

LEGISLATIVE ASSEMBLY OF ALBERTA

[Motion carried]

Title: Tuesday, April 7, 1981 2:30 p.m.

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS

Bill 7

The Family and Community
Support Services Act

MR. MAGEE: Mr. Speaker, I request leave to introduce Bill No. 7, The Family and Community Support Services Act.

This Bill will provide for the establishment of family and community support service programs by municipalities, and will provide for provincial contributions of amounts up to 80 per cent of the cost of the programs, through a system of advance payments. It is the government's intent to table a draft set of regulations under this legislation during second reading of the Bill.

[Leave granted; Bill 7 read a first time]

Bill 207

The Agricultural Land Protection Act

MR. COOK: Mr. Speaker, I request leave to introduce a Bill, being The Agricultural Land Protection Act.

The Bill has two main features. It establishes an agricultural lands commission. That commission has broad powers which include the recommendation of land zoning to preserve land as agricultural land, to provide compensation for farmers who lose their right to develop land as a result of such zoning, and to provide development grants to develop poor agricultural land for housing and commercial purposes.

[Leave granted; Bill 207 read a first time]

Bill 20

The Artificial Insemination of
Domestic Animals Amendment Act, 1981

MR. LYSONS: Mr. Speