

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, March 30, 1981 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

MR. R. SPEAKER: Mr. Speaker, I'd like to rise on a point of privilege at this time and, on behalf of my colleagues and certainly on behalf of members of this Legislature, express my thanks to my friend and colleague the Member for Olds-Didsbury, Bob Clark, for the years of leadership he has given, not only to this province but to this Legislature, and certainly to the Social Credit Party in the province of Alberta.

As we all know, Bob is the dean of this Legislature in that he has served continuously as a member since November 1960. I think that speaks well in itself. I've had the honor of serving in the Legislature with Bob for a number of years. We both started at the back of the Legislature as backbenchers, proceeded to become cabinet ministers under two different premiers, and have served in the loyal opposition since 1971, not all to our own choosing, but certainly we were placed in that position through the democratic process. I know Bob has taken that responsibility very seriously. Under his leadership I have learned to respect him and the goals he has set, not only for himself but for us as members in the opposition.

I know Bob will continue to be active in the Legislature. I have appreciated very much the support he has given me as the new House Leader of the Opposition. Certainly as the Legislature proceeds, I'm sure he will continue to raise questions; be pointed in debate, and not always be agreeable to everything that happens on both sides of the Legislature.

So at this time, Mr. Speaker — and I really appreciate this privilege — I'd like to ask the members to show their appreciation to Bob, and on my behalf, for the good work he has done, not only for us but for Albertans. [applause]

MR. LOUGHEED: Mr. Speaker, on behalf of the government members, may I join the Leader of the Opposition in extending to the Member for Olds-Didsbury our appreciation for his service to this Assembly, in particular his service to his constituency in so many ways of which we in this Chamber are all aware, as well as his service as a member of Executive Council in other years in a number of important portfolios, and finally, because I have a personal feeling for it, the responsibility of being Leader of the Opposition and being aware of that particular responsibility. I know the Member for Olds-Didsbury would join me in recognizing that there are many challenges in that position, the least among them being, to decide in a split second precisely how to respond to a ministerial announcement, knowing that there are perhaps times not to respond, times to respond in concurrence, and times to be vigorously in opposition.

On behalf of all government members, I want to say that we appreciate the distinguished service and those very varied responsibilities the hon. Member for Olds-

Didsbury has shown to this Legislative Assembly over the years. [applause]

MR. NOTLEY: Mr. Speaker, I welcome the opportunity to rise on what I'm sure is the beginning of an interesting and active session where we don't always agree. I think all members in the House who had the opportunity to serve with the hon. Member for Olds-Didsbury can stand proudly today and pay tribute to his excellent work as Leader of the Opposition, as a member from his constituency, and I think as an Albertan who has earned the respect of literally hundreds of thousands of our fellow citizens.

On behalf of the members of the New Democratic Party in Alberta and particularly on behalf of the constituents who elected me to the Legislature, to the hon. Member for Olds-Didsbury: may I wish you all the best in the years ahead. [applause]

MR. SPEAKER: I would that all points of privilege might be so easily decided.

MR. SPEAKER: May I ask the Assembly to join me in wishing well to our Sergeant-at-Arms, who is serving us this afternoon in the closing day of his career here as Sergeant-at-Arms. We've been very fortunate to have Mr. Salmon with us these four years.

As hon. members probably know, he served his country with distinction as a member of Her Majesty's forces. For some years now he has been alternating his duties in regard to visitors to the Assembly, who arrive when the House is not sitting, with serving the Assembly here as its Sergeant-at-Arms. I think it's a moment in which the appropriate thoughts would be of appreciation and thanks, and good wishes to Mr. Salmon in the future. [applause]

head: **TABLING RETURNS AND REPORTS**

MR. BOGLE: Mr. Speaker, I wish to file with the Legislature Library a study prepared by Lavanthol and Horwath Management Consultants entitled *Alberta Vocational Training Review*. This review was prepared for the Alberta Committee of Action Groups for the Disabled, the Alberta Association for the Mentally Retarded, the Alberta Association of Rehabilitation Centers, the Alberta Rehabilitation Council for the Disabled, and the Department of Social Services and Community Health.

As well I wish to file a policy study respecting emergency shelters for women prepared by Torrance Consulting Ltd., in co-operation with organizations that provide emergency services to women. In addition, Mr. Speaker, I wish to table the 1980 report by the Provincial Senior Citizens' Advisory Council. A copy of this publication will be made available for all members of the Assembly.

MR. COOKSON: Mr. Speaker, I wish to table with the Legislature the response to Motion for a Return No. 131.

MR. KOZIAK: Mr. Speaker, it's my pleasure to table the annual report of the Department of Consumer and Corporate Affairs for the fiscal year ended March 31, 1980. In addition it's again my pleasure to table the annual report of the Alberta Securities Commission for the fiscal year ended March 31, 1980, and to file with the Legisla-

ture Library the 1980 annual report of the Superintendent of Insurance.

MR. HYNDMAN: Mr. Speaker, I wish to table copies of Volumes I and II of the Public Accounts, province of Alberta, for the year ended March 31, 1980, and to file with them a companion document, the Financial Summary and Budgetary Review. Members of the Assembly were provided with these documents on February 19 this year.

Mr. Speaker, I wish to table an amended reply to an order for a return, No. 119 of 1980. As well I wish to table copies of the annual reports, for the year ended March 31, 1980, of the five pension boards coming under the purview of the government of Alberta.

Lastly, for the information of members of the Assembly, I wish to file in the library copies of a recently released report and summary prepared by the Hudson Institute entitled A Question of Economics - The Impact of Phased Increases in Canadian Oil and Gas Prices. Members of the Assembly were provided with copies of this summary at the time of the report's release.

MR. SPEAKER: I'm pleased to be able to table the third annual report of the Chief Electoral Officer for the year 1980. In addition I'm tabling the special report of the Ombudsman, which I believe was recently delivered to members, and the 1980 report of the Legislature Library.

MR. CRAWFORD: Mr. Speaker, I would like to table the response to Motion for a Return No. 127.

MR. DIACHUK: Mr. Speaker, I would like to table the response to Motion for a Return No. 129, moved by the hon. Member for Clover Bar, and the response to Motion for a Return No. 138, moved by the Member for Spirit River-Fairview, which includes correspondence we have received consent to table to date.

head: INTRODUCTION OF SPECIAL GUESTS

MR. DIACHUK: Mr. Speaker, I am pleased to be able to introduce to members of the Assembly and to you, sir, some 20 members of the 134th Guide Company making their visit to the Legislature during their spring break as part of their program of guiding. Accompanied by Trish Brady, they are seated in the members gallery. I would ask members of the Assembly to give them the usual welcome as they rise and receive it.

MR. PURDY: Mr. Speaker, it is my pleasure today to introduce to hon. members of this Assembly a young entertainer from my constituency. I'm sure many hon. members have seen Maralee Dawn and her troop of children, Butch and Suzie, on TV or some other local entertainment in Alberta and in Canada. They are seated in the public gallery, and I'd ask Maralee and her family to rise and receive the recognition of this House.

head: ORAL QUESTION PERIOD

Government Fiscal Policies

MR. R. SPEAKER: Mr. Speaker, my question is to the Provincial Treasurer. It follows my shock and dismay on receiving the 1980-81 financial plan of the Conservative

government that told us about a \$0.75 billion deficit in Alberta, a province that has millions of dollars, and indicates nothing but bad spending, poor spending, poor fiscal policy . . .

MR. SPEAKER: Order please. [interjections] Partly because of the likelihood that the hon. member's example may be followed, I would ask him to come directly to the question.

MR. R. SPEAKER: Mr. Speaker, I appreciate the comment. I hope my example will be followed because, in terms of this Legislature, problems such as this must be raised with comment, not only question.

My question to the Provincial Treasurer is this. In this document we have noted that special warrants have increased fivefold to some \$590 million at the end of this fiscal year. What assurance do we in this Legislature and the people of Alberta have that this will not occur in the next budget that comes out in 1981-82? What assurance has the Provincial Treasurer given, not only to himself but to Albertans, that it will not happen again? What are the new guidelines going to be for the next budget, so we have more fiscal responsibility in this Legislature and province?

MR. HYNDMAN: Mr. Speaker, in responding to the hon. Leader of the Opposition, who I guess we would say had an auspicious beginning but, as every car mechanic knows, it's hard to start when you're out of order right at the beginning. [interjections]

I think Albertans realize that each and every one of the expenditures in those special warrants, both on operating and capital, were for people and for major capital and operating additions to the province of Alberta. As to what happens next year, I would simply say to the hon. gentleman that he should confine his anticipation until the budget comes down, which won't be too long.

MR. R. SPEAKER: Mr. Speaker, those are the kinds of arrogant remarks we get from this government at all times.

The question to the minister is very clear. When a special warrant is being used, it is used for urgent and unforeseen matters. Could the Provincial Treasurer explain the use of a special warrant for \$130 million for the purchase of utility and road corridors? If this government can't predict that kind of thing . . .

MR. SPEAKER: Order please.

SOME HON. MEMBERS: Question.

MR. R. SPEAKER: How does the Provincial Treasurer explain that kind of special warrant?

MR. HYNDMAN: Mr. Speaker, during study of the estimates I look forward to a very detailed debate with respect to the special warrants of this year, which will be carried forward. At that time I'll look forward to the suggestions of the opposition as to which of those special warrants they feel should not be passed, whether the hog stabilization program was not in the best interests of the farmers of the province of Alberta, and questions such as that.

