

LEGISLATIVE ASSEMBLY OF ALBERTA**Title: Wednesday, November 12, 1980 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MRS. LeMESSURIER: Mr. Speaker, on November 9, 1980, the Moslem world marked the beginning of the 15th century of history since the Hegira of the prophet Mohammed and his followers from Mecca to Medina.

It was in the early 1900s that the first Moslem pioneers arrived in Alberta. Along with their neighbors from many different parts of the world, they worked together to develop the province so today we might reap the benefits of their experience. The sons and daughters of these early pioneers now occupy important positions in all segments of this country and our society. One of the sons of our early Lebanese pioneers is my colleague the Hon. Larry Shaben, Minister of Utilities and Telephones.

The Moslem community in Alberta prides itself on having built the first mosque in Canada in 1938. With over 20,000 Moslems in Alberta today, that first mosque is giving way to a \$2 million structure which will be operative in the very near future. The Moslem community, which includes members from many different linguistic and cultural groups, should be proud of its accomplishments in the development of the cultural heritage of our province.

Mr. Speaker, it is with great pleasure that I introduce to you, and through you to the members of this Assembly, Mr. Saleem Ganam, Chairman of the 15th Century Hegira Celebration Committee; Mr. Edward Saddy; Dr. Baha Abu-Labin; Mrs. Mary Saddy; and Mr. Alex Owid. I ask that they receive the warm welcome of this Assembly.

MR. SPEAKER: May I draw to the attention of the Assembly the presence in the Speaker's gallery of His Excellency the Ambassador of the Kingdom of Belgium to the Dominion of Canada. This is his farewell visit to western Canada. He is accompanied by the honorary Consul of Belgium, Mr. William Henning, Q.C. Would they kindly stand and receive the welcome of the Assembly.

head: TABLING RETURNS AND REPORTS

MRS. LeMESSURIER: Mr. Speaker, I would like to table with the Legislature, Alberta Culture's 1979-80 annual report.

head: INTRODUCTION OF SPECIAL GUESTS

MR. ISLEY: Mr. Speaker, it's my pleasure today to introduce to you, and through you to the members of the Assembly, 22 grade 11 students from the Glendon school,

located in the village of Glendon in the Bonnyville constituency. They are accompanied today by their teacher Mr. Steve Darichuk, and their bus driver Mr. Johnny Doonanco, whom I've previously introduced to this House since he doubles as mayor of the village. I'd ask that they stand and receive the welcome of the House.

MR. BATIUK: Mr. Speaker, with pleasure today I introduce to you, and through you to the members of the Assembly, seven grade 12 social studies students from Holden. They are accompanied by their teacher Mr. Burden, and their transport operator Mr. Field, and are seated in the members gallery. I would ask them to rise and receive the welcome of the Assembly.

MR. HIEBERT: Mr. Speaker, I wish to introduce to you and to the members of the Assembly 44 grades 5 and 6 students from Terrace Heights school, located in the Edmonton Gold Bar constituency. They are in the members gallery, accompanied by their teachers Mr. Cuyler and Mrs. Derman, and a parent, Mrs. Huisman. I would ask them to rise and accept the warm welcome of the House.

MR. STEWART: Mr. Speaker, this afternoon I'd like to introduce to you 10 young Albertans from Bodo school — they comprise the total junior high group from that school — plus their teacher Mr. Bruce Cline. There are nine students. I would ask that they rise and receive the welcome of the Assembly.

head: MINISTERIAL STATEMENTS**Attorney General**

MR. CRAWFORD: Mr. Speaker, on October 30 the Premier stated that the government of Alberta intended to make a legal challenge to proposals by the federal government to tax the export of Alberta natural gas as set out in the federal budget of October 28.

I would like to inform the Legislative Assembly that an order in council has been issued today, the result of which will be to commence the necessary legal proceedings and to bring the question of the export tax to the Alberta Court of Appeal for a decision.

The questions to be considered by the Court of Appeal relate to the commercial production of natural gas from a well drilled in southern Alberta last September by the provincial government, and the Court of Appeal will be asked to decide whether or not the export tax imposed in the circumstances of this case can be imposed legally by the federal government, under the Canadian constitution.

The province has sole ownership of the mines and minerals, including the natural gas at the site of the well. The natural gas is transported via a pipeline wholly situated within Alberta. Sole ownership of the natural gas is maintained until it is delivered to a purchaser on the Montana side of the Alberta-Montana border.

The questions to be heard by the Court of Appeal are as follows:

- (a) If the tax on exported natural gas imposed under the said legislation is *intra vires* the Parliament of Canada, is the said natural gas that is exported from Canada for use outside Canada liable to taxation under the tax on exported natural gas having regard to the British North America Acts, 1867 [to] 1975, and in particular

sections 117, 125 or 126 of those Acts, or any combination of those sections?

- (b) Is the tax on exported natural gas imposed under the said legislation with respect to the said natural gas that is exported from Canada for use outside Canada, ultra vires the Parliament of Canada, either in whole or in part and, if so, in what particular or particulars and to what extent?

Mr. Speaker, I might mention that the legislation referred to in each of the two legally worded paragraphs, of course, refers to the federal proposals in the budget to amend the excise tax Act.

Mr. Speaker, Section 117 of the British North America Act provides for the ownership by the provinces of their public property, and Section 125 provides that no lands or property belonging to Canada or any provinces shall be liable to taxation. Section 126 assures to the provinces revenues raised by them and appropriated for the public services of the province.

Workers' Health, Safety and Compensation

MR. DIACHUK: Mr. Speaker, last spring the Select Committee on Workers' Compensation, which I was honored to chair, tabled a report in this House. That report contained many recommendations for changes in compensation for Alberta workers. As I mentioned previously in the House, those recommendations are now being reviewed and it is my intention to bring many of them back to the House in the form of legislation next spring.

Mr. Speaker, the select committee also considered the matter of compensation for Alberta farm workers. In its report, the committee requested that all farm organizations have a part in addressing the question. The committee asked that a position paper be prepared and distributed to farm organizations, the agricultural community, and interested parties, for their consideration on participation in workers' compensation. As Agriculture Week has just concluded, I thought it appropriate to remind the agricultural community that we want and need input from farm workers and farm owners on this important question. My office will welcome submissions on this question until September 1, 1981.

head: ORAL QUESTION PERIOD

Provincial and Municipal Policing

MR. R. CLARK: Mr. Speaker, I'd like to direct the first question to the Solicitor General. It deals with a matter that's been raised in the Assembly on a number of occasions, primarily the question of policing of jurisdictions in the province that make use of RCMP services as a result of a contract between that municipality or jurisdiction and the government of Alberta.

My question: is the minister in a position to indicate what agreement was reached between the provinces, specifically Alberta, and the federal government in the recent discussions with regard to cost sharing of RCMP contracts, and specifically, is Alberta going to be getting the full complement of additional RCMP personnel that was asked for?

MR. HARLE: Mr. Speaker, a communique was issued as a result of the meeting in Victoria. Basically to summarize

that, all the ministers responsible in RCMP contract provinces expressed concern about the increases asked for by the federal Solicitor General. There is a meeting in the next couple of weeks, I believe, where officials of the federal department are going to be meeting with their counterparts in the provinces to go into the details. As I indicated in my answer in the House some days ago, until we have those details it will be very difficult to understand fully the implications of the figures mentioned in the telegram sent by the federal Solicitor General to the provinces.

MR. R. CLARK: Mr. Speaker, a supplementary question. Is the minister able to be more definitive on this question of increases? Basically, the initial arrangement was almost a fifty-fifty sharing between Alberta, or the provinces, and the federal government on the cost sharing of RCMP personnel. Is the minister in a position to indicate what target the federal government is shooting at? In fact, is he in a position to indicate whether approximately 75 per cent of the cost is now expected to be picked up by the province? If that is accurate, what's the size of the financial implications for Alberta?

MR. HARLE: Well, as I indicated in my answer some days ago, until we get the actual figures from the federal government, I can't answer that question. They certainly appear to be asking for an increase in costs, from the present 56 per cent to 75 per cent, but 75 per cent of what? Their contract is made up of various factors. It will depend on whether such things as pension benefits and a share of the administration costs in Ottawa are included in those total costs. All these factors have to be gone into before we can tell the actual dollar implications for the province.

In the case of the municipalities, the present contract provides for a sharing of costs between the municipality and the federal government whereby the municipality will pay 56 per cent of the first five men and 86 per cent, I believe, from there on if they employ additional personnel. The figure suggested in the telegram is that the municipalities should pay 90 per cent. But again, we have to get at: 90 per cent of what? We presume we're in a worse position, but we must know the basis of the allocation of costs before we can tell just how much.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. Are the officials of the minister's department in a position to indicate to the municipalities and to this Assembly if Alberta will be getting the number of personnel requested this year to get our RCMP requirements up to, on one hand, what the Department of the Solicitor General feels is adequate for the province's responsibilities and, on the other hand, to meet the legitimate requests from Alberta municipalities? Are we going to get those men and women?

MR. HARLE: I understand from a telegram received from the federal Solicitor General that the Treasury Board has approved the requests for the current year, both for the provincial contract — and I have responded to the federal Solicitor General accepting the increase. I have also indicated to the federal Solicitor General that he should contact the various municipalities regarding the approval the Treasury Board made of increased personnel for the municipal contracts, because obviously they're the ones who are going to have to bear the additional costs. Presumably the federal government will be contacting the

various municipalities with which they have contracts, to see whether those municipalities will accept the cost of those additional personnel.

I might say that the amount approved was the amount of the original request, which was approved by the provincial Solicitor General.

MR. R. CLARK: Mr. Speaker, a further supplementary question. Mr. Minister, I take it from that answer we are going to get the number of personnel the Alberta government has requested. If that's an accurate assessment — and I take from the nodding of the head that it is — that's good news.

My supplementary question, though, is this: in light of the attempt by the federal government to extract additional money from Alberta municipalities for existing and additional RCMP personnel, is the province now considering some sort of program shielding Alberta municipalities from this change of position as far as the federal government is concerned? Because right now is the time of the year, budgetwise, for Alberta municipalities, for their budget year starting January 1 next year. What we need from the minister is some kind of assurance that, yes, we're getting those men but the Alberta government will see that at least for next year, Alberta municipalities will not have to pay additional costs for RCMP protection, regardless of what the feds do.

MR. HARLE: Well, Mr. Speaker, the province did announce a new funding formula for policing in the province, which indicated to the municipalities that the province would be spending \$12 per capita as assistance to municipalities to help them with their contract arrangements with the federal government. The decision as to the amount of moneys which will be available next year will, of course, have to await presentation of the budget next year.

MR. R. CLARK: Mr. Speaker, a supplementary question. Mr. Minister, that announcement won't be a drop in the bucket to help municipalities meet this additional call on their financial resources if we are going to have virtually a 50 per cent increase in the cost of RCMP services to Alberta municipalities.

So once again the question: is the Solicitor General recommending to his colleagues in the government that there be a program shielding Alberta municipalities from this increase?

MR. HARLE: Mr. Speaker, there has been no agreement to accept the suggestions made by the federal Solicitor General.

MR. R. CLARK: Mr. Speaker, a supplementary question then to the minister. If we don't accept the suggestions of the federal government, I assume the alternative is an Alberta police force. Is the Alberta government going to be moving in that direction?

