discuss with a number of correctional officers at the remand centre some of their concerns. Frankly, one of the things that amazed me is that the beginning wage for a correctional officer at the Edmonton Remand Centre is approximately \$13,800 a year. That is not a wage which is going to attract people to undertake work that is frequently dangerous, and difficult at the best of times. Shortly after, the minister said we were going to hire more people to work in the Edmonton Remand Centre. That may well be true, but how long are you going to keep them at the present salary rates? As long as we have a guideline policy of 7.5 to 9 per cent, as long as we impose rigid restraints . . . Yes, Mr. Speaker, there's more money for hospitals. But when I look at the budget for community-based hospitals in this province, the increase is only 8.6 per cent. Very few members in this Legislature are naive enough to think the Alberta Hospital Association is going to be able to settle with the nurses at 8.6 per cent, nor should they, if we're going to remain competitive with other parts of the country.

Mr. Speaker, the fact of the matter is that the budget restraints and wage guidelines we've seen for almost the last five years, that started in the fall of 1975, are having an impact. And the so-called scandals in social services — that this government of course doesn't like to admit, but most of their supporters embarrassingly admit outside the House — can be laid as much as anything else at the door of an unimaginative restraint program, an unrealistic wage guideline program which has created a loss of morale in the public service and which, over the long haul, is going to seriously jeopardize the quality of the government services provided to the people of Alberta.

Mr. Speaker, the second thing I want to deal with is the question of what is in the budget for Alberta farmers. I mentioned in my speech in the Speech from the Throne debate that I was pleased to see the changes in the beginning farmer program, and that will be helpful. I congratulate the Minister of Agriculture for bringing in those changes, particularly with respect to moving at least the beginning farmer program into a position where it is no longer a lending institution of the last resort. But the fact of the matter is that, while the shielding the government has announced will be helpful to beginning farmers

and for those farmers who are fortunate enough to get the 12 per cent loans from the ADC, it is still going to be somewhat distant from the overall problem of meeting difficulties of farmers who find that their interest rates are spiralling. As members know, or should know, many of the loans are ADC-guaranteed. With the present program, it would be impossible to consolidate all those guaranteed loans which are now extracting a higher and higher interest rate from farmers in this province.

Mr. Speaker, the thing that rather amazed me when I looked over the budget speech and listened to the Provincial Treasurer very carefully on budget night, was the idea that somehow everything is fine in rural Alberta: the prices are strong and while the costs of production have gone up, they haven't gone up that much. I don't know where government members were when Unifarm presented their annual brief to the government, because they make it very clear that they're concerned about rising costs of production, particularly energy prices. Unifarm specifically asked that a distribution allowance, or the equivalent amounting to a minimum of 20 per cent of the cost, be given on all farm fuels and lubricants, including propane and natural gas. Mr. Speaker, there was no commitment in the budget to increase the farm fuel rebate. One would have thought that we would have some commitment to do that. After all, we know that the price of oil is going to go up, perhaps not on July 1 but shortly thereafter, and that increase will be substantial. It will probably be a larger increase than any other single increase in the last number of years. That's going to have an impact on the cost of production for farmers. Yet strangely, Mr. Speaker, there was no mention of any shielding that one might reasonably expect from this government on the question of fuel prices.

Nor was there any commitment on a stop-loss program for pork producers. I know that the hon. Minister of Agriculture has indicated that he hopes a federal plan could be worked out. The same line was used by the former Minister of Agriculture in 1975 when cow-calf operators were asking for assistance. Nothing was done then because the government hoped it could work out a national plan, and of course so little was accomplished at the national level that we had many young producers forced out of business because we weren't prepared to act. Until finally, in August 1976, about three years after prices began to collapse, almost a year after the tractor demonstrations, and seven or eight months after a number of people set up a tent on the Legislature grounds, we had a one-shot program of \$40 million announced by the Minister of Agriculture.

Mr. Speaker, I have no doubt that the present Minister of Agriculture is going to have to act on some form of stop-loss program for pork producers. But my assertion to that hon. minister is: let's do it now; let's do it while we've still got people in business. If we look at the present outlook for pork prices in the North American market, I've seen very few suggestions that it's going to materially improve. Frankly, unless we take some action, we're going to have many of our pork producers go out of business.

I'm pleased that the minister was wise enough, and I give the minister full credit for withdrawing or at least holding in suspension the regulation dealing with the Alberta Marketing Council's de facto control over the hog board. But, Mr. Speaker, holding a regulation in suspension is not going to do much good unless we couple that action with a form of stop-loss for pork producers. Members who represent Peace River ridings in

particular would be well aware of the fact that across the border in British Columbia, where they have an income assurance program, pork prices to the farmer are as much as 20 cents a pound higher than they are in the province of Alberta. We've had a number of local producers simply saying, you know, why is it possible to undertake that sort of program in the province of British Columbia, yet we aren't able to do anything in Alberta? One can respond by saying well, we're waiting for the federal government to act. Well, Mr. Speaker, how long are we going to wait and how many of these people are going to go broke before we take the initiative and bring in a program, at least a kind of modest and very — if I can use the expression — conservative program advanced by the Pork Producers' Marketing Board itself?

Mr. Speaker, I want to say one other thing with respect to agriculture, and that is to express the keen disappointment of my constituents, regardless of party, on the decision of the federal government to renege really on a commitment of the former administration to proceed with the infrastructure costs at Prince Rupert. I know how serious a problem that had been; it really had been a stumbling block to getting that project under way. Discussing this with people in the Wheat Pool over the last few months, it was welcome to see the former Minister of Transportation, Mr. Mazankowski, take the initiative and indicate that the federal government was going to write off the infrastructure costs. It would be an investment, if you like, in a better grain delivery system for this country. We now have the present minister saying well, there has to be at least some modified version of user pay.

Well, Mr. Speaker, I just don't accept that argument. I think that an agreement made by the former government — it may not have been signed, sealed, and delivered, but it was certainly understood by all the participants — is an agreement that should be lived up to and that the federal government should reconsider what in my judgment is a position that is not only provocation for westerners but, frankly, is not in the interest of the country as a whole. One of the best things we could do to increase the movement of grain in western Canada is to improve Prince Rupert.

I say to members of the House that just as the federal government should get moving on Prince Rupert, we have decisions to make in northern Alberta too. Rather than continue to haul grain down through the NAR system and then out on the CN mainline, we have the ARR, with the possibility of building a dam at Dunvegan; the long talked about concept of a railway bridge over the Peace River to link the north and south Peace becomes more realistic. Probably most realistic of all would be to hook up with the BCR so that we could have an efficient railway delivery system. I've always found it difficult to understand why it's in the national interest that a grain car which starts out in Hines Creek has to come all the way through Edmonton, then out to Prince Rupert — 500 miles further one way than that grain car would have to travel if it went on the BCR. Surely, we can plan our railway system well enough that we can consolidate, co-ordinate, and rationally use it in the national interest. It makes no sense at all to have this kind of backtracking at a time when we have difficulty in meeting our commitments. Surely we can improve our transportation system.

Mr. Speaker, in this debate I wish to deal with one other very important issue; that is, the question of rental accommodation not only in Edmonton or Calgary but

throughout the province, and in particular in our growth areas. There's no secret that in Edmonton and Calgary we have a very low vacancy rate — less than 1 per cent in Calgary and less than 2 per cent in Edmonton. The statistics would indicate that in both cities, we're likely to reach a virtual no-vacancy rate within a few months. In the growth city of Grande Prairie, in northern Alberta, we have a virtual zero vacancy rate. We have all sorts of people who have found that their rents have spiralled unreasonably.

Mr. Speaker, I think the only thing this government could do — there are really two choices: one, to bring in some kind of tax relief for renters, to increase substantially the tax credit for renters, particularly with respect to senior citizens. That's an option; I'm not sure how valid it is. It seems to me that that would tend to be an indirect subsidy to people who are renting accommodations at rates that are perhaps higher than they should be. That's at least one option that would have protected renters in the province of Alberta. But we look in vain, Mr. Speaker, to find any commitment in the Speech from the Throne or in the budget speech on that important issue.

The other alternative, very clearly, is to extend rent controls after the 30th. The argument we get is that if you extend rent controls, all of a sudden we just aren't going to get anybody investing in apartment starts. Mr. Speaker, if you look carefully at the facts, look at the statistics compiled both by Alberta Housing and by CMHC, quite frankly you find there is absolutely no validity to the argument that rent controls cause a slowdown in the construction of apartments.

Let's just look at the facts of the situation. In 1975, before we had rent controls, in all of urban Alberta we had the construction of 3,713 rental units. In 1976, after rent controls had come into effect, and when one would think all the adverse effect would be slowing things down, we had 8,187 apartment units completed, a very substantial increase. One might say, well, 1976 was just accidental. Let's take a look at 1977: an increase from 8,187 to 11,886, an increase of 45 per cent. Mr. Speaker, we then decided to bring in rent decontrol legislation. What happened then? Well, in 1978, there was still an increase, 14,452 — a smaller percentage increase, 22 per cent as opposed to 45 per cent. In 1979, with the rent decontrol system in place, an actual drop. Mr. Speaker, why this drop?

MR. MUSGREAVE: Mr. Speaker, would the hon. member answer a question?

MR. NOTLEY: Mr. Speaker, I'd be glad to answer a question on completion of my remarks — on the Assembly's time rather than my time. I'd be pleased to do that.

SOME HON. MEMBERS: Shame.

MR. NOTLEY: Not shame at all. I've got half an hour and I'm going to speak for half an hour. Then if they want to ask questions for half an hour, that's fine. I'd be glad to educate some of the members.

Mr. Speaker, if we look at what has happened between 1978 and 1979, there has been a slowing down, if you like, in the construction industry. Why did that occur? It has nothing to do with rent controls, because the beginning of the slowdown is directly related to the increase in bank rates. If one looks at the prime commercial lending rates, what began to slow the construction of apartments in this province well after rent controls came in was when

the bank rate reached 12 per cent. In my view, those happen to be indisputable facts which indicate that much of this talk about rent controls stopping the construction of apartments is just unsubstantiated assertions which are not rooted in any statistical analysis at all. It happens to be opinions — and people are entitled to their opinions — but opinions only.

Mr. Speaker, some have said that we don't need to worry about rent controls because only 10 per cent of the units in this province are still subject to rent controls. The 10 per cent of the units that are subject to rent controls in Alberta are inhabited for the most part by the low-income group of people in our society who need some kind of assistance. Those are the people who need the protection of rent controls. You don't find too many senior citizens living on the guaranteed income supplement and the Alberta assured income who move into a new high-rise apartment.

MR. KUSHNER: Mr. Speaker, on a point of privilege. If the hon. member would read *Hansard* the day I posed the question . . .

MR. SPEAKER: Order please. The hon. member has not a point of privilege.

MR. NOTLEY: Mr. Speaker, the fact of the matter is that low-income people live in those apartments now subject to controls. People say, well, we don't have the wage and price controls of 1979 to 1978, therefore we don't need rent controls. Mr. Speaker, what we have for low-income people in this province is a form of de facto income control. At the most, senior citizens receive an increase related to the cost of living. When it comes to the assured income, they don't even get that in Alberta. When it comes to people living on pensions, such as workers' compensation pensions, at most they get periodic increases not even related to the cost of living increase. There's an increase for people living on social allowance, but again it is very modest, certainly not the kind of increase that goes up by huge amounts, unless it deals with a particular case of a person on social allowance who is living in a unit. If the rent for that unit rises, there is some provision. But for food, clothing, and other things, people on social allowance are living in a de facto income-controlled situation. People who work for the government of Alberta are asked to bargain within a 7.5 to 9 per cent range.

So, Mr. Speaker, when people say we don't need continued rent controls because we no longer have wage and price controls, I say that for the majority of people who live in units which are presently under control — and members can complain all they like, yitter and yammer and scream all they like — are the people who also have their incomes, in a de facto way, controlled by public policy. That being the case, Mr. Speaker, in my view there is really no alternative but to continue rent control. If this government had wanted to go the other route of making provisions in the budget, then people would have been able to say, all right, we'll try that route. They've not done it.

Before I close, let's just take a brief look at other provinces, Mr. Speaker. Only in Newfoundland and New Brunswick is there no form of rent regulation at all. In Newfoundland they don't need rent regulation because they have a very high vacancy rate. The same is true in New Brunswick. But every other province has a form of rent regulation, particularly areas where there is growth

potential. To suggest that we are going to be removing rent controls at this juncture, with the growth anticipated in the province of Alberta, in my view is sheer nonsense. It's the worst kind of public position for this government to take.

No, Mr. Speaker, rent controls should be continued after June 30. They should be continued until such time as we have a sufficient vacancy rate which allows the market place to protect tenants. If you have a vacancy rate of 5 or 10 per cent, you don't need rent regulation. But if you have a virtual zero vacancy rate, you do.

So, Mr. Speaker, it won't surprise my hon. colleagues and friends in this House that, in my view, there are some very serious shortcomings in the budget that was presented to the Assembly a few days ago, shortcomings which really don't need to be there, because this government has the capacity to do better.

MR. MUSGREAVE: Mr. Speaker, I just want to pose a question to the hon. Member for Spirit River-Fairview, if I could.

MR. SPEAKER: We should get the consent of the Assembly, because I don't think it's entirely regular to increase speaking time limits by means of asking questions. As hon. members are aware, in this particular instance that is not likely collusive, but it could be on a future occasion.

HON. MEMBERS: Agreed.

MR. MUSGREAVE: Mr. Speaker, I just want to ask the hon. member if in those years he was speaking of — '77, '78, '79 — during which a high number of units were built, he was aware that the federal government was giving a subsidy of \$100 a month to each unit, which was interest free for a 10-year period? Also, was he aware that the capital cost allowance was 10 per cent per year, dropped to 5 per cent in 1978, and was cancelled in 1979? I thought I would ask the hon. member if he was aware of those factors, which I think would be significant in the production of rental units.

MR. NOTLEY: Yes, Mr. Speaker, I certainly was. There is no question. I didn't have the opportunity to discuss the question of the capital allowance factor. I think that is a significant concern and representation should be made. I don't know how much time the Speaker will give me in answer to the question. One could go on for some time.

I should just say, Mr. Speaker, that I will table with the House the information containing the statistics I presented. If hon. members want to have them so we can debate the matter further in estimates, I would welcome the opportunity to do so.

MR. ADAIR: Mr. Speaker . . .

MR. SPEAKER: Before recognizing the hon. minister, might I recognize the hon. Member for Calgary McCall, who would like to make a statement concerning something said yesterday.

MR. LITTLE: Thank you, Mr. Speaker. On a point of personal privilege, yesterday afternoon while speaking to Motion 214, I stated that Canada imported 40 per cent of its petroleum consumption. This was in error; actually that was the American figure. In fact, Canada's imports

amount to approximately 20 per cent. I would request that this correction be made in *Hansard*.\*

MR. ADAIR: I'll try that again, Mr. Speaker. Before I begin my budget speech, I wonder if I might revert to introduction of guests.

HON. MEMBERS: Agreed.

#### head: INTRODUCTION OF SPECIAL GUESTS

(reversion)

MR. ADAIR: Thank you. I would like to introduce to you, and through you to the members of this Legislative Assembly, two very distinguished gentlemen from the community of Rainbow Lake, Mr. Dick Manning, area manager for Aquitaine Company of Canada and president of the Rainbow Lake Chamber of Commerce, and Mr. Val Young, a director and the past president of the Rainbow Lake Chamber of Commerce. I wonder if they would stand and receive the welcome of this Assembly.

#### head: GOVERNMENT MOTIONS

(continued)

MR. ADAIR: Mr. Speaker, if I might begin by expressing my gratitude to you, sir, for the superb manner in which you carry out your duties as Speaker of this Assembly, and secondly to offer my congratulations to His Honour the Lieutenant-Governor, Frank Lynch-Staunton. I wish His Honour well during his term of office.

Now to the budget speech, Mr. Speaker. The members of this Assembly were treated to both a good budget as we enter the 1980s and a superb presentation by the Provincial Treasurer on that night of April 2. I represent the constituency of Peace River, in size the second largest in the province of Alberta, a total of some 27,768,703 acres or 43,389 square miles. It's a region made up of agricultural resources, forest products, crude oil, natural gas, silica glass sands, and iron ore, just to name a few of the products of that region.

The 1980-81 capital budget, Mr. Speaker, offers Albertans major commitments in housing, highway construction, health care facilities and programs, and increased funding for education. The Minister and the Department of Advanced Education and Manpower, in co-operation with Grande Prairie college, Fairview college, the Grouard vocational centre, and Athabasca University, have assisted the Peace River constituency and a group called the Peace River consortium, to offer adult education credit courses. This is a most successful program, and I would like to congratulate the minister for that particular effort on his behalf and on behalf of the department. I would ask the minister to ensure continued support for the consortium and to give consideration to the MacKenzie North proposals as they come forth to him. Incidentally, the MacKenzie North proposals are those structured through Fairview college.

The provision of a new hospital facility for the Berwyn hospital district is welcome. Personally, I feel it transcends all political boundaries. Let us consider the alternatives, Mr. Speaker. One, from an economic point of view: when one looks at the new hospital complex recently built in Fairview, the recently renovated Peace River complex, the improvement of the road systems in the area

\*See page 275, right column, last paragraph

over the last decade — we now have pavement to the Peace River hospital and to the Fairview hospital — one would assume that a logical and economical conclusion to that was the possibility of closure of the old Berwyn hospital.

However, on many occasions representations were made on behalf of the hospital district, Mr. Speaker, to renovate or rebuild the old hospital. I for one, as an M.L.A. representing part of that particular hospital district, offered some suggestions to the department and the minister that based on growth in the region, the region did warrant consideration for a new facility and that we might consider what the present populations are and the projections for the future. Some examples were that Grimshaw's population was now up almost to the 2,000 level and growing, and that they had \$9.5 million in building permits in 1979. In my mind these contributed to what we could consider a good, stable growth and should be considered for replacement rather than closure of that existing facility.

Mr. Speaker, I must thank the minister for his recognition of that growth and for recognizing the need to continue to provide hospital services for the residents of the district as a whole. At this time I would like to file some 700-plus signatures in support of the new facility in the hospital district.

In transportation, Mr. Speaker, we the constituents of Peace River are still awaiting Canadian Transport Commission approval for the west approach to the Peace River bridge. Increased air passenger traffic at the Peace River airport dictates the need for a replacement terminal. Again, we the constituents are awaiting approval from the federal Department of Transport for that project. The MacKenzie Highway, referred to earlier by the Minister of Transportation, has seen the final contract for paving let — tenders were opened on April 8 — that will close the paving of that particular piece of road and, in addition, the pavement from the 49th parallel, the Montana-Alberta border, to the Alberta-Northwest Territories border for the first time in the history of the province of Alberta. What more fitting year for that to happen than in our 75th Anniversary?

Mr. Speaker, I would like to recommend to the Minister of Transportation that when a primary highway is the only road serving a resource area, it be included in the road-to-resources program. Highway 58 west is a perfect example. Earlier, the minister commented on the fact that as the roads are built and water begins to seep in, the best time to get to the project is as quickly as possible after it is constructed. That section of road was rebuilt two years ago. The time is now for a paving contract on Highway 58 west.

Just to emphasize that a little bit if I can, I'd like to tell you what the Rainbow Lake area contributes to the provincial Treasury. The first-quarter pipeline terminal production was \$8,847,404 barrels of crude oil. The average royalty rate for that production is 47 per cent or roughly \$61 million per quarter. If you calculate that over a year, the Rainbow Lake area contributes roughly \$0.25 billion annually to the revenues of the province. At this point, I might add that these figures were given to me through the courtesy of Mr. Dick Manning, who is sitting in the gallery this afternoon. Add to that another \$2 million annually from surface lease rentals, from tax levies and other assessments for that area, and there is a very generous amount of dollars provided to the provincial Treasury.

Having said that, Mr. Speaker, I would ask that all

ministers keep those figures in mind when requests are made to them for improvements in that particular area, be it for Highway 58 west, which happens to be the only road in and out of Rainbow Lake, or for medical services, recreational facilities, educational services, or whatever. In our minds, Mr. Speaker, what we're asking is just to receive equal treatment, not something different from the rest of the people of Alberta.

Mr. Speaker, we are experiencing some problems with the water supply to the town of Peace River. One reporter asked me some time ago what I thought of the Peace River and I said, it's not clear to me. What is the cause of that? The culprit appears to be the Procter & Gamble plant in Grande Prairie, some 200 miles upstream on the Wapiti River. The Wapiti flows into the Smoky; the Smoky flows into the Peace; and we're experiencing some difficulty with water quality, color, and odor. Even though the water quality may well be within the limits of the licence level, it is not within the level of acceptance of the citizens of Peace River.

What can we do about it? We've talked about some options. I've suggested to the minister that we consider the United Kingdom's system of control of having industry place their effluent in the river upstream from their plant. What's the effect of that? Obviously, number one, if it goes by their intake, it's going to have to be of a suitable quality for them to use. So they are going to ensure that it's cleaned up. Who bears the cost? That's the question.

The second obvious alternative is to assist the town of Peace River with the costs of moving their intake, which presently flows into the Peace River from the Smoky side, over to the other side where they could draw from the Peace River itself. That cost of approximately \$100,000 to \$120,000 I would ask the minister to take into consideration at this time as well.

The third alternative, because in my mind the culprit is a combination of increased production at the plant itself plus the very low water levels in the various rivers flowing into the Peace at this particular time — we have some difficulty with the ratio of one part effluent to 250 parts water going down as low as, at one time in January, to one part effluent to 60 parts water — is that we consider a water storage system above the plant. When you run into those 20, 30, or 50 year lows, you could then let water flow from that storage unit in a manner which would keep the level of one part to around 150 or 200 parts water. That's an alternative as well. Again the question is, who would foot the costs?

Having said that on behalf of the citizens of the town of Peace River and the water problems we have, I do appreciate that I've had many discussions with the Minister of Environment and with the people at the Procter & Gamble plant. We're working to try to resolve those issues, because they are constant and have been since the middle of December.

In our constituency, Mr. Speaker, we have some exciting challenges ahead of us: continued secondary road improvements in the Fort Vermilion-La Crete area, in the Keg River area, and the Manning area, and we will continue to request a new recreation area for the Wadlin Lake area south of Fort Vermilion. We have a bit of a problem in our constituency with consolidation of third-line air service to northern communities. We have had a history of problems that began with Bayview, Gateway, and more recently with Northward, which have all gone under for some reason or other. Presently, Time Air is serving the communities of Rainbow Lake and Peace

River on an interim licence. I would like to thank the Minister of State for Economic Development — International Trade and the Minister of Transportation for their quick effort to ensure that a service was provided after Northward did in fact cease to operate.

But I might suggest, Mr. Speaker, that the government attempt to help third-line air carriers, possibly by looking at one alternative that I might suggest. That is the purchase of aircraft by the government which, under a favorable leaseback arrangement, could be provided to third-line carriers. They could then concentrate on service, rather than trying to meet their debt responsibilities, and all the other factors involved in the downfall of the various third-line carriers in the past. I would also hope the various routes offered would be offered as one package to someone in that third-line carrier area, so they could be developed as a viable unit.

We welcome the announcement by the Minister of Agriculture of the beginning farmer program and the improvements to the direct lending programs. I think they will, in fact, show the responsibility of the minister in the commitment to agriculture as one of our prime areas and the leading moneymaker, if I can use that, in the province of Alberta.

In the area of provincial buildings, Mr. Speaker, the one just recently completed in the town of Peace River has seen the various departments of government move into that building, but it also poses one other small problem for us; that is, by way of a request now to the Minister of Housing and Public Works, that he consider the offer of the town of Peace River for the purchase of that building as quickly as possible, so they can move into it as quickly as they can and get the renovations done, rather than have it sit there vacant for any particular length of time.

Finally, on the point of the constituency, before I go into some of the functions of the Department of Tourism and Small Business, I'd like to indicate the kind of resourceful people we have in the Peace River constituency. I'm going to refer now to the town of Manning, the new towns of Rainbow Lake and High Level, and what they have done to ensure that their citizens have alternate or second television service in their communities.

They have effectively raised funds to purchase earth stations, have provided earth stations to their individual communities, and are now picking up signals from Chicago and Atlanta off satellites. They have provided applications to the Department of Communications and the CRTC for licensing of these facilities. They have also provided and offered to pay for the services if that's necessary. In the case of one community, they sent cheques to Chicago and Atlanta and had them returned, because there wasn't a mechanism by which they could accept those cheques. But the interest and the indication that they were prepared to pay for that service is there.

Mr. Speaker, I think what I'm trying to say is that the ingenuity and capacity of these citizens in those areas to provide an alternate service when the various levels of authority, the federal government and the United States authority, have had some difficulty over the years sorting that one out — they have acted and are now providing that service.

One of the questions asked of them by members of the Department of Communications was: why aren't you using the Canadian satellite? One of the problems they have, Mr. Speaker, is that they are now served by the CBC — if that's the term I can use — and that's what's offered on the satellite too, so really they haven't an

alternative. There is the CBC land line or the CBC by Canadian satellite. So at the present time they are using what we might call a canned signal, which provides some programming, and an alternative, from the United States satellite and the stations in Chicago and Atlanta. It really should be recorded that the services available on the Canadian satellite are not other than the existing services available to those communities. I speak of those communities as isolated, because the Department of Communications considers any community that has only one service to be isolated as far as that particular program is concerned. Having said that, we are relating primarily to those north of the town of Peace River, from Manning north, and right across the entire northern region of the province.

Mr. Speaker, in the Department of Tourism and Small Business, relating particularly to the tourism section, I'm proud to say that the industry itself has now provided the mechanism to ensure that this year tourism will be a billion dollar business. There's a combination of working with the industry and the support they have provided within the province, as well as staff from the department, headed by Deputy Minister Al McDonald and Assistant Deputy Minister Don Hayes of Tourism, and Ron Blake the Assistant Deputy Minister of Small Business. By working together they have ensured that we in fact have reached that particular level of dollar return to the province of Alberta. Tourism is predominantly small businessmen. The initiatives of either division, be it tourism or small business, will complement each other when they're working with the private sector to ensure that we have something to offer.

Another program presently under the department and part of the 75th Anniversary is our Homecoming 1980 program. We hope this program will see millions of visitors come to the province. It will require a special effort on behalf of everyone in this province to ensure that when those visitors do come we treat them with the true western hospitality we're noted for. I might even go so far as to say that that goes right down to our law enforcement people, who will have extra pressures on them because of the extra people travelling on the roads. On one occasion when I was speaking to members of the RCMP I suggested that if the occasion should arise that they do have to issue a ticket, would they kindly smile when they do that. [interjection] That's as you get it.

Mr. Speaker, in the area of conventions and seminars, another section I have responsibility for in the 75th, to date we have received some 146 applications for conventions and seminars during the year 1980. Eighty-five of these have been processed, approved, and the groups have been notified. Another 23 were approved on Wednesday, but the groups have not been notified yet. The balance is being worked on — getting more information from the applicants — and decisions will be made shortly.