With respect to the planning and moneys for utility corridors, Mr. Speaker, that of course was a once-only investment. Unlike some previous governments in this

province, we believe it's important to plan ahead with respect to the ways the utility and transportation corridors around the major metropolitan areas can be devised so that in the long run the best kind of planning and savings in taxpayers' dollars can be achieved. It was that kind of investment in that one specific example — and there are 50 others in the special warrants which are very evident to the people of Alberta, if not to the Leader of the Opposition.

MR. R. SPEAKER: Mr. Speaker, the hon. minister talks about planning, but 23 out of 26 departments — 90 per cent of the departments of this government — called for special warrants. That's an earmark of mismanagement. To the Provincial Treasurer: are you going to set down some guidelines with regard to special warrants and the use of special warrants by this government? Are Albertans going to expect better management of their funds than the present management?

MR. HYNDMAN: Mr. Speaker, the guideline is whether the expenditure can reasonably be anticipated at the time the budget is drawn up in January or February every year. Those have been the guidelines followed and were followed with respect to the special warrants of this year. I'll be happy to debate at much further length with the hon. gentleman and any others on that side — members of the opposition — any and all of those special warrants and to see which ones the Leader of the Opposition feels should not have been made. I look forward to that debate.

MR. R. SPEAKER: To clarify, Mr. Speaker, my question to the minister is with regard to financial accountability. Are some guidelines with regard to the use of special warrants going to be established by this government? That's the question I'm asking.

MR. HYNDMAN: I just indicated what the guidelines are, Mr. Speaker. They're the guidelines laid down by this Assembly over the past two or three decades.

MR. NOTLEY: The answer is no.

MR. R. SPEAKER: Mr. Speaker, would the Provincial Treasurer be prepared to table in this Legislature his handbook or those guidelines, if printed or set out by the Conservative government, so Albertans and I know about them? Because there's no consistency, hon. minister.

MR. HYNDMAN: Mr. Speaker, may I refer the hon. gentleman to The Financial Administration Act and other statutes passed by this Assembly in years past which set forth those guidelines.

MR. R. SPEAKER: Mr. Speaker, in indicating that the guidelines are in The Financial Administration Act, would the hon. minister indicate whether the definition of urgent matters or matters of unforeseen reasons are defined by this government as to how they see them? Or are they left in just general terms?

MR. HYNDMAN: Mr. Speaker, the guidelines are that expenditures are unforeseen or unanticipated. In looking at the rules of any of the assemblies of the provinces of this country or of the federal government, indeed for the 37 years from 1935 to 1971, those were the guidelines. Special warrants are reported every year and debated by

the Assembly. In the experience of Alberta and Canada, those guidelines have worked well, and they will be continued.

MR. R. SPEAKER: Mr. Speaker, I'm just not satisfied with that answer. I feel that does not indicate any type of fiscal responsibility. It's not good enough.

Energy Negotiations

MR. R. SPEAKER: Mr. Speaker, my second question to the Minister of Energy and Natural Resources is with regard to oil sands development. In light of the announcement that the Alsands and Cold Lake projects will be abandoned if they do not receive, by June at the latest, assurances of a pricing agreement under which to operate, is it the policy of this government to provide funding to those projects to maintain a present level of activity should an energy pricing agreement not be in place by June? Are there any contingency plans?

MR. LEITCH: No, Mr. Speaker, it would not be our intention to provide funding to continue activity on those projects at any time in the future. The hon. Leader of the Opposition would know that the federal government has in fact provided funding of \$40 million in respect of the Cold Lake project of Esso Resources.

Mr. Speaker, I think our position in respect of oil sands development or future oil sands plants is very well understood and supported by the people of Alberta. Briefly, our position is that we would not proceed with those projects so long as there was in place, as there now is an Ottawa policy that, in respect of our conventional industry, is putting thousands of Albertans out of employment and thousands of small Alberta businessmen out of business.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier. As the hon. Minister of Energy and Natural Resources indicates, many Albertans are out of business and out of employment at present. In a speech in Calgary the hon. Premier indicated that Albertans will still have to suffer and bleed more than others, due to the failure — in my own words — not only of the federal government position, but as an Alberta government I think there is a failure in meeting some of the requirements. Does the Premier see any measures that will be taken in the short-term future where there will be any type of special compensation for those individuals in small businesses in northern Alberta who have been adversely affected — not because of their doing; it's beyond their control — because of this negotiation stalemate? Will any measures be taken to help these individuals?

MR. LOUGHEED: Mr. Speaker, the first correction that should be made to the hon. Leader of the Opposition is that the difficulty some of the business people are suffering as a result of the cutback in exploration and development in the province has nothing to do with any stalemated negotiations, but has to do directly and completely with the national energy policies proposed by the federal government last October 28. If the Leader of the Opposition believes he has some views he wishes to express over the course of the session coming up with regard to that matter, we will welcome his ideas and constructive suggestions. As far as any particular programs that may be undertaken by the Alberta government to respond — in part, obviously not in total — to

the concerns by a number of these Albertans, they will become clear, probably primarily arising from the budget and the budget debate.

MR. NOTLEY: A supplementary question to either the hon. Premier or the hon. Minister of Energy and Natural Resources. With respect to the upcoming meeting between the federal Minister of Energy, Mines and Resources and the provincial Minister of Energy and Natural Resources, has the government of Alberta given any consideration to a reassessment of the position announced on July 25 with respect to pricing, and any modification or alternative suggestions with respect to revenue sharing between the two levels of government?

MR. LEITCH: Mr. Speaker, I think the essence of the hon. member's question is: would we be making any proposals or changing our position from that set out in the offer made last July by the hon. Premier to the Prime Minister? To respond, I think it's useful to review what has happened in the discussions to date between the Ottawa government and ourselves with respect to an overall energy agreement. As I outlined some time ago in this House, the nature of those discussions lead to no other conclusion but that the Ottawa government proposed to follow a course of action with respect to its energy proposals by putting its best offer on the table, which was the national energy program and budget, and knowing it was one none of the producing provinces could accept. That, Mr. Speaker, is contrasted with the position of our government, as evidenced by the offer made last summer, in which we endeavored to structure an offer which we felt the federal government could accept. Mr. Speaker, that briefly reviews the history of the discussions between our government and the Ottawa government on an overall energy agreement. We made significant movement in the offer presented on July 24.

We have a meeting scheduled for April 13 between the federal Minister of Energy, Mines and Resources and me. If there is evidence during that meeting that there has been a change in approach, a significant change in attitude toward an energy package by the Ottawa government to the extent that they appear interested, willing, or anxious to make an agreement with the producing provinces, then I would expect we would be able to respond to that initiative. However, Mr. Speaker, of course I cannot give particulars or details as to what form our response might take because, as all members of the Assembly would appreciate, you simply can't negotiate details of an overall energy agreement in public.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister, for clarification. Is the minister in a position to advise the Assembly what the government means by a meaningful initiative by the federal government? For example, is it the position of the government of Alberta that the entire national energy program should be rescinded? Or would it be the position of the government of Alberta that some move by Ottawa with respect to the pricing schedule and some offer to re-examine the revenue sharing item might in itself be sufficient reason to undertake negotiations, apart from the withdrawal of the entire program, many features of which are supported by Canadians?

MR. LEITCH: Mr. Speaker, I don't feel I can be specific as to what initiatives on the part of the federal government would be sufficient to bring forward a response on

the part of our government. Certainly there are areas of the Ottawa energy proposals and budget that are more significant than others, so far as we are concerned. Unquestionably the matter of prices for oil and natural gas, the nature of the taxation that invades the principle of provincial resource ownership, and the level of taxation which is creating such a chaotic condition in our conventional industry, would be three very important elements of the energy proposals.

MR. NOTLEY: A supplementary question to the hon. Minister of Energy and Natural Resources. Between the adjournment of the fall session and the present reopening of that fall session, has the government of Alberta taken any position in private talks with respect to the Canadianization initiatives contained in the national energy policy? Is the minister in a position to advise the Assembly what, if any, position the government has taken on that matter?

MR. LEITCH: Mr. Speaker, from the hon. member's question, I'm not clear whether he is referring to discussions between me and representatives of the federal government, or other discussions.

MR. NOTLEY: Mr. Speaker, I really would like to pin down just whether at this stage the government of Alberta has taken any position with respect to the Canadianization initiatives contained in the national energy program. We know what the position is on pricing and on revenue sharing. The question is: where does the government stand on the Canadianization initiatives?

MR. LEITCH: Mr. Speaker, I would think our position with respect to Canadianization has been very well understood. We've always strongly supported the development or growth of Canadian ownership or involvement in the natural resource industry. I'd simply point to various programs of this government, such as ALPEP, which provided an incentive or advantage to the smaller companies, which are primarily Canadian-owned companies; the exploration geophysical incentive program, which is taken advantage of by the smaller companies to a very great extent. Again, those companies are primarily Canadian-owned. We've also increased the Canadian-owned component of the industry by our direct investment in the Alberta Energy Company and Syncrude.

So certainly as a matter of concept or philosophy, Mr. Speaker, our government has been very much in favor of increased Canadianization of the oil and natural gas industry. The key question is how best to go about that. Certainly we would have some views as to how that could best be done to the advantage of all Canadians. In some respects our views would conflict with the philosophy set out by the national government in its energy policy and budget, but the question of Canadianization has not been a critical or key issue in any discussions between me and representatives of the federal government.

Hospital Construction

MR. LITTLE: Thank you, Mr. Speaker. May I address my question to the hon. Minister of Hospitals and Medical Care. A good number of constituents in the northeast part of Calgary have expressed concern about the delay in commencing construction of the hospital in that area. Would the minister please advise the Legisla-

ture of the probable starting date for the construction of the hospital?

MR. RUSSELL: Mr. Speaker, I hesitate to try at this time to pin down a probable starting date with some exactness. Our target date, which is very ambitious, is a five-year period from the date of the announcement until the construction is essentially finished.

The Calgary northeast hospital is going ahead as one of four very identical urban hospitals, two for Edmonton and two for Calgary. I can report that the work to date is satisfactory. The programming development done by the Mill Woods hospital, which got away from the starting mark first, is being analysed now by the department. Any adjustment work that needs to be done will be undertaken shortly so that its program can be used for the other three hospitals. Then drawings can start, and we're off to the construction stage when those are commenced. So we're still looking at that five-year target date — perhaps optimistically; none the less that's still our target.

Methanol Production

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Economic Development and ask if he is in a position to advise the Assembly whether it is correct that Celanese Canada commenced construction of its world-scale methanol plant last fall in Edmonton and had in fact expended at least \$40 million before receiving the authorization from Executive Council on March 25 this year. Mr. Speaker, I ask the question because in the fourth quarter report of Celanese Canada we have all kinds of discussion and pictures of the progress of the project. My question to the minister is: what is the company doing undertaking this kind of investment if they have not gotten the official authorization from Executive Council?

MR. PLANCHE: Mr. Speaker, I don't know about the precise dollar value, but there is no question that construction had begun before the industrial development permit was issued. Celanese was made aware that they were at risk beginning construction before the permit was issued.

We don't have any control over anyone who wants to build anything within the city of Edmonton or anywhere else. We have some control over whether they're going to get the resource to use it and have the endorsement from the government for the permit that's necessary before the facility can be used.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In the same report, I would just quote from the president:

We have had several meetings with various ministers, with regard to the federal government's implementation of the Textile and Clothing Board recommendations, all of which seem most favourable.

Mr. Speaker, just so there's no misunderstanding, the minister is then assuring the House that no private commitments or unofficial assurances were given to Celanese by any member of the government with respect to this project, after the ERCB recommendation but before the cabinet decision on the 25th?

MR. PLANCHE: None that I know of, Mr. Speaker.

MR. NOTLEY: A supplementary question. When the cabinet was deciding on the final authorization, can the minister advise the Assembly whether any consideration was given to the fact that the project was already under way? The minister indicates that the company was [told], it's at your own risk. But if \$40 million — and a competitor in Medicine Hat claims as much as \$60 million — had already been invested in the project, was that in any way, shape, or form part of the process of arriving at a decision by the provincial cabinet?

MR. PLANCHE: No, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In authorizing the Celanese proposal, what consideration was given by the cabinet when concern was expressed, even in the ERCB report, on the impact of this particular project on Alberta Gas Chemicals Ltd. in Medicine Hat?

I ask that particularly with respect to the government's so-called commitment to decentralization, Mr. Speaker. The ERCB report suggests that there could be a loss of 50 or 60 jobs in the city of Medicine Hat and that the impact on the Medicine Hat firm could be very serious indeed. Under those circumstances, given the government's commitment to decentralization, why was the authorization provided to Celanese?

MR. PLANCHE: Mr. Speaker, we traditionally and without exception concern ourselves with the judgments of those who make equity investments, in terms of its being their decision, not ours, as to whether or not it will be a profitable venture. If the ERCB makes that gratuitous comment, that wouldn't be part of the procedure that would be followed in terms of coming to a judgment as to whether or not a permit would be let.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. I can't imagine that the government would be authorizing construction of a plant which could lead to serious problems for not only the plant being expanded but other plants in the field in Alberta. Surely there would be a market assessment. Has the minister any assurances that the market is in fact there in the short run — I'm not talking about the long-term market, but the short-run market — in view of the fact that several years ago, when they were going after A.G.C.L. on anti-dumping charges, along with their friends Dow, Celanese suggested there was no market at all in the United States? Then three or four months later, all of a sudden there's a market.

What independent studies has the minister's department undertaken to assure the government that, in making the decision on the 25th, there was in fact a market and that the firm in Medicine Hat would not be put out of business, or at least its position seriously jeopardized in that community?

MR. PLANCHE: Mr. Speaker, we haven't done an assessment in very precise terms on the short-term methanol world market. Suffice it to say that in addition to Celanese being prepared to put several hundred million dollars at risk, others have shown interest in methanol production as well. In addition the Medicine Hat people are involved in a project in New Zealand to make methanol, indicating that in fact there is quite a bright future for methanol markets in the world.

MR. NOTLEY: Mr. Speaker, a supplementary question. The issue is not the long-term impact. The issue is the concern expressed in the ERCB report itself concerning the immediate prospects of the Medicine Hat plant. My question is: were any studies taken with respect to the short-run market before the cabinet made a decision favoring a large international company over an Alberta-based concern, with a project right here in Alberta?

MR. PLANCHE: Mr. Speaker, both projects are right here in Alberta. We did not undertake a specific study about the short-term markets for methanol, nor did we do one at the expense of another.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. What assessment, if any, was given by the cabinet in its meeting of the 25th concerning the anti-dumping legislation in the United States? Because it's controlled by the parent firm in the United States, Celanese Canada apparently can get around it, but unfortunately AGCL isn't able to because it's an Alberta- or Canadian-based company.

MR. SPEAKER: Order please. There is an increasing amount of debate. I admit that it's skilfully introduced into the questions, nevertheless it's there. Could the hon. member come directly to the question.

MR. NOTLEY: Mr. Speaker, my question to the hon. minister is simply this: what concessions were given by the United States government as a result of our efforts three years ago, repeated many, many times over, that natural gas only would be exported from this province providing we got concessions on petrochemicals in the United States? Why then are there still impediments to a product, produced by an Alberta company, flowing into the United States and being subject to anti-dumping legislation that doesn't apply to an American-controlled company?

MR. PLANCHE: First of all, Mr. Speaker, in our negotiations for getting natural gas into the United States we didn't ever request that any dumping levy be overlooked. We were talking about tariffs entering, in terms of bilateral agreement.

The information we have from legal opinions on the issue are two. On the one hand they said that the charge for dumping would be applied only to those who had been manufacturing methanol in Canada prior to the dumping charge. That was confirmed by a Washington law firm. The other was that in fact the dumping charge would be assessed on all those who were and would be making methanol in Canada for export to the U.S. That was also confirmed by a legal opinion in Washington.

The American authorities of course were only prepared to give us the rules and regulations as are written out for dumping. We could interpret them any way we liked. In view of the fact that we continually had these opposing legal opinions, it was our best judgment that we get a confirmation from the president of Celanese as to his understanding, which confirmed the legal view that they would be at risk along with Medicine Hat. In addition to that, Celanese has agreed to accompany Alberta Gas Chemicals Ltd. to Washington in an effort to relieve the entire sector from the spectre of a dumping duty.

MR. NOTLEY: Mr. Speaker, a final supplementary question. What initiatives has the government of Alberta

committed itself to undertake on this particular matter with respect to the anti-dumping duties?

MR. PLANCHE: Perhaps the member could be more precise, Mr. Speaker. I'm not sure I understand that question.

MR. NOTLEY: The minister indicated that the two companies in fact were going to make representations. Is it the intention of the government of Alberta to make representation along with them? It affects an industry in the province. Is the minister going to go to Washington too? Are officials of the department going to go? What specific steps is the minister able to report to the Assembly today that the government of Alberta is going to undertake in this matter?

MR. PLANCHE: Well, Mr. Speaker, I think it's an appropriate place for the government of Alberta to be, in terms of bilateral trade and access to market. A dumping levy is a technical issue, and there are really no representations to be made. Either they are or they are not dumping.

School Security

MR. PAHL: Mr. Speaker, my question is to the hon. Minister of Education. In view of the unfortunate kidnapping incident in Edmonton Mill Woods last week, I ask the hon. minister whether his department has started or is considering an investigation, particularly with respect to school building design that would serve perhaps to inhibit recurrence of this unfortunate incident.

MR. KING: We have not initiated any such review. I am doubtful we would until we had received a request from the Edmonton Public School Board, the board involved. My preliminary response would be that I am doubtful we could effect the end the hon. member wants by changes in the design of schools.

MR. PAHL: A supplementary observation.

MR. SPEAKER: Is the hon. member's observation going to end with a question mark?

MR. PAHL: Yes, Mr. Speaker. If the Edmonton Catholic school board, which is the board in jurisdiction, raises the request, would the minister then respond?

MR. KING: Mr. Speaker, I should certainly remember which church has saints, and will in future. If the Edmonton Separate School Board makes a request to me, I would take it under serious advisement.

Hog Marketing

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. Could the minister indicate whether his department or the government will be implementing some of the recommendations of the Foster hog marketing report?

MR. SCHMIDT: Mr. Speaker, several recommendations were involved in the Foster report. We recognize some of them as being immediate and some that would require some mid-term and some long-range representations made to the report itself. Those of an immediate nature

of course recognize the successful program of stop-loss that will come to an end at the end of March, and the recommendation that a stabilization program be looked at and implemented to take over from stop-loss. I'm pleased to say that in the last 10 days, during their annual meetings, a program of suggested figures has now been made available to the hog producers throughout the province. Hopefully, with the opportunity of those meetings, the members who make up the producer group would have an opportunity to indicate to us the success of the program that's before them. So I would say that we have started on some of the recommendations of the Foster report.

MR. MANDEVILLE: Mr. Speaker, a supplementary question in relation to the stabilization program for hogs. Is it the intent of the government or the minister to enact a stabilization program in any other commodities? I'm thinking of the poultry or cattle industries.

MR. SCHMIDT: Mr. Speaker, the only request to consider stabilization we as a government have received has been in the hog industry. So I would say no, not at this time.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Could the minister indicate the public cost for the Foster report and the committee's work?

MR. SCHMIDT: Mr. Speaker, it's impossible at this time to give a figure. Some of the small bills are still coming in. [interjections]

Water Management — Peace River

MR. BORSTAD: Mr. Speaker, my question is to the Minister of Utilities and Telephones. It has been some time since there has been a report on the Dunvegan dam. I wonder if the minister could give us an update on the status of the Dunvegan dam at this time.

MR. SHABEN: Mr. Speaker, subsequent to our request for proposals last year, we received two in June. One of the proposals suggested that there may be some difficulty with bank stability at the proposed site of the Dunvegan dam, and the government commissioned a study to determine whether this might be so. In the latter part of December we received that study, which confirmed that there may be some difficulties with the design proposals prepared in the preliminary studies of 1976-77. So we're reviewing that information, have made it available to both applicants, and expect to continue that review before a decision is made.

MR. BORSTAD: A supplementary, Mr. Speaker. Could the minister advise what this is going to do to the time schedule? Can you give us some sort of time schedule?

MR. SHABEN: Mr. Speaker, we're not at all certain how it may affect the time schedule of the commissioning of the dam. It may not delay it, but there is a possibility that some delay might result from a change in design of the structure.

MR. BORSTAD: A supplementary, Mr. Speaker. Will the government become involved in any further geological studies as far as the dam is concerned? Also, I wonder

if the minister would be willing to file a copy of the report.

MR. SHABEN: Mr. Speaker, on the first part of the hon. member's question, we believe any further geotechnical studies should be undertaken by whoever is responsible for actually constructing the dam. At this time the government doesn't intend to undertake those studies. However, we believe they will be necessary and will be done by whoever is successful.

Yes, I will be prepared to file the geotechnical study that was done by the government.

MR. NOTLEY: A supplementary question to the minister. The minister indicated the government was now reviewing the study on bank stability. However, is he in a position to advise the Assembly how long that process is going to take, so we may be in a position during the spring session to have some idea when the next step will occur? How long will the review of the bank stability study require?

MR. SHABEN: Mr. Speaker, it's impossible to be precise about how long it will take to undertake and complete that review. As I indicated, we made the information available to both applicants. Subsequent to that information being made available, the applicants are further reviewing their work and meeting with our interdepartmental committee that is reviewing it. It's just impossible to know how long the delay may be. Adding to the response I provided to the hon. Member for Grande Prairie, it may not necessarily delay the commissioning date.

Constitution

MR. R. CLARK: Mr. Speaker, my question to the Minister of Federal and Intergovernmental Affairs deals with the constitution. Since the House last met, can the minister indicate to the Assembly if he has met with the federal Minister of Justice, Mr. Chretien, or the Premier with the Prime Minister, to discuss specific proposals as far as the constitution is concerned?

MR. JOHNSTON: Mr. Speaker, I have had a conversation with the Minister of Justice. It was unofficial, but it was a conversation. I don't believe the Premier had a meeting with the Prime Minister.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. Was the conversation that took place with Mr. Chretien in fact a face-to-face meeting between the two hon. gentlemen, or was it an informal discussion, perhaps by telephone?

MR. JOHNSTON: The first, Mr. Speaker.

MR. R. CLARK: Then a further supplementary question, Mr. Speaker, after having established that it was very informal. Could the hon. minister indicate to the Assembly what progress has been made by the eight provinces with regard to the development of an amending formula? What role is Alberta playing in attempting, even at this eleventh hour, to get an amending formula which all eight provinces would speak forcefully in support of, so that in fact the federal government may have a stroke of wisdom even at this late hour?

MR. JOHNSTON: Mr. Speaker, as you can appreciate, in terms of the sequence of strategies which the province of Alberta is pursuing, at this particular time some of the statements might be a little premature in terms of the developments. Of course it is important to keep the Assembly updated, and I would attempt to do that wherever possible.

I can advise the House that there is a good, strong feeling among eight provinces, as the hon. member now knows. This has expanded from the six which were initiating court action across Canada. We now have a strong and dedicated eight provinces pursuing the objection here in Canada as well as in London. Various aspects of that strategy would focus on what areas of consensus might emerge among the provinces. Mr. Speaker, at this particular time I would like to reserve some of the aspects of our strategy, simply because they are a bit sensitive in terms of how we expect to move in the next week or so.

MR. R. CLARK: Mr. Speaker, an additional question to the minister. What time frame does the province of Alberta — and for that fact the other provinces — deem to be necessary to get some sort of agreement? Perhaps I'll put the question this way: can the minister indicate to the Assembly if Alberta and the other provinces feel something like two weeks before an agreement must be reached? Frankly, the reason I pose the question is that if this proposition doesn't come forward before the House of Commons deals with the matter, then in fact much of the work will have gone down the drain.

MR. JOHNSTON: Mr. Speaker, I generally concur with the last statement by the hon. Member for Olds-Didsbury that in fact the time is closing or has been imposed upon us by the federal government. They are just as determined as ever to remove the power of this Legislative Assembly by unilateral action. I believe their time frame is to have it out of the House of Commons by the Easter recess and into the Senate perhaps by the week following. So I think that is the broad time frame with which we are working.

On the aspects of consensus among the provinces, I can say there are now many areas of consensus among the eight provinces pursuing the objection in Canada. I think this consensus will be made public within the next few weeks. Looking at the calendar, I note April 13 is a very sensitive day to members in Quebec, as you can well appreciate. Obviously, if the eight provinces are to play a major role, we'd like to have the outcome of that election as well.

MR. R. CLARK: One additional question to the minister. Since the commencement day of the fall session when the hon. minister introduced a piece of referendum legislation, what events have taken place that led the government now to reverse its position and decide not to go forward with that piece of legislation, which was introduced with considerable fanfare?

MR. JOHNSTON: Mr. Speaker, with respect to the referendum legislation, what happened is that we will not be passing that legislation this particular session, but I should advise the Assembly that our intention is to bring it forth next session.

As I indicated, it appears to me that the determination of Mr. Trudeau to impose constitutional changes upon Alberta — perhaps by a referendum — has not abated since we met on November 27. Therefore, by way of strategy, it's our view that the province should have in

place legislation which would allow it to deal with a referendum question here in the province of Alberta, on the terms appropriate to the people of Alberta and with provisions for a full debate in Alberta, both pro and con. I think it would be inappropriate and perhaps irresponsible if we did not move with that legislation, because we now know that Mr. Trudeau is determined to have these constitutional changes proposed and that the resolution — as has been pointed out here — is moving through the Assembly. Therefore it's our view that we must move with a new piece of referendum legislation in the next session.

Emergency Women's Shelters Report

MR. SINDLINGER: Mr. Speaker, I have a question for the Minister of Social Services and Community Health. I have in my hand the policy study respecting emergency shelters for women, tabled today by the hon. minister. It was completed by Torrance Consulting in November 1980. In the earlier part of this year, the minister indicated it would not be tabled because it might contain matters sensitive to the emergency shelters. Is this the final, complete, unabridged document received by your department from Torrance Consulting?

MR. BOGLE: Mr. Speaker, it's my understanding that assurance was given to the various agencies which operate shelters for women in the province that the document originally prepared would not be made public. However, when some concern was expressed that in fact the document might best serve, we canvassed the various agencies and obtained their approval to release the document. It's my understanding that the document filed today in the library is complete and unabridged.

MR. SINDLINGER: A supplementary, Mr. Speaker. Again, I'm referring to the same document. Looking at the table of contents, Appendix A contains two sections: I and II. However, this document does not contain section II, as indicated in the table of contents. What happened to that section?

Also, I ponder the reason for the pagination. There are pages in here where the pagination is typed and others are hand printed.

MR. BOGLE: Mr. Speaker, I'll certainly take both questions as advisement. As I indicated earlier, the document was originally prepared with the idea that it would be for internal use only. I have been given assurances that the document has not been altered in any way by the department. One of the things I will assure the Assembly of is that my office will personally contact Mr. Torrance, the president of the firm that did the work, to determine whether he is satisfied that the document filed today is in fact the same document he provided to the department.

MR. SINDLINGER: A supplementary, Mr. Minister. I appreciate the undertaking the minister is about to take for us. I might also put another question to him. How many drafts or reports were received by your department from Torrance Consulting, and what input did your department have in the final drafts prepared and presented to you by Torrance Consulting?

MR. BOGLE: Mr. Speaker, it's my understanding that the document filed today is the only draft that was re-

ceived, but I'll certainly undertake to satisfy myself and the hon. member that that is in fact the case.

ORDERS OF THE DAY

MR. LOUGHEED: Mr. Speaker, I wonder if I might rise on a point of privilege for the Legislative Assembly. I believe all hon. members are aware of the tragic circumstances in Washington just a few hours ago, in which President Reagan has been attacked as part of an attempted assassination and in which his Press Secretary Brady has died and others are wounded.

Mr. Speaker, I believe this Assembly would want to go on record on this occasion as expressing our deep concern, our prayers for all involved, and of course in particular our concern with the rising incidence of terrorism and violence in the world today, and to have this noted today on the record of *Hansard*.

MR. R. SPEAKER: Mr. Speaker, as House Leader of the Opposition, I'd certainly like to second and support

the remarks of the hon. Premier. I think it is a very tragic situation. Many men give their lives to leadership, and things like this happen. So I'd certainly like to support those kind remarks.

MR. SPEAKER: I assume the proposal by the hon. Premier, seconded by the hon. Leader of the Opposition, has the unanimous assent of the Assembly.

HON. MEMBERS: Agreed.

head: PROROGATION

MR. CRAWFORD: Mr. Speaker, it's His Honour the Lieutenant-Governor's will and pleasure that the Legislative Assembly be now prorogued, and this Assembly is accordingly prorogued.

[The House prorogued at 3:33 p.m.]