MR. HARLE: Mr. Speaker, I think we're talking about two very different things. There is an existing contract, which provides a mechanism for renewal. Steps have been taken some considerable time ago to proceed in that way. At the present time we're in negotiations, and that is the present situation.

MR. R. CLARK: Mr. Speaker, just one last question to the minister. Taking the minister's own words that the

Alberta government may well not accept the proposal put forward by the federal government, if past experience in dealing with the federal government is any example, we'll be having to go some other route. What is the status now of consideration being given to an Alberta provincial police force?

MR. HARLE: Mr. Speaker, I've indicated on numerous occasions that I think this province should keep all its options open, and I won't go further than that at this time.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. In light of the fact that the federal government has announced that there will be an increase in manpower to Alberta, can the minister indicate if he is giving consideration to getting back from the centralization program the RCMP seems to have in existence now in the rural areas, and getting small detachments back into the small communities, or will this increase just alleviate the increased population that has come into the province?

MR. HARLE: Mr. Speaker, I am sure the increased personnel merely satisfies the need for police as identified when the original submission was made to us by K Division. It certainly would not make a change in the assignments which have been in place. However, it may take into account the fact that we were anticipating some communities entering above the 1,500 population, which would entitle them to ask for an RCMP municipal contract.

We'll have to see what the future holds. We've just had word of the approval from the Treasury Department, through the office of the federal Solicitor General. We'll have to see what allocations are made by the RCMP when they distribute those personnel throughout their municipal contracts, which communities will accept, and whether we will have enough to be able to provide at least some municipal contracts to those growing communities.

DR. BUCK: Mr. Speaker, a supplementary question.

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

DR. BUCK: A supplementary question on the same point to the minister, Mr. Speaker. Can the minister indicate if he is in a position, or has the information available to indicate to the Legislature if the increased complement of men will still leave us 10 per cent, 20 per cent, 25 per cent short of what the minister would like to have for policing in the province?

MR. HARLE: That is somewhat difficult to answer, Mr. Speaker, because we're seeing a fairly high turnover rate. Certainly it depends on whether the resignation rate that has been occurring in the recent past continues. A number of facts would have to be weighed to see whether we are in a position where we can make a gain.

The other factor is that certainly it's encouraging to have the positions approved for this year, but obviously it means that unless there is a change in future years, then all that's happened is that we in Alberta have a lion's share of those presently in the recruiting program.

DR. BUCK: Mr. Speaker, surely the minister knows what he needs in manpower.

MR. SPEAKER: Order please. Possibly we can come back to this topic. A considerable number of members wish to ask their first question.

Federal/Provincial Discussions

MR. R. CLARK: I'll direct my second question very briefly and very concisely to the Premier or the Minister of Federal and Intergovernmental Affairs. I understand that a number of federal cabinet ministers will be making their way to Alberta next week. I further understand that the opportunity has been provided for members of the Alberta government, the Premier, or certain cabinet ministers, to take part in what has the potential to be a rather lively debate on the issues of the constitution and the energy pricing question.

I ask, not totally in jest: what is the position of the Alberta government? Is the Alberta government prepared to meet, I would say, in a rather frank manner for a public debate these federal cabinet ministers coming to Alberta to attempt to win the hearts of Albertans?

MR. LOUGHEED: Mr. Speaker, if the federal ministers choose to come to Alberta and attempt to communicate the federal energy budget and the constitution, and there is an appropriate opportunity for Alberta MLAs to respond as to the deep feelings of the people of Alberta, I am sure few MLAs in the province will reject the opportunity to do so.

MR. R. CLARK: I am sure that's true, Mr. Speaker, but I note the comment made: MLAs. We on this side of the House would be willing to take that opportunity also.

To the Premier, I would hope that didn't exclude the Premier's colleagues in the front bench, who on occasions, it appears, have somewhat more information than some of the backbenchers.

MR. LOUGHEED: I regret if I have given the Leader of the Opposition any thought that that was not the case. My difficulty is constraining the ministers from these opportunities, to spend time on their portfolio obligations.

Liquor Retail Outlets

MR. NOTLEY: Thank you, Mr. Speaker. I'd like to ask the hon. Solicitor General whether the minister has had an opportunity to assess the \$250,000 unconditional 10-year lease with London Pacific Investments Ltd. and the Alberta Liquor Control Board and specifically, whether the minister has had an opportunity to ascertain whether the cost of that contract is \$250,000 or that it may in fact be somewhat higher?

MR. HARLE: Mr. Speaker, I'm not at all familiar with that contract.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Are any directions given by the government to the Alberta Liquor Control Board with respect to the placing of liquor retail outlets, particularly with respect to zoning regulations, in view of the present controversy in the city of Edmonton concerning the Blue Quill shopping centre liquor store?

MR. HARLE: Not really, apart from the requirement that whenever there are certain purchases or sales of land,

they apply under the present legislation for approval by order in council.

MR. NOTLEY: Mr. Speaker, a supplementary question. Will it be the minister's intention to meet with officials of the Liquor Control Board to discuss this matter? In view of the possibility of a loss of funds, which ultimately affects our revenue from the Liquor Control Board, will it be the minister's intention to meet with the officials so he can respond formally in the Legislature?

MR. HARLE: Mr. Speaker, no doubt I will be receiving some briefing on the matter. However, at present it would not be my intention to follow it up unless specifically requested.

School Board Elections

MR. PURDY: Mr. Speaker, I'd like to ask a question of the Attorney General. During the municipal election of October 15 in the town of Spruce Grove, concern was raised regarding the question asked school voters: are you a Protestant or Catholic supporter? Has the minister completed his review of these concerns?

MR. CRAWFORD: Yes, Mr. Speaker. That is certainly a very interesting issue, as it arose at the time of the municipal elections and does raise some important and sensitive questions, as the hon. member noted. So far as it is within my area of responsibility to deal with it, the situation might simply be resolved on the basis that a very careful review of all the legal authorities, including recent court decisions in the province of Alberta, would indicate that if the complaint is in regard to the manner in which the question was asked, that that is a correct way that was followed in the circumstances of that case.

MR. PURDY: Mr. Speaker, a supplementary to the Minister of Labour. Has the Human Rights Commission completed its review into the matter, as to the discrimination of the question?

MR. YOUNG: Mr. Speaker, at this time I am not able to indicate whether in fact a complaint was officially filed with the Alberta Human Rights Commission. I would have to take that as notice and check into it. However, my understanding of the issue is whether the particular requirement, as I understand it, would flow from the British North America Act and, if so, whether it would be a matter which would be the subject of the jurisdiction of the Alberta Human Rights Commission.

MR. PURDY: Mr. Speaker, a final supplementary to the Minister of Education. In view of the answers given by the Attorney General, and that the returning officer for the town of Spruce Grove, Mr. Ibsen, did instruct his election people correctly, will the Minister of Education consider a review of the legislation and appropriate amendments to correct the problem, thus being very specific that the question to be asked during these elections [is], are you a public or separate school supporter?

MR. KING: Unfortunately I'm not at all sure at the moment that such a specific amendment is possible, in view of the provisions of the Alberta Act and the school ordinances of the Northwest Territories. But the department does have the question under review, in consultation, I understand, with the lawyers of the Attorney

General's department, and we are interested in the most equitable resolution possible of the problem.

MR. PURDY: A final, final supplementary to the Minister of Education. Can the minister indicate if he will have information before, say, the spring session on this very important question to many school jurisdictions in the province?

MR. KING: I'm sure I could have information for the jurisdictions by the spring. It would be rather academic, in that I hope a similar situation will not arise until the time of the next municipal and school board elections three years from now. But in answer to the hon. member's question, yes, I could provide information through the school boards in advance of the spring sitting of the Legislature.

Sewage Treatment Plants — Capital Cost

MR. ZAOZIRNY: Mr. Speaker, my question is to the hon. Minister of Environment. It stems from a news release of February 7 from the minister's department, wherein the department requested the city of Calgary to install phosphorus removal facilities at the Bonnybrook and Fish Creek sewage treatment plants.

My question to the minister is simply this: in light of that request for much needed improvements to those facilities, what arrangements for financial assistance to the city of Calgary from the provincial government have been made to facilitate those improvements?

MR. COOKSON: Mr. Speaker, normally under our financing procedure we draft an agreement with the municipality concerned. Then, as they proceed toward the capital construction, we normally make interim payments until the project is completed.

MR. ZAOZIRNY: A supplementary, Mr. Speaker. Is the minister then advising the House that the province of Alberta will be providing financial assistance for this specific undertaking?

MR. COOKSON: That's correct, Mr. Speaker. I think that was made clear in the February announcement.

MR. ZAOZIRNY: Could the minister give some indication as to the extent of that financial assistance? The question is raised in light of indications from the city of Calgary of a very substantial increase in budgetary requirements for sewage treatment facilities for the city of Calgary.

MR. COOKSON: Mr. Speaker, I think I would have to check the specific agreement. We approved and announced publicly a lump sum for a number of municipalities that will be undertaking phosphorus removal over the next interim period. The program was designed primarily for municipalities that at the present time are exempt from our normal water and sewage programs. Since we have a qualifier of something in the area of \$200 per capita, because of the large populations these centres serve and their efficiencies of economy, they do not qualify for our normal water and sewer programs. So the phosphorus removal program was designed in such a way as to assist them in the capital cost. If the question could be placed as a motion for a return, I would look at the specifics.

Natural Gas Pricing

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Utilities and Telephones. In light of recent increases in the cost of natural gas as a result of the PUB hearings and the granting of those increases, plus the federal tax coming on, we previously asked the minister what programs are in place or what programs the minister will be announcing. Can the minister indicate at this time if we will now be able to hear from him if the government is going to look at any kind of protection program for Alberta citizens?

MR. SHABEN: Mr. Speaker, the government announced earlier — I believe it was August 9 — the natural gas price protection plan for Albertans. There was considerable detail in that announcement as to the extent of protection to Albertans, shielding them from increased natural gas costs. The October 28 budget has a different sort of impact on consumers, in that it places a tax of approximately 30 cents per thousand cubic feet on November 1, added to consumers' heating bills. We have legislation that has received first reading, and I'm sure it will be dealt with later in the fall sitting, when members will have an opportunity to discuss the nature of the government's plans for price protection.

DR. BUCK: Mr. Speaker, to the Minister of Social Services and Community Health. Can the minister indicate what programs he has in place, or proposes to put in place, to protect senior citizens from the increased cost of natural gas?

MR. BOGLE: Mr. Speaker, I'm sure the hon. Member for Clover Bar is well aware of the substantial increase this Assembly approved last year, in a supplementary budget way, through the assured income plan for senior citizens, whereby we increased the benefits to those senior citizens very substantially.

DR. BUCK: Maybe I'm aware, but the senior citizens aren't because they keep phoning me asking what the government is going to do. Is the minister's department going to do anything specific immediately to protect those people from the increased price of natural gas?

MR. BOGLE: Well, Mr. Speaker, as the hon. member knows, this department does not have a program based on rebates for utilities. My response was clearly to indicate to the hon. member that those benefits which were approved in the spring sittings of this session have resulted in benefits being passed on to some 68,000 eligible Albertans, I believe, and they are receiving those benefits now.

MR. NOTLEY: A supplementary question to the hon. Minister of Utilities and Telephones. Is the government giving any consideration to some kind of additional assistance or sheltering to senior citizens who are in receipt of the guaranteed income supplement and the Alberta assured income but are not on social assistance *per se*, so that increased shelter costs have to come out of the limited amount of money they otherwise have in their pensions? Is any consideration being given?

MR. SHABEN: Mr. Speaker, the natural gas price protection plan will provide approximately \$160 million worth of price protection to Albertans in the current

fiscal year. Certainly the imposition of the tax on November 1 causes a sudden increase in home heating costs. We're all aware of the rising cost of energy in Canada. We're examining home heating costs in Alberta as they relate to other parts of the country. Our commitment as a government is to keep home heating costs at as low a level as possible. Generally we are confident they are the lowest in Canada.

In terms of the specific effect on senior citizens, the Minister of Social Services and Community Health advised that there are a number of programs, including the property tax reduction plan, the renters' assistance program, the fact that those living in government-supported accommodation pay rent based on 25 per cent of their income. So there are a large number of programs available to assist senior citizens who are on fixed income.

MR. NOTLEY: A supplementary question to the hon. Minister of Utilities and Telephones. We're all aware that different programs are available. The question really relates to whether, in the sheltering plans of the government, any specific consideration will be given to senior citizens — we make specific consideration in other areas, and the minister has pointed to some of them — whether any specific consideration will be given to the increased shelter costs that are going to be facing many senior citizens who are not on social assistance and, as a consequence, the costs aren't picked up by the government and they have to pay their bills out of their guaranteed income supplement and their assured income.

MR. SHABEN: Mr. Speaker, earlier in the fall sittings I commented that we had established our price protection plan with certain known factors on certain information we were confident of. Certainly changes have occurred as a result of the federal budget, and the government will review the price protection plan from time to time in order to assure that Albertans have the lowest home heating costs in Canada.

MRS. CHICHAK: Mr. Speaker, a supplementary to the Minister of Social Services and Community Health. I wonder if the hon. minister would take under consideration making representation to the federal government to increase its old age security support to senior citizens in relation to the increase in home heating cost that is being brought about as a result of the tax measures they are implementing.

MR. BOGLE: Mr. Speaker, I will be meeting with my federal counterpart and other provincial ministers in the early part of December, and this is one of the items to be discussed at that time.

Public Lands Disposal

MR. MANDEVILLE: Thank you, Mr. Speaker. My question is to the Associate Minister of Public Lands and Wildlife. Have any farmers or ranchers who have Crown leases in agriculture and grazing applied for transfer of titles from the Crown to the ranchers or farmers in southern Alberta?

MR. MILLER: Mr. Speaker, to my knowledge they have not.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. What is the policy of the department with

regard to transferring tax recovery land. I'm thinking of the special areas. What policy does the department have with regard to transferring this land to private ownership?

MR. MILLER: Mr. Speaker, I presume the hon. member is asking about transferring of land from a lease basis to an ownership basis. The policy we have is that when Crown land is leased as such, if the lessee of the land asks that it be put up for disposition, the land is posted. A selection committee of the department reviews those who apply for the land that is posted. A selection is made on an interim basis, and at that point an interim award is made, subject to the other unsuccessful applicants applying to the local ADC board, which in turn reviews the disposition that has been made.

MR. MOORE: Mr. Speaker, I wonder if I can supplement that by saying to the hon. member who asked the question that there is a considerable difference in the administration of Crown land, which is administered by the public lands division and the minister responsible, and tax recovery land, which is administered by the Special Areas Board, with the Minister of Municipal Affairs responsible. I'm not sure which land the hon. member was asking his question about, but there is a considerable difference.

MR. MANDEVILLE: A supplementary question to the hon. Minister of Municipal Affairs. It is special areas lands, tax recovery land, that I am thinking of. Ranchers in the Hanna area are making a request to transfer tax recovery land over to title to the ranchers.

MR. MOORE: Mr. Speaker, I hesitated to interrupt earlier, but I thought the hon. member was requesting some information in that regard, and of course the Associate Minister of Public Lands and Wildlife has adequately outlined the situation regarding public land, that is normally referred to as Crown land. Tax recovery land is also public land in the sense that it is vested in the Crown in terms of its responsibility for administration, but really belongs to — if I could put it that way — and is under the ownership of the municipality in which it exists. In this case it's the special areas. In that regard, generally speaking, the policy for many years has been to maintain the tax recovery land as land that's being administered and owned by the Special Areas Board.

Recently, however, leaseholders in the special areas have asked for consideration of transferring to deeded land a portion of the tax recovery land held by them under lease. There have been a number of meetings and discussions in the special areas during the course of the last while, many of which have included the hon. Member for Chinook, who is the MLA representing most of that area. During the course of those discussions, in July of this year, I as the minister responsible put forward a position, if you like, that outlined a policy I thought might be appropriate in transferring these lands. That involved a transfer of up to four quarter sections of land at a price deemed to be an economic price rather than a market value, to individuals who lived and were farming in the area. A copy of that can be provided. That was meant to be the subject of discussion at ratepayers' meetings throughout the special areas, and indeed it has been during the course of the last few months. From that, I've received a number of petitions in my office, some requesting that that proposed policy be altered so the land might be provided to leaseholders at no cost, and

some suggesting that the price I proposed was too high. During the course of the next several months, working with the Associate Minister of Public Lands and Wildlife and the member for that area, it's my intention to respond further to their concerns by way of meetings, and finally to resolve the matter to some extent.

MR. SPEAKER: The hon. Member for Edmonton Mill Woods, followed by the hon. Minister of Energy and Natural Resources, who wishes to deal further with some information that was asked or given last week.

Natural Gas Tax — Legal Proceedings

MR. PAHL: Thank you, Mr. Speaker. My question is to the Attorney General, with reference to the ministerial statement on the legal proceedings against the imposed natural gas export tax. I wonder if he could advise the House as to the expected time frame of this proceeding.

MR. CRAWFORD: Mr. Speaker, time frames for references under The Constitutional Questions Act vary, of course, according to the schedule of the court and the length and complexity of the reference. In light of the importance of the subject matter, though, we will be asking the court to consider giving as early a hearing as possible. As to when that is, we are certainly in the hands of the Court of Appeal, but it's possible that the hearing could be held quite early in the new year.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Attorney General. In view of one of the questions in the reference, the Crown in the right of Canada not being able to tax the Crown in Alberta, has there been any discussion with officials of the city of Medicine Hat, where I believe there is some concern about the federal tax as it relates to gas that is owned, produced, and distributed by the city of Medicine Hat? It would seem to me that that might come under one of the questions being referred.

MR. CRAWFORD: Mr. Speaker, if I respond to that with any particularity, maybe I'd be giving a legal view. I suggest to the hon. member that the question he's raising is whether the municipal government is in the same position as the Crown. I don't think there would be any basis for saying the positions are the same, but perhaps it is possible that some argument might be available to a municipality, which would be similar to the arguments available to the provincial Crown.

Mexican Oil Imports

MR. LEITCH: Mr. Speaker, earlier during the fall sittings the hon. Leader of the Opposition asked me whether the importation of oil from Mexico was leading to a demand for Alberta oil less than our producing capacity. At that time I said I didn't think so, but I would check. He had specifically referred to the months of September and October.

I have now had the opportunity to check, and find that the importation of Mexican oil has not affected the demand for Alberta oil for September and October, Mr. Speaker. The demand was below our producing capacity for essentially two reasons: a build-up of inventory by refiners in eastern Canada and a shut-down for turn-around purposes of those refineries. It may be that in the future we will find Alberta's productive capacity, particu-

larly in heavy oil, being curtailed as a result of two things: a lack of demand for it in the United States and the fact that the oil that could be going down the pipeline to refineries in eastern Canada is being replaced by oil from Mexico. So it may have an impact in future months; it didn't have an impact during September and October, the two months about which he'd asked.

The other question asked by the hon. Leader of the Opposition was whether pressure had been brought to bear on refineries to accept oil imported from Mexico. The answer to that is, yes, irresistible pressure was brought to bear on those refiners. My information is that they were advised by the federal government that if they didn't accept their share of oil from Mexico, they wouldn't be entitled to payments under the oil import compensation program.

ORDERS OF THE DAY

head: **GOVERNMENT MOTIONS**

head: **(Committee of Supply)**

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Will the Committee of Supply please come to order.

ALBERTA HERITAGE SAVINGS TRUST FUND
CAPITAL PROJECTS DIVISION
1981-82 ESTIMATES OF
PROPOSED INVESTMENTS
AND
SUPPLEMENTARY ESTIMATES OF
INVESTMENT (A) 1980-81

Environment

4 — Land Reclamation

DR. BUCK: Mr. Chairman, to the minister. I thought I'd forgotten the question I was going to ask, but it just suddenly came to me at this time. Mr. Minister, I'd like to know just how exotic we are becoming with some of our reclamation projects. I ask that because having returned from that workmen's compensation legislative trip to Germany, their reclamation projects are very, very extensive and some quite exotic. When they dig 20, 30, or 40 feet to recover gravel deposits, they reclaim these and make them into recreational lakes and parks.

I would like to know if the minister can indicate if some of our reclamation projects are that sophisticated or if we have advanced to that stage so far.

MR. COOKSON: Mr. Chairman, normally under the land reclamation procedures, we of course draft an agreement with the municipality. Under our land reclamation procedures in my department, we withhold deposits for reclamation. We assess the area being mined; for example, it could be in the Wabamun area, any number of places downstream on the Battle River, or in areas of not only gravel but also coal.

When we draft the agreement with the party concerned, or if we proceed under our own through an agreement with the municipality, we attempt to reclaim the land to its original condition. In other words, if it was good agricultural land, that's the way we would like to restore

it. However, I suppose it's possible to draft agreements which in effect would say that we want it reclaimed so that it would be used for recreation rather than agriculture, which would be a change of land use. In that respect, we'd draft accordingly.

I think we are probably a little early in the game in terms of reclamation as to designing the areas for a specific use. But I would like to encourage that because there are other uses for land after mining, and it may be preferable to its original intent. In general, we are proceeding in that particular area, but it might be too early in our reclamation procedure to know exactly what our terms will be.

MR. STROMBERG: Thank you, Mr. Chairman. In the Camrose constituency we have an abandoned railroad, commonly referred to as the Camrose-Kingman-Tofield railroad. The CN abandoned that 10 years ago and each year has paid the county of Camrose to spray it for noxious weeds. That this railroad cuts diagonally across each quarter has caused no end of concern to the farmers. Now I think we're within a month's time of the title of that railroad right of way being turned over from the federal government to the province of Alberta. Would the minister consider using the reclamation fund for reclamation of that railroad; in other words, levelling it out, doing away with the trees, and salvaging the gravel?

MR. COOKSON: While it's a good submission by the Member for Camrose, I would have to look at the total detail of the sort of project that might be involved. I don't know as yet of any case through the Heritage Savings Trust Fund where we have reclaimed old railbeds as such. But if the property has reverted to the name of the municipality, the municipality certainly has the right to make a proposal to us. We just take them as they come and try to distribute our work fairly throughout the province.

It may be a worthy suggestion that the member has made. For example, we may not be able to do a total project at one time, but a portion of the project. We'd certainly look at that kind of proposal anyway.

MR. R. CLARK: Mr. Chairman, to the minister. If my memory's accurate, Mr. Minister, when the select committee met with you and your officials, there was some indication that the minister hoped to have a program where we'd be able to reclaim old sewage lagoons and the like. I was not in the House Friday, and if that was mentioned in the course of the introductory comments, simply indicate that to me and I'll check it in *Hansard*. If it isn't the case, are those kinds of facilities — and I cite one in my own riding. The town of Carstairs has just been through a bitter struggle with a surrounding community and now appears to have that virtually resolved, thanks to the good graces of the new town council and the minister's department. But now they have the question of what to do with the old lagoon which is adjacent to the town.

In a general sense, Mr. Minister, would a situation like that be eligible for assistance under this land reclamation vote?

MR. COOKSON: Yes it would, Mr. Chairman. The hon. Leader of the Opposition might be interested in some of the projects that have been carried on. This is the 1980-81 expenditures. This is an audited statement, but I do have a breakdown on some of the work that has been done.

One of the areas we will look at is sewage lagoons. The local authorities should make application. In '80 and '81, so far we have done work for Evansburg, Forestburg, Hanna, Hay Lakes, High Prairie, Irma, Morrin, Onoway, Redcliff, Sangudo, and Brooks. All those towns and/or villages have had work done with regard to restoration of sewage lagoons.

MR. L. CLARK: Thank you, Mr. Chairman. I'd just like to ask the minister if we'll be able to use this fund for reclamation of strip mining that is still in dispute or has never been settled over a long period of time. I believe the minister knows the one I'm talking about.

MR. COOKSON: Yes, that's correct. If we can resolve the dispute in this particular case — and I understand that more information is being gathered on the particular case the Member for Drumheller has raised — we will continue to look at those proposals. If we can resolve ownership and the differences with regard to what happened in the past in this particular case, we'll keep on hammering away at it and, hopefully, we'll be able to resolve it.

MR. NOTLEY: Mr. Chairman, I want to raise a question or two with respect to strip mining as well. But, Mr. Chairman and committee members, I notice that the budget for research is dropping from \$1,680,000 to \$1,350,000 this year. It would seem to me that one of the important elements of this vote would be the research component. I wonder if the minister would break down how the research was in fact expended last year. How much of it is in-house research as far as the department is concerned? To what extent do we make use of consultants, and how many? Why is there a reduction this year between what we propose to spend during the current year and what we propose to spend next year?

Assuming that we deal gradually with these problems from the past when we didn't have proper land reclamation procedures, it strikes me that one of the crucial issues in the future is to make sure that our research is adequate, so that we can use the best possible techniques. The Member for Clover Bar pointed out the situation in Germany. With the potential for coal development we've had a good deal of controversy over Dodds-Round Hill. Of course the government correctly solved that by not proceeding with that particular project. But we have other projects where we have the dispute between the use of the land from a surface point of view as opposed to the extraction of minerals from it. It seems to me that ultimately the money we spend in research is going to be very, very crucial in allowing us to balance those two competing uses for the land in question.

So I wonder if the minister would take some time to detail how we spent the money last year, and why there is a reduction this year.

MR. COOKSON: Mr. Chairman, I have a breakdown that may not answer all the member's questions, but I think it will help to indicate what work is being done in the area of reclamation research. First of all, the research projects generally are handled and processed through the Land Conservation and Reclamation Council. That council is made up of members of different departments that recommend and process. In addition some recommendations come through the environmental research trust, which my department administers, and it may refer them to the reclamation council for study.

To give you an idea of the sort of projects that were undertaken in 1980: in one area, the establishment of biological activity in oil sands, tailings, and coal mining overburden. This study looks at the nature and rate of micro-organism establishment in spoils and the influence of various reclamation treatments in establishing a stable plant/soil system. It includes both lab and field work and studies spoils produced by plains coal mining, mountain and foothill mining, as well as oil sand mining and extraction. That project started some time before '80. At the present time, out of \$119,000 allocated, we are asking for \$26,977 for 1980. The total project itself is about 40 per cent completed.

In other areas, Reclamation Review is a compilation and presentation of all literature pertinent to reclamation in Alberta. It will be a handbook of known techniques and will identify gaps in our current knowledge. In 1980, we spent \$880,000, of which \$20,000 has been allocated. It was 25 per cent completed at the time of this report. We asked for a further apportionment based on the progress we made the year before, and that essentially is where the figure \$1,350,000 comes from. Since it's the '81-82 budget, we cannot yet give you a breakdown in these areas, essentially because of tendering procedures and so on.

In 1980, we spent some money on revegetation of ash disposal areas. This project tests the depth of overburden required to revegetate these disposable sites. Ash overburden mixtures will also be examined. That work is being done in the Forestburg area.

One of the areas of primary concern to us is the problem of water table. We have allocated \$950,000 toward that major study. To date we have spent \$149,000 of that allocation. This study looks at the impacts of surface mining on the regional ground water, geology, and soils. It goes on to document the work done in the area. Critical ground water and geologic parameters will be identified which may allow us to predict the 'reclaimability' of a site prior to mining. This project began in 1979 and, like the previous study, can be expanded to other sites in the future.

A project is going on, again in the Forestburg area, to do with reclamation techniques at the Forestburg south site, to return the post-mining landscape to former levels of agricultural productivity. Treatments include depth of non-sodic overburden placement and so on; there are problems of salt migration on the sloping soils. This is a co-operative study with Manalta Coal, Luscar Ltd., and Alberta Power Limited. The design is a series of factorial analyses of variants so factory interactions can be evaluated. That project, by the way, began in '79 and may be expanded to include more mining sites in the future. It was commenced in '79-80 with field plots. These will be monitored and an annual report will be submitted this year.

Another area we're working on, and \$129,000 has been allocated, of which \$34,000 has been spent, is in the mountains and foothills, dealing with sites where reclamation with present techniques is impossible because the forage and lawn grasses now used in reclamation are poorly adapted. This study is selecting native grasses which are known to invade disturbances.

A joint industry/Alberta government project is proposed — and we have a contract with them — aimed at identifying available soil building materials in the oil sands area and developing methods of combining these materials into productive soils. An organic salinization process dealing with post-mining landscape in Alberta.

Down at Bow City — the country of the Member for Bow Valley — a project is going, a proposal of \$15,000 to be spent, of which we have spent \$3,600. It has an interesting experiment with regard to the physical and chemical changes in stockpiling topsoil. This is an interesting one to me because we allocate saving of topsoil, especially black soil, and this line of research will indicate how long topsoil can be stored before deterioration occurs. I always assumed that topsoil, when stored, would maintain its condition. Whether or not this will disprove that remains to be seen.

We're working with some agricultural and wildlife values after surface mining in the area of reclamation afforestation with hybrid poplar cones. This will produce a final report containing full documentation, treatment histories, and an interpretation of results with implications for reclamation. We have a project dealing with seed propagation in terms of the eastern slopes, where growth is slow at the best of times in many areas. Another project, independent of the Heritage Savings Trust Fund, will assess a program by AOSERP, the organization located at the tar sands, and reports will be required. Another program being worked on is the computer search reclamation bibliography. It involves transposing the reclamation review bibliography to a computer filing system.

I don't think there's anything really significant about the fact that the amount requested for research is down. I certainly agree that we must continue research. In some of these programs, because the province is running full-out, it's sometimes very difficult to get the kind of technical capability to do the research, and we just have to space it out according to that procedure.

MR. NOTLEY: Mr. Chairman, a supplementary question. If we have problems in not having the personnel, that's a different matter. But I would not want some of these programs not to proceed because of funding. I take it we have the assurance from the minister that in actual fact the funding will be there, that that is not the obstacle in terms of the continuation of research.

MR. COOKSON: That's correct. We still have some fund carry-over which we — you know, it's in the mill. So we've budgeted accordingly.

MR. KOWALSKI: Thank you very much, Mr. Chairman. A question to the Minister of Environment with respect to the definition of land reclamation in terms of the definition he has in the document on implementation. It indicates that funds under this particular vote will be used for "research, land purchases, and procedures to prevent surface disturbance". For clarification, question number one is whether drainage projects come under "surface disturbance".

The second question deals with the formula currently used by his department. It's my understanding that in some parts of the province there is a 75:25 cost-sharing between Alberta Environment and various MDs and counties for drainage projects, whereas in other parts of the province the formula is not 75:25 but 50:50. I would appreciate a clarification on whether that is true. The third question is: if it is, is he giving any consideration to changing the formula to be equitable throughout all parts of Alberta on a 75:25 basis, so that there is a fair shake for all citizens of the province, whether they be in the north or the south?

MR. COOKSON: Mr. Chairman, I can answer the last two first since they don't apply to the Heritage Savings Trust Fund — it's whatever the Chairman wishes. The shared costing program comes under my regular budget. As to the proportion, it's under review. The member is correct that there is a difference. However, rather than take the time of the committee on that issue, which is not within the parameters of the Heritage Savings Trust Fund, perhaps I could leave it at that and maybe answer the member at some other time.

[Mr. Purdy in the Chair]

In regard to the drainage question, I would say that land reclamation does not specifically deal with a drainage program. Since we take those under our regular budget, we haven't included drainage to my knowledge. Of course under the Heritage Savings Trust Fund we have the Paddle River project, that deals with water control in a roundabout way. We like to deal with drainage projects separately, unless it's research. Maybe the member has a major project up there we could include under research. You know, I'm not saying that couldn't be looked at possibly. We have areas under the definition that deal with ground water and that sort of thing. If the member has a specific project in mind, I'd be happy to listen to it.

DR. BUCK: My question is also one that the minister may want to answer in the spring when we're looking at the budget. This has to do with reclamation, in a way. Can the minister indicate what studies the minister's department or the Minister of Agriculture have done on sod farms? I ask that because if we take too much of the black soil away, the day may come when we have to look at reclamation projects on some of these farms. I drive up and down that highway three or four times a day, and I find it very difficult to believe that you're only taking a very small amount per lift. I know some of the contracts are between five and 10 years. I'd just like to know if the minister's department has studied the effects of sod farming on the removal of black soils. We may have to reclaim those. That's why I bring it in under this section Mr. Chairman. I'd just like to know if the minister has had some study and if they're monitoring the situation.

MR. COOKSON: To my knowledge we haven't, Mr. Chairman. I think the Member for Clover Bar raises a good point. If I run across anything in terms of our research so far, I'll get back to the member on that point. I think he raised an excellent one. If there is nothing in this area, he may wish to submit something. I'm a little dubious, too, about the ability to maintain the level of black soil by stripping off sod.

Agreed to:

4 — Land Reclamation \$5,000,000

5 — Lesser Slave Lake Outlet

DR. BUCK: Mr. Chairman, a question to the minister. In looking at the estimates and the comparables, can the minister indicate if the program is being phased out, is in a holding pattern, or what is happening with that project?

MR. COOKSON: Mr. Chairman, when we started work on the Lesser Slave Lake outlet, we had in mind a certain

way of handling the problem, based on our engineering study. It was different from what was eventually proposed. In the department's making the recommendation to me, I was quite satisfied in my own mind that if we could do the job and still save the province money, I would be happy to support the new concept. So essentially that, plus delay in the reassessment of the way in which we would approach the problem, basically account for the difference.

DR. BUCK: Is the minister saying we are in a holding pattern?