I guess with Homecoming, as well, I should bring you up to date as to where we are with the number of requests we sent out for people to submit names. We had almost 700,000 names submitted, requests for applications to invite people to come back to the province. We received and have responded to some 200,000 already. One hundred and twenty-five thousand of those invitations have been forwarded. In that particular package there is an RSVP package. You can then ask for more information about what will be happening during the year. Some 25,000 RSVPs have been received, and we've responded by sending out almost 15,000 kits to people who have

requested them.

Another service provided is the imprintable invitations. In other words, if you want an invitation sent out for your group — a medical group, a 4-H group, or whoever it may be — if you get it to us in sufficient time, we'll print the invitations and send them out on your behalf. We will also assist by imprinting on posters, so that you can have a 75th Anniversary poster and imprint your event on that. To date we've spent approximately \$110,000 on that, supporting and in promotion of local events throughout the province of Alberta.

As members are well aware we were involved, at the invitation of the Lord Mayor of London, Sir Peter Gadsden, a native-born Albertan from the community of Mannville, in attending the Lord Mayor's procession and inauguration in November 1979. It was viewed by some 15 million viewers, Mr. Speaker, and we were quite pleased to be there. They had a very interesting program over there that we were able to participate in. It caught my fancy. The name of the program was the Blue Peter Show. Some 8 million viewers watched that particular program. So roughly 23 million people were aware that in fact we were having a homecoming in the province and were inviting friends, relatives, or former residents of the province to come back and visit with us during 1980.

Mr. Speaker, in conjunction with the private sector in tourism, one of the plans we have is to develop tourism resources in regions other than the internationally known four at the present time. They are Calgary, Edmonton, Banff, and Jasper. One I should mention, because it adds exactly to what we're talking about, is the Saskatchewan River Crossing development. The owners of that facility have expanded to brand-new convention facilities and will be open basically year-round from this point on. That adds another service in another area, where we can move people around other than to those four.

An important aspect of co-operation between the tourism industry and business has been our hospitality-training seminars and the accommodation inspection program. They will continue throughout this year.

Mr. Speaker, the Travel Industry Association of Alberta, under the able direction of their new President, Jim Fetterly of Calgary, is doing a superb job. We're having excellent co-operation with them and hope to continue that throughout the year.

The Northern Alberta Development Council is another aspect of the responsibilities I have, Mr. Speaker. As the minister responsible, I have an excellent working rela-

tionship with the chairman of the northern development advisory council, the MLA for Grande Prairie Elmer Borstad. I enjoy working with him, as we both know the potential for the north and what the needs and aspirations of northern Albertans are. I think the initial intent of the council is to listen to those citizens and then take their case to the various departments for action and response. In some cases where the action may not be possible, a response as to why or what the future may hold is there.

Of course last but not by any means least, the responsibilities of the Alberta Opportunity Company are there. The Alberta Opportunity Company is a lender of last resort. In 1979 the loans made by the company numbered some 374, compared to 338 in the 1978 season. The average loan was roughly \$53,000, slightly up from the 1978 level of \$47,000. There was 38 per cent more money lent in 1979, \$37,033,415, of which 86 per cent was lent to businesses outside the metropolitan areas of Edmonton and Calgary.

Mr. Speaker, in closing, I'm proud to be part of this government today. My admiration for my colleagues in the Progressive Conservative caucus is a daily source of inspiration for me. I appreciate the opportunity to take a few moments to talk about the constituency of Peace River and the Department of Tourism and Small Business.

MR. OMAN: Mr. Speaker, in view of the hour, I move that we adjourn the debate.

MR. SPEAKER: Does the Assembly agree with the motion?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, on Monday afternoon it's proposed that the budget debate continue. In the event that not enough members speak long enough in order to carry the afternoon, we would go to second reading of government Bills. In the evening the estimates will be brought in. I believe I've already indicated the order to the hon. Leader of the Opposition: the departments of Education, Transportation, and Energy and Natural Resources.

[At 1 p.m., pursuant to Standing Order 5, the House adjourned to Monday at 2:30 p.m.]