MR. COOKSON: No, we're well on the road now. The member for the area concerned, the Hon. Larry Shaben, keeps reminding me to keep the thing moving. We have just received a first tender on the first part of the project, somewhere in the area of \$0.5 million. We have to do the internal documentation, but we're hoping within weeks to cut a ribbon, start the bucket in the soil, or whatever. It's launched.

MR. BORSTAD: Mr. Chairman, to the minister. Is that the total amount that's going to be spent on the project and where does the project stand now? Is that going to complete it? When will it be completed? Is it only for river straightening, or what all is involved?

MR. COOKSON: I could bring you up to date on present costs so far in the project, in '80-81. We did the engineering investigations and surveys, the land purchases and engineering design by consultants, the right-of-way clearing portion, and an environmental impact assessment. That all came out of the 1980-81 estimates.

At the present time, Mr. Chairman, we have completed the design and the impact assessment. We have a local advisory committee working closely with us, involving discussions regarding the water levels. We have called tenders for stage 1, which I referred to, which involves two cutoffs on the Lesser Slave River. In 1981-82 we hope to construct six additional what we call meandering cutoffs on the Slave River, and we have the right-of-way negotiations involved. A low-level weir will be installed after these cutoffs are in place; some monitoring also of the rate of river bed degradation. So those will be pending and, hopefully, part of the request for funding for this next year.

MR. BORSTAD: What is the total amount of the project?

MR. COOKSON: Perhaps I can get that information for the member. What you would like is the total estimated cost of the project to completion? Okay.

MR. MACK: Thank you, Mr. Chairman. You've partially answered my query with respect to your comment that there is a local committee working along with the engineers and so on, which is very comforting. For example, if there is any encroachment on the native settlements in that general area or to their livelihood with respect to fishing and so on, has that been addressed in total, or are there areas that may be standing in want?

MR. COOKSON: I don't have the details of the advisory committee. Normally we try to establish advisory committees on these major projects — again, subject to correction. The responsibility of the advisory committee in

this specific case will be to receive all concerns from the citizens involved, and that would include all encompassing people around the lake, which is very large. Based on the recommendations of the advisory committee and the member concerned, we will take into consideration anything we deem reasonable and fair, to deal with individual rights and, specifically in this case, the native rights of the area.

MR. MACK: A supplementary to the minister, Mr. Chairman. Is anything in place, for example, that will keep the community updated by way of information, be they community meetings or literature, so that as the project goes on from stage to stage, they would be apprized of the effects or benefits of the project as it would relate to the community?

MR. COOKSON: Yes, that's correct. That's really part of their responsibility. I will also be apprized of the progress. Certainly if there is any concern not being dealt with by the local advisory committee it will come directly to me or to the Hon. Larry Shaben, who represents the total area.

Agreed to:
5 — Lesser Slave Lake Outlet \$1,929,000

6 — Paddle River Basin Development

MR. KOWALSKI: Thank you very much, Mr. Chairman. To the Minister of Environment I simply want to say a great big thank you, and to say how pleased many of the people who live in northwestern Alberta are with respect to the approval to proceed with very necessary work on the Paddle River.

This project has been a long time coming. Over at least the last three or four decades, hundreds of people have been affected by the periodic ravaging of the Paddle River, continuous flooding and the like. With the efforts of a number of people during the 1970s, we're all very pleased this particular project has come about.

The reservoir that will be constructed will control the water in the Paddle, and I'm pleased to say the work already going on on the Paddle has contributed significantly to water control along the Paddle. When part of northwestern Alberta was afflicted by floods, the Pembina in particular, in June of this year, there was no flooding along the Paddle. I think that is really a positive aspect of the channelization already undertaken.

A number of people would be very proud — one, if he were still in the House, and one, if she were still alive — to know we will have a commitment in the next fiscal year of over \$9 million toward the Paddle. The deceased person is a lady who came to this country as a war bride in 1945, and for nearly 25 years worked darn hard trying to move the previous government to do something along the Paddle. That was not to be, however, and her dream for Paddle River improvements, the dreams of a lady by the name of Mrs. Audrey Porter, now deceased, are finally being arrived at.

The other two people who will be very proud: one is my predecessor, Dr. Hugh Horner, the previous MLA for Barrhead, who worked very hard toward the Paddle River. His efforts should not go unnoticed, nor should the efforts of a colleague of mine who presently sits in the House, the Hon. Peter Trynchy, who worked very well with Dr. Horner and other people toward these im-

provements along the Paddle River basin.

So to the Minister of Environment: our great thanks and appreciation. There has been improvement thus far. Once the reservoir is completed, the water will be controlled, and hundreds of farmers who have been affected in the past by flooding that occurred, not on a yearly basis but every two or three years, and found themselves suffering significant damage, will now be able to look forward with a little greater degree of security to the enhancement of their agricultural environment and certainly to the cash flow they can expect.

So, no question to the Minister of Environment; just a grateful thank you.

Agreed to:
6 — Paddle River Basin Development \$9,182,000

MR. DEPUTY CHAIRMAN: We have a supplementary.

Agreed to:
3a — Irrigation Headworks Improvement [\$4,500,000]

MR. COOKSON: I move that the votes of the Heritage Savings Trust Fund be reported.

[Motion carried]

Education

MR. DEPUTY CHAIRMAN: There is no main estimate, but there is a supplementary.

Agreed to:
1a — Alberta Heritage Learning Resources \$1,150,000

MR. KING: Mr. Chairman, I move that the vote be reported.

[Motion carried]

Advanced Education and Manpower

1 — Alberta Heritage Scholarship Fund

MR. HORSMAN: Mr. Chairman, in dealing first with vote 1, the Alberta Heritage Scholarship Fund, I don't believe it necessary to repeat the remarks I have made, either by way of the news conference earlier this fall or, indeed, in the House on October 21, 1980, on the motion then on the Order Paper by the hon. Member for Calgary Buffalo. Suffice it to say that at this stage the response from Albertans has been dramatic and overwhelmingly in favor of our proposal to proceed with the establishment of this fund.

I want to indicate once again how grateful I am that the Hon. Grant MacEwan, a former member of this Assembly and former Lieutenant-Governor of this province, has agreed to assist me and my department in the naming of each division after an historical figure who has contributed to the life of this province in a very substantial way. The first, the Sir Frederick Haultain prize of \$25,000 each, to be awarded in three different areas, will be a very great impetus to Albertans to make their achievements known not only to us but to other Canadians, and indeed throughout the world. I believe this will rank us among the most dramatic and exciting prizes to be awarded for achievement anywhere in the world.

Mr. Chairman, of course a number of matters have yet

to be dealt with in terms of the scholarship fund; particularly, as I indicated in my remarks on October 21, we have the subject of the athletic scholarships. I know the committee which will be working on this under the chairmanship of Dr. Maury Van Vliet has a very major responsibility to come forward with recommendations, which when decided upon and accepted by the department and the Students Finance Board, can be distributed and discussed by members of the Assembly.

Mr. Speaker, with regard to the \$100 million, I want to emphasize once again that we expect the interest earned on deposit of those amounts will be well over \$10 million in the first year of operation of the fund. From that income we expect to spend something in the neighborhood of \$5.3 million. The balance will be added to the \$100 million, and we expect that in the first several years the fund will therefore be able to grow. That will permit increased income to flow into the various programs of the fund, thus enabling us to keep abreast of the effects of inflation to some extent and, furthermore, to permit expansion of the various components, as with more and more students entering postsecondary institutions as our population grows, we expect we will be able to accommodate more than the numbers set out as the first year's target.

For example, with regard to scholarships available to students just leaving the secondary system and entering the postsecondary system, while we have targeted the number to be approximately 1,300 in the first year of the operation of the fund, we anticipate that in future years that number will grow. Likewise, the undergraduate scholarships of \$3,000 each. We anticipate that not only will the amount increase as things progress, but the number of postsecondary students receiving those scholarships will increase accordingly.

Therefore I want to clear up some confusion that has arisen in some quarters that we are anticipating a return on the investment of only 5.3 per cent. I regret that some people have been unable to interpret the news release I issued. They have misconstrued that figure and are indeed putting it about that we are going to be earning only 5.3 per cent on this investment. Mr. Chairman, that certainly is not the case.

With those comments, and keeping in mind the remarks I made with respect to the scholarship proposal in the news announcement, which all members have received, and my remarks on the motion which we previously debated during the course of the session, I will be pleased to answer any questions with respect to this element of my proposal.

MR. HIEBERT: Mr. Chairman, certainly I would like to commend the minister for bringing forth the scholarship program. I note that the objective indicates the program of scholarships will be provided in legislation next spring. Will Dr. Van Vliet's report on the athletic scholarship component be ready in time to be incorporated in this legislation?

MR. HORSMAN: Mr. Chairman, that certainly is the intention: to proceed to have a much clearer definition of the various components of this scholarship project by the time the legislation is introduced in the spring of 1981. We know that the scholarships relating to athletics and recreation will probably require the greatest amount of attention, since they are new in concept. The work Dr. Van Vliet and his committee will be carrying out will be

very important. Therefore we certainly will require their comments before the legislation is introduced.

MR. COOK: Mr. Chairman, I wonder if I might direct a question to the minister. First of all, can I congratulate him for, I think, a highly innovative program? It's very imaginative, and the minister deserves a lot of credit.

Mr. Minister, could you indicate . . .

MR. DEPUTY CHAIRMAN: Would the member use the ordinary parliamentary language, please.

MR. COOK: I'm sorry. I thought we were in committee, Mr. Chairman.

Mr. Chairman, I wonder if the minister could indicate to the Assembly how outstanding graduate students might benefit from the scholarship grants in attracting outstanding graduate students to the province of Alberta. I'm thinking in particular of the Physics Department at the University of Alberta, which is trying to attract graduate students, who do perform a fair number of teaching and research duties. They are in great demand. Could the minister indicate for the Physics Department how it might be able to use this scholarship funding in order to attract outstanding Canadian and Alberta students to the University of Alberta?

MR. DEPUTY CHAIRMAN: Before the minister answers, I'd like to remind the Member for Edmonton Glengarry that the rules of the Assembly are also the rules of the committee.

MR. HORSMAN: Mr. Chairman, in answer to the questions, I think I should perhaps deal quickly with what we call the awards of distinction. This is one of the elements. First of all, the name of the scholarship is yet to be determined. That particular element will be available to students in graduate or extended professional programs outside Alberta, the objective of which is to reward academic excellence and provide outstanding Albertans with the opportunity to study at prestigious institutions elsewhere in the world. The effective date of this, as other programs, will be September 1981, and it will be available to graduate and extended professional programs approved by the Students Finance Board. It certainly would apply to the specific area mentioned by the hon. member.

There will be two awards per student. For those involved at the masters and professional level, it will be \$10,000, and if they obtain it, in the following year at the doctoral level, \$15,000. The number of scholarships will be 20. These will be tenable at institutions outside Alberta approved by the Students Finance Board, and Alberta residents will be eligible.

The next element is similar scholarships in both intent and amounts. These will be 20 as well. These will be tenable at Alberta universities. Those eligible will be Canadian citizens or permanent residents, these being landed immigrants of course. They will have to demonstrate high academic achievement and be full-time students registered in graduate or extended professional programs. The candidates will be selected by the universities. By this means we anticipate attracting to Alberta scholars of eminent note in other parts of Canada.

MR. COOK: Mr. Chairman, I wonder if I could ask a supplementary question. Presuming, for example, the case of the Faculty of Science and the Department of Physics in particular, how would the Physics Department

attract an outstanding first year masters student who is considering coming to the university but also has offers from Queen's, Toronto, or UBC? How can the Physics Department try to tie a perspective graduate student who would be an outstanding addition to the faculty, recognizing that graduate students teach and perform research — how could the university, and the Physics Department in particular, attract such an individual without that person perhaps being registered yet. I'm thinking of the case of an individual who has three or four offers from three or four universities, and the university might consider trying to put together a package to entice him to the University of Alberta.

MR. HORSMAN: Without going too much into the details of the process, Mr. Chairman, the type of situation suggested by the hon. member would relate to the second of the two elements I just described. The application procedure would be that the candidate, who would presumably be studying at another Canadian institution or, as a Canadian citizen, studying anywhere else — the university would have to make the decision whether they wished to make the offer to that particular student. Therefore the Department of Physics would have to work through the University of Alberta, since you referred to that one specifically, and that university would have to decide whether to make the offer to the student based on their own internal decisions. It would not be a decision of the Students Finance Board. In other words, the Students Finance Board will be dealing directly with the institutions and not with the various departments or faculties of each institution. That would be an internal decision made by each institution. Does that answer the question?

MR. COOK: One further supplementary, Mr. Chairman. Could the minister indicate whether the awards will be awarded on the basis of so many being allotted to an institution, or will they be based on the individual merits of prospective candidates?

MR. HORSMAN: Mr. Chairman, without absolutely wishing to bind the recommendations of the Students Finance Board, I would suggest that the Students Finance Board will allocate the number of scholarships to each institution based upon the requests of those institutions. With regard to graduate studies, at this stage — although it may very well be possible in the future, particularly in the field of education — the University of Lethbridge is not a graduate school. Therefore it's likely that the universities of Alberta and Calgary would be those applying for a certain number of scholarships in this field. There would have to be some balancing by the Students Finance Board, based upon the requests made by the institutions and perhaps on the basis of the qualifications of those they wish to attract, although that is getting into a fair amount of detail.

At this stage, it would be hard to answer. I would want the Students Finance Board to make recommendations to us as to how they anticipate administering these various elements. I would suggest that's one possible means, and the likely means, but I wouldn't want to restrict the Students Finance Board at this stage in the recommendations they put forward.

MR. R. CLARK: Mr. Chairman, I apologize. I was out during the initial portion of the debate. If the minister covered this matter, just simply say so and I can check it in *Hansard*.

Mr. Minister, I recall the announcement which was made, and would say that I for one commend the minister and the government for moving in this direction. That may sound like rather complimentary words from a strange place in the House, but I think most members of the select committee, last year when we spent a considerable portion of time — frankly, I think it's one of the things the select committee can look at and point to with a certain amount of pride as a matter that we had considerable impact on.

One of the concerns I had, Mr. Minister, relates to the part you may have already touched on. There is very often a tendency for assistance like this to end up in graduate and postgraduate areas. If we could, Mr. Minister, I'd like to get some kind of indication, so that it's in *Hansard*, as to the portion of the available funding we see being made available for undergraduate students at university, the portions we expect for students at technical schools, and I'd be less than frank if I didn't also say for community colleges. I know there's been a pretty deeply held feeling — of course, whether it's valid is another question — as to what portion of funds go into graduate work. Quite often, students who aren't going to university feel that college and technical school students simply don't get as good an opportunity as they should. I'd appreciate that information, Mr. Chairman.

MR. HORSMAN: Yes, Mr. Chairman, perhaps it would be useful to have that on the record. With regard to the various awards, the first one, awards of distinction to students in graduate or extended professional programs outside Alberta: there would be 20 such awards of \$10,000 at the masters and professional level and \$15,000 at the doctoral level. That would account for approximately \$250,000 per year. The next one would be for students wishing to come to Alberta. That would be a like amount.

The high school achievement awards: these are the areas that would have the most direct impact on the colleges system, because these awards will be provided to those Alberta residents who enrol in approved postsecondary programs. Those who achieve 80 per cent or better in grade 10 would receive \$300; grade 11, \$500; and grade 12, \$700; for a total of \$1,500. That amount would be available wherever they wish to take the awards, be it to the colleges, technical institutions, or universities. So there we cover the top students, no matter where they wish to take the money and put it to use. There would be about 1,300 of those awards. Just quickly calculating that — I'm sorry, I should have. I'm not very good at this quick calculation in my head, Mr. Chairman. At any rate, that would be the greatest number of awards and would therefore cover the most territory.

Next would be undergraduate achievement awards. There would be 500 of these at \$3,000 each, which comes to about \$1.5 million unless my mathematics fail me once again. Awards to outstanding Albertans: there would be three at \$75,000 a year. Then a set of awards of \$75,000, which are unallocated yet, that would be open proposals. There would be career development scholarships for short-term and part-time study. That amount is open at this stage as well, but as I recall would probably be in the neighborhood of \$200,000. The athletic and recreational scholarships will be \$1 million.

So indeed the great bulk of the awards would be made to students leaving the secondary system and entering the postsecondary system in year one. The next largest number would be for undergraduate students at about

\$1.5 million, or \$3,000 each for 500 awards. The balance would be made up by athletic scholarships and recreational scholarships, being the next largest amount, the graduate awards being less in number.

I hope that answers the hon. member. Perhaps while he's asking a supplementary I could do my quick calculation over again.

MR. R. CLARK: Mr. Chairman, my quick calculation is almost \$2 million, but I may need the course too.

Mr. Minister, so we get some idea of the numbers we're grappling with, roughly speaking, how many students do we have now in the postsecondary system? Would 40,000 be a ballpark figure? I'm trying to get some kind of grasp. If I copied the figures down correctly, we're looking at perhaps 2,000 students a year benefiting out of a pool of about 40,000, about 5 per cent. Do those figures really meet the objectives the government aimed at?

MR. HORSMAN: Mr. Chairman, we are aiming at approximately the top 5 per cent of students, those who achieve in the upper levels. Of course as the fund grows, we anticipate that percentage may grow somewhat. But, because we have never done this before, we are somewhat uncertain at this stage as to the number that will take up the available funds with respect to entering postsecondary education, because there will be a number of students entitled to the funds who do not proceed into the postsecondary system. It is only when they enter the postsecondary system that they draw down the funds. We estimate that to be 1,300. It may be more. If so, we will accommodate those. But we anticipate that we're talking about the top 5 to 6 per cent of students in the postsecondary system.

MR. R. CLARK: Mr. Minister, with regard to students in grades 10, 11, and 12, I assume the department is going to be very aggressive in getting this information into the hands of school jurisdictions across the province, counselors, and so on. It will be one means that will motivate at least some students to do better academically. But the real question I want to ask is: does a student have to go directly from grade 12 to a postsecondary institution? Or can a student wait, go out and work for a year, two, or three, then go to SAIT, for example, and, if they're eligible for the \$1,500, collect it then?

MR. HORSMAN: Mr. Chairman, it certainly would be our intention that whenever the students decide to enter the postsecondary system — either in Alberta or elsewhere, if that's their decision — to make that money available to them and not require them, as a matter of course, to take the first year immediately after their secondary studies.

While I'm on my feet I should say that I found the column indicating the exact amounts. Perhaps for the record, I'll read them in. For the first two elements I mentioned, the awards of distinction to graduate and professional faculty students — both elements I have discussed earlier, those studying either outside Alberta or within — the amount in '81-82 will be \$500,000; for high school achievement awards, \$1.875 million; for undergraduate achievement awards, \$1.5 million; for excellence awards, \$75,000; for open proposals, \$75,000; for career development scholarships, \$250,000 — I think I said \$200,000, but it is \$250,000 — and for athletic and recreational scholarships, \$1 million; for the total of \$5.275 million.

MR. R. CLARK: If I might follow along, Mr. Minister, the total amount we mentioned was in excess of \$5 million. We have a \$100 million fund, if I understand the announcement correctly. How are the funds to be handled? Will it be done by the Treasury people? It would seem to me that one wouldn't be overstepping the bounds if we were to make a projection, albeit rather conservative, of \$10 million being available yearly. When does the department or the minister expect to be in a position of really meeting the full expectation of the fund and getting that \$10 million — let's put it this way, the total earnings, so we don't get involved in an argument as to what the fund should return; perhaps that's an argument for a different occasion — the total earnings in scholarships?

MR. HORSMAN: Mr. Chairman, I think I dealt with that before the hon. member came into the House. I indicated that we had not allocated the full amount in the first year, with the hope that the fund would grow so that we could accommodate the effects of inflation and accommodate some growth in the numbers and amounts of the awards in future years. So while I dealt with this subject of 5.3 per cent income from the fund, invested properly, as it will be by the Provincial Treasurer, obviously it will be earning more than that, given today's market.

Agreed to:

1 — Alberta Heritage Scholarship Fund \$100,000,000

2 — Library Development

MR. R. CLARK: Mr. Chairman, might I just ask the minister how long we expect this to continue? Obviously the need is there. I won't get involved again in making the argument as to whether this should come out of the operating budget or here. Are we now seeing this as a continuing feature of the fund every year?

MR. HORSMAN: Mr. Chairman, when the matter was originally approved by the Assembly, it was to be a three-year period. No extension beyond that is being sought now. The first year of that three-year program was '79-80. So we are now asking for funding for the second of those years, '80-81. At this stage we are not proposing anything beyond the three-year program.

MR. R. CLARK: Mr. Minister, I take it the view of the government is that spending this amount here, plus an additional portion, will in fact get the libraries in the postsecondary educational institutions into a position where they'll meet the needs of the 1980s. It seems to me, if that's the government's position, to make that known rather quickly to the people in the postsecondary education community, especially university people. When this program winds down one year from now, will we be looking at some additional funding for the library component of the operating grant, especially for the universities?

MR. HORSMAN: Mr. Chairman, I can assure the hon. member and members of the House that we shall be in careful consultation with the Universities Co-ordinating Council, the chairman, and the board governors and presidents of the colleges, as to how they might be appropriately funded. But at this stage it is not the intention to move towards specific funding from the operating funds

provided to the various institutions, rather to continue to provide global budgeting, from which they will make appropriate allocations to the various components within the institutions. That's not to say that special cases cannot and have not been made in the past, and no doubt will be made in the future.

MR. NOTLEY: Mr. Chairman, if I could just follow along for a moment. In terms of the allocation of \$3 million last year and the \$3.288 million this year, is it done on the basis of a per-student grant or is there some kind of formula? Secondly, who makes the decision? If it's made by the minister, on whose recommendations? You're dealing with all the public colleges and the universities. It would seem to me that the way in which to allocate the funds is reasonably important. I didn't ask this question last year. I'd be interested in how that matter is being handled.

MR. HORSMAN: The allocation process is done by the department in consultation with the Universities Coordinating Council, the council of college presidents, and the governing boards. Initial allocations are made between the universities and the colleges sector. That allocation has been based on historical expenditures, learning materials, and some value judgments, after consultation, concerning the relative stages of library developments at the various institutions.

For 1979-80 and '80-81, the allocations for the universities and the Banff Centre are 62 per cent, and for the public colleges, 38 per cent. The amounts allocated to individual institutions were determined taking into consideration such factors as enrolments, which is one of the factors the hon. member brought forward, the types of programs offered, past expenditures on learning materials, the location of the institution, and some assessment of the extent to which upgrading of the collections may be required. The allocations were made on that basis.

I should advise that I can make the exact amounts available to members of the House for each of the various institutions in each of the two component parts of the system.

MR. NOTLEY: Mr. Chairman, I think that information would be helpful. We don't need it today before passing the appropriation, but if the minister would make it available it would be helpful.

I understand that in the case of the colleges, for example, once you decide that 38 per cent is going to the college sector, before making any allocation all the presidents would meet and would collectively make a recommendation to the department, and that would be followed. Frankly, is it really possible to get agreement among the presidents? Or is it necessary for the department to make arbitrary allocations among the different institutions?

MR. HORSMAN: Mr. Chairman, there has been very good rapport with the college presidents and the boards of governors. There is some differentiation. The type of library materials required depends a great deal on the programming. To date, I've had no complaint whatsoever from any of the institutions that they feel they've been unfairly treated. If I were ever to get such representations, I would certainly listen very carefully and try to make appropriate adjustments. But some decision has to be made, and so far I've had no complaints whatsoever

about the method or the amounts that have been allocated. The only concern I've had is that they can't utilize the funds for building more stacks and storage space. But that's something I hope to address at another time and another place.

Agreed to:

2 — Library Development \$3,288,000

MR. HORSMAN: Mr. Chairman, I move the votes be reported.

[Motion carried]

Energy and Natural Resources

1 — Alberta Oil Sands Technology and Research Authority

MR. DEPUTY CHAIRMAN: Total amount to be voted, \$41 million. Are you agreed?

MR. R. CLARK: Mr. Chairman, I think we'd be less than fulfilling our responsibilities if we let \$41 million slide past quite that quickly. Notwithstanding that we've asked the minister to do this in the committee, some sort of overview as to the kind of work that the Alberta Oil Sands Technology and Research Authority is involved in; also, Mr. Minister, what impact is the impasse between Alberta and the federal government likely to have on the kind of work AOSTRA is funding here?

MR. LEITCH: Mr. Chairman, I think it is too early to make an assessment, which the hon. Leader of the Opposition is asking for, of the impact on AOSTRA's future of the federal energy program and the budget.

With respect to an overview of what AOSTRA is doing, Mr. Chairman, I don't know what the hon. Leader of the Opposition would like me to touch on. There is of course in the annual reports of AOSTRA, which I file in the Assembly, a very comprehensive review of what they are doing. In respect of this vote, the major expenditures would be in the research projects that are outlined in the annual report. In addition to that, of course, they fund research at the universities, and in other ways. For example, some of the money is expended in connection with the exchange of technical information. We've entered into an agreement with Venezuela, for example, to exchange technical information and to exchange people.

I can run through the annual report. But as that information is available to all members of the committee, I'm not sure that anything useful is served by my doing that.

MR. R. CLARK: I think there would be some useful purpose served if we had an update on the Venezuelan exchange of information and personnel.

MR. LEITCH: Mr. Chairman, I'm not precisely sure of where that stands at the moment. I did discuss it with Dr. Bowman not long ago, but I'm not sure that my memory of that discussion would enable me to give details as to where we stand at the moment. I know some information is being exchanged, and I know arrangements were made to exchange personnel, but exactly where they are at the moment I couldn't tell the committee.

It is something I'm very supportive of. I think it's of real benefit to us, not only to be getting information from other areas in the world which have similar resources to

those found in Alberta, but of course it is of real help to Alberta to be the depository, if you like, of technological information that other areas of the world find valuable.

MR. R. CLARK: Mr. Chairman, I might ask the minister to make available to us the information on the Venezuelan situation, perhaps by means of memo.

MR. LEITCH: I'll do that, Mr. Chairman.

MR. R. CLARK: Secondly, Mr. Chairman, I believe it was in the last 15 months that AOSTRA was one of a number of organizations which held an oil sands conference in the province of Alberta. Venezuela was actively involved, yes, but I would ask the minister, as a result of his discussion with Dr. Bowman, what other areas of the world Alberta has had some discussions with with regard to exchange of technology.

MR. LEITCH: Well, Mr. Chairman, AOSTRA officials have had discussions with a number of other countries with regard to technological information. As to actual agreements, the other one I recall involves the United States. As I remember, the province of Saskatchewan is involved and, I believe, the federal government in exchange of technological information. On a number of occasions representatives from AOSTRA have gone to look at other projects in the world. I think we've had discussions with people from Madagascar; that's one that comes to my mind immediately. I think generally they are in contact with any areas in the world where there is work that may be of assistance to Alberta in connection with the oil sands, heavy oil, or the carbonate deposit, but I'm not sure I can cover from memory all the ones with whom they've had discussions.

MR. NOTLEY: Mr. Chairman, I have several questions. First of all, I wonder if the minister would bring the committee up to date where the Shell project in Peace River stands now. The opening was almost a year ago, I guess. I'd like to know the general policy in the case of a project like the Shell one in Peace River should a major plant proceed using the technology that is jointly developed. I realize that AOSTRA would retain ownership of the technology and the company that is participating with us, as I understand the plan, would have access to that technology for a period of time. I don't think we have ever come to a point where an AOSTRA project has led to a major development *per se*. It really raises the question of the negotiation of the commercial terms and the royalty arrangements if they're in fact using procedures that have been developed partly by public funds. So I wonder to what extent the government has addressed that question.

The third question is on the issue of the oil shales in the United States. What sharing of information has taken place between AOSTRA and the American government or the state of Colorado on the oil shales? Some years ago there was a good deal of concern that the oil shales were going to be developed overnight, but I think that's going to be somewhat of a long-range project. To what extent is there an opportunity for Alberta to market in the United States some of the expertise and scientific knowledge we've developed through this program? Or is there enough of a comparable situation to make our research applicable, or partially applicable, in the case of the oil shales in the United States?

MR. LEITCH: Mr. Chairman, with respect to the Shell project in Peace River, it is proceeding. I don't know that I can give a more precise answer than that. With respect to the question as to what policy would be applicable if that or a similar project proceeded from the experimental stage to the stage of a further research project or perhaps a full-scale commercial development, that has not been settled upon yet. I would think we wouldn't want to settle upon it until we were actually in the process of discussing a full-scale commercial development. The hon. member is correct, Mr. Chairman, in saying that as a result of its contribution to the project cost, the industry partner in each of these projects is entitled to use the technology free of charge, whereas in exchange for its contribution to the project cost AOSTRA has the marketing rights for that technology with respect to others.

That being so, Mr. Chairman, while we haven't yet arrived at a policy, I doubt that the considerations applicable to a plant arising from the technology developed on one of these research projects would be any different from the approach we would take with respect to any other project in respect of the commercial terms. As I say, the technology has been acquired as a result of the contribution of the experimental project costs. I would not think, therefore, it would play a major role in determining what policy should be applicable if we go from the experimental stage to the actual commercial plant stage.

The final question with respect to the oil shale: there are of course discussions between AOSTRA and persons in the United States with respect to the technology. I don't think we have progressed far enough to be able to make any assessment as to how much of the technology AOSTRA has developed might be of value to the United States in its shale development. There are, of course, quite different characteristics, and I expect the processes for the development of synthetic oil will be quite different from the processes we're using in the sands. Some of the research work we're doing may well be marketable in the United States, but I think it's too early to make that assessment.

MR. NOTLEY: Mr. Chairman, one other question. Obviously with the major projects, we're some distance from being able to market any kind of technology. Has there been, however, any significant marketing of some of the technology as a consequence of the smaller projects in the five or six years that AOSTRA has been in business?

MR. LEITCH: There has been some, Mr. Chairman, but in comparison with the expenditures by AOSTRA it would be a very nominal amount. But again, I think the hon. member answered his question in the phrasing of it, in a sense, as it is much too early to form opinions on what revenues might be received from AOSTRA as a result of marketing the technology arising from the various research programs it supports.

Agreed to:

Vote 1 — Alberta Oil Sands Technology and Research Authority	\$41,000,000
Vote 2 — Conventional Oil Enhanced Recovery Program	\$20,000,000

3 — Alberta Reforestation Nursery

MR. LEITCH: Mr. Chairman, perhaps I should make

some preliminary comments in connection with this vote, and advise members of the committee that this would be an expansion of the nursery, not funds required for the completion of the nursery. Members may recall that the original design of the nursery would have provided for 20 million seedlings per year. It is now our assessment that we can increase that by 1983 to about 29 million seedlings per year. But the forecast of our requirement by 1984 is significantly higher than that. That increased requirement arises from, for example, such things as the recent allocation of timber in the Berland-Fox Creek area and increased harvesting by quota holders. Our judgment is that the requirement for seedlings is going to be significantly higher than what we'll be able to produce. This would enable us to expand the production capacity of the nursery by 1984, as I recall, to about 36 million seedlings per year.

Agreed to:

Vote 3 — Alberta Reforestation Nursery	\$1,765,000
Vote 4 — Maintaining Our Forests	\$4,988,000
Vote 5 — Grazing Reserves Development	\$8,755,655

MR. LEITCH: Mr. Chairman, I move that the votes be reported.

[Motion carried]

Executive Council

Worker's Health, Safety and Compensation

1 — Occupational Health and Safety Research and Education

MR. DEPUTY CHAIRMAN: Has the minister any opening comments?

MR. DIACHUK: Mr. Chairman, I want to mention that the Occupational Health and Safety Council, which is now actively involved in many areas of health and safety, would be the body looking at all applications and considerations coming before us for any of the projects and programs. The several staff members projected here under manpower would be on contract, not permanent staff.

MR. NOTLEY: I certainly intend to support the appropriation, but I think we should take just a little more time and perhaps get some more information from the government on this particular appropriation.

First of all, the minister said "several". Does that mean two, three, four? I'd like to know what we are talking about. Where are we going to find these people? Does he have anyone in mind? If he does, perhaps he could advise the committee.

I'd like to know what the relationship would be between the Occupational Health and Safety Council and the firms that are obviously participating with the government in this program. What are we going to be picking up here? Will there be any capital investments? Will it be picking up the costs of experimental safety programs? Or is it going to be totally left up to the people who apply and then the Occupational Health and Safety Council is going to be making recommendations to the Minister? I think we should have some indication.

I would also like to get from the minister, perhaps in this particular discussion, some indication as to where we stand with questions raised in the House the other day on

the McIntyre Porcupine thing, whether we'd be giving some priority to safety in our underground mines. Without prejudging what that final public report will bring forward, some of the testimony is hair-raising. It seems to me that at the very least it raises the issue of better standards. If we're talking about this kind of research, the coal industry is one area where I would expect to see some fairly prompt and early commitment on behalf of the people administering this fund.

In view of the importance of it, Mr. Chairman, I think the minister should take some considerable time to outline what the government has in mind on this new initiative.

MR. DIACHUK: Mr. Chairman, I indicated "several". We're looking at a staff of three on contract: an administrator, a research assistant, and a clerk-typist, who would work under contract to be able to assist and fulfil any inquiries and needs of the Occupational Health and Safety Council, because the council doesn't have a staff. The staff that assist the council are the present staff of the occupational health and safety division. So we're looking at the three of them, and that's why we've budgeted manpower at \$60,500, as you see in the estimates.

I don't yet have any specific information on who, Mr. Chairman, because I'm waiting for these estimates to be approved. Once this is approved, I will be sitting down and looking at the type of people, and no doubt will be again turning to the Occupational Health and Safety Council, which have been meeting quite regularly, monthly, on many of the other programs that are before them and share with them. Their next meeting is due at the end of this month.

The participating firms: we now have some information on some participation in our research program, and it's under our present budget. The Alberta Federation of Labour has a grant they're working on; the trucking industry has; the Alberta Safety Council has some funding jointly from my division and the Department of Transportation. I don't have any information on which new ones would come before, but these are the kinds of organizations we are looking to for new input and new ideas, and in the course of this budget would be expanded, giving them an opportunity to be involved in the research and education they are presently involved in on a more limited scope.

I don't look at any capital costs, other than the required supplies and the small fixed assets the administrator would require, such as office equipment and so forth. I'm hopeful some of this will be done in conjunction with some of the postsecondary institutions, particularly the success we have at Grant MacEwan and Mount Royal colleges with our occupational health and safety program. There's interest from those organizations. That will be carried out jointly with the Minister of Advanced Education and Manpower and his department. There is presently some discussion. Other than the organizations that are presently in some of the research and education, I look to the involvement of the postsecondary institutions across the province.

As to the inquiry about the McIntyre Porcupine safety program, I would really expect something may be recommended. But I would not wish to make any comments on it now because the hearings were just completed last week and the commissioner has to bring forward a report by the end of the season. I would hope the hon. member isn't asking me to make any comments on the hearings or what I may speculate may be in the report.

I would welcome the coal owner's association if they see a need for any program, to come forward with a recommendation. This would be considered by the council and my office.

MR. NOTLEY: Mr. Chairman, if I could just follow that along. Certainly working closely with the Safety Council, the trucking industry, and the Alberta Federation of Labour is commendable, and I think a good deal of education and research could be undertaken that way. But I note "training". I would assume that this is going to involve a possibility of the private sector being involved company by company at some point. In other words, if you're launching some kind of training program, it seems to me you would want to do that not just in a Grant MacEwan college, but you might very well want to do that on the shop floor someplace in Alberta. I guess that's the thing I'd like to have the minister expand upon.

What role does the government see for the private sector in looking at its operation and saying: Okay, perhaps we can make changes that would improve our operation here; we're not quite sure; we've got some ideas, but we think those ideas would be useful in improving the general level of safety in our operation. Can these people come to the Occupational Health and Safety Council and say, all right, we'd like to make an application for a project of, say, \$50,000 or whatever the case may be, to undertake a program in a particular company? Or are we going to be designating most of the funds through either postsecondary institutions or public or quasi-public organizations?

MR. DIACHUK: Mr. Chairman, I hope the private sector would come forward. I would expect they would be interested, and I would welcome any program they may recommend, whether it is an individual firm or collectively. I would encourage that.

We have associations of employers that are from time to time interested in some of this funding or this type of program. I would hope that they come forward. That would answer the hon. member's inquiry about some of the shop training, training in the industry or the worksite, with regard to safety.

MRS. CHICHAK: Mr. Chairman, I have two questions to the hon. minister. Perhaps I'll pose one first and then go on to the next when he's responded to the first. It's with regard to the training programs that have been implemented. With respect to the operation of safety committees and the overall safety training program when it took place, I recall there was some difficulty in having participation on the part of workers with respect to these educational programs. I'm not sure at this point whether that was because there wasn't encouragement by the employers for the employees to attend or whether it was simply a lack of recognition of the importance of these educational programs. I wonder if the minister could make some remarks on how well that has progressed and what the participation rate is now, perhaps in relation to the number of employees who had not taken part in any previous time-availability for education seminars and so on, and how that has really developed. If the employers are participating in the program, are they making it mandatory for any new employees, or those who had been in the past, to continue to take some upgrading with respect to safety?

MR. DIACHUK: Mr. Chairman, to the hon. Member for Edmonton Norwood: in the training programs of the joint worksite health and safety committees, in most cases these are committees where there are already safety officers, people who have had some training. The role of those committees is to be able to expand their information and share it with the rest of the work force and industry. I'm pleased with role they're doing; however, the Occupational Health and Safety Council is reviewing the success of these joint worksite health and safety committees. Also the Alberta Federation of Labour, under a grant from my office, is reviewing the area they are involved in where there are these committees, to see how successful the training program has been and to give us a better idea of whether we are going in the right direction. It should be completed at the end of this year.

That is partly the reason the select committee addressed itself to the area of a safety steward, or a safety officer. There is a role for these types of people. When we look at the individual, I then appreciate that that safety officer or safety steward would need some training, and some program must be set up. That is why I've answered the hon. Member for Spirit River-Fairview that I look to all the postsecondary institutions that may be participating in this, that a program may be set up in one of these institutions to provide that training.

As to the employer making it mandatory, to my knowledge that is done on a voluntary basis. Participation from the employers has been fairly good in encouraging their people involved in the safety program in their firms. However, we are presently only covering the larger employers who have these worksite committees established. I would hope that where there are safety officers, the employers would be able to encourage their participation in the safety programs, as you have indicated.

MRS. CHICHAK: Mr. Chairman, from the answer that the hon. minister gave, a supplementary with regard to the role the postsecondary educational institutions can play in the provision of courses. Has the minister's department made any submissions to the Minister of Advanced Education and Manpower or to the postsecondary institutions as to the kinds of courses that would be necessary or most beneficial, to be made available as either totally individual, comprehensive courses having a number of elements, or as part of some other course that would lend itself to the training on a broader scope? Has any particular kind of indication or submission been made in order that the institutions might be looking at what is available, how much more they need to expand or to look at a totally new concept in itself?

MR. DIACHUK: The program I referred to earlier on the occupational health and safety program at the two colleges was a result of discussions between the division of occupational health and safety and Advanced Ed.

A committee from both departments is reviewing the program, and we have some discussions taking place with an approach of expanding that program to some of the other institutions. But, as I indicated earlier, nothing more specific has been carried out because of the awaiting of approval of this appropriation. There is an interdepartmental committee functioning presently, working and advising my office. I will continue to work with the Minister of Advanced Education and Manpower on expanding it to some of the other institutions in the province. We look to them as the centres that will provide the

resource people and the training, as we've experienced very successfully in the two colleges we have now.

MRS. CHICHAK: Mr. Chairman, I have one other question I would like to put to the minister. Approximately a year ago, a decision was made by the federal government to put in place a national safety council, or a council that would be perhaps a co-ordinating body or a clearing house for research, training, and various educational programs with respect to workers' safety and health. I am wondering if the minister could enlighten us, in relation to this vote perhaps, on where that development stands, whether the kind of moneys that flow under this vote for research and education in the development of that area is evolving in concert with the program the federal government put in place — whether that has been fully established, I am not sure. Perhaps the minister could advise and indicate what kind of relationship or role this plays in the funds provided here in relation to what the federal government is playing at the national level. Is the federal government providing any funds, or has it just set the vehicle up and asked the various provinces to cover all the costs?

MR. DIACHUK: I think the hon. member has some answers already. Nevertheless, yes, we are participating. Dr. Herb Buchwald, my chief executive officer, is a director of the national body. And, no, there are no funds from that organization toward research and education. Research and education is left to the provinces across Canada. It is a co-ordinating centre and, sad as it is, it has no funds toward any research and education on a national basis.

MRS. CHICHAK: Mr. Chairman, for a little clarification on the point the minister just made. Can the minister indicate what kinds of funds have to flow from this to the national body as the province's share, or how is that body being funded to cover its costs? Is it on an equal-sharing basis among the provinces and the federal government really has no funding allocated to it? I believe, Mr. Chairman, that that body has really been established under federal legislation. Is that accurate?

MR. DIACHUK: I'm sorry if I didn't clarify it, Mr. Chairman. The total funding of that centre is under the federal Department of Labour. No funding comes from my division, nor will there be from this vote toward any of the programs at the Canadian centre. I can only indicate that their present funding is basically for co-ordination, and none is designated toward research and education. That is why we're involved in research and education on an Alberta basis. There will be no funds from this vote presently. The only cost is the chief executive officer when he travels. Naturally his travels are covered by the appropriation under my office.

MR. MACK: Thank you, Mr. Chairman. I wish to commend the minister for his department's initiatives in the area of workers' health and safety, particularly with regard to the various studies his department will be undertaking with others.

Can the minister advise if there are specific terms of reference with regard to the more technical aspects of workers' health and safety? Will there be a study in this area? Quite often we run into accidents in the workplace, perhaps because of worker motivation and lack of fulfilment of the worker.

My other question is in the area of the lack of postsecondary educational facilities — not only in Alberta but certainly in Canada, unless it has been improved recently — for the medical profession and our nursing profession to take industrial training in Canada. I realize this may well be in the area of Advanced Education and Manpower, but can the minister advise whether there are any initiatives in this particular area?

MR. CRAWFORD: Mr. Chairman, I wonder if I might suggest to members of the committee that the minister begin tomorrow by answering that, to enable the committee to rise now in order that there be time to read in the reports of our deliberations before 5:30.

Mr. Chairman, I would move the committee, rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of Supply has had under consideration the following resolutions, and reports the same:

Resolved that from the Heritage Savings Trust Fund, sums not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1982, for the purpose of making investments in the following projects to be administered by the Minister of Advanced Education and Manpower: \$100,000,000 for the Alberta Heritage Scholarship Fund program, \$3,288,000 for library development projects; the Minister of Energy and Natural Resources: \$41,000,000 for the Alberta Oil Sands Technology and Research Authority project, \$20,000,000 for the conventional oil enhanced recovery program projects, \$1,765,000 for the Alberta reforestation nursery project, \$4,988,000 for maintaining our forests projects, \$8,755,655 for grazing reserves development projects; the Minister of Environment: \$1,500,000 for the Capital City Recreation Park project, \$1,500,000 for the Fish Creek Provincial Park project, \$24,376,500 for irrigation headworks improvement projects, \$5,000,000 for land reclamation projects, \$1,929,000 for the Lesser Slave Lake outlet project, \$9,182,000 for the Paddle River basin development.

Mr. Speaker, the Committee of Supply has had under consideration the following resolution and reports the same:

Resolved that from the Heritage Savings Trust Fund, sums not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1981, for the purpose of making further investments in the following projects to be administered by the Minister of Education: \$1,150,000 for the Alberta heritage learning resources project; the Minister of Environment: \$4,500,000 for irrigation headworks improvement projects.

The Committee of Supply has had under consideration certain resolutions, reports progress thereon, and requests leave to sit again.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, it's intended that the House sit tomorrow evening to continue the estimates in Committee of Supply, continuing with Executive Council

and the hon. Minister responsible for Workers' Health, Safety and Compensation, followed by Hospitals and Medical Care, Recreation and Parks, and Transportation. At the point, whenever that may be, that the Committee of Supply has completed its work for this sitting the proposal would be second readings of Bills, followed by committee study of Bills.

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

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

[At 5:27 p.m., pursuant to Standing Order 5, the House adjourned to Thursday at 2:30 p.m.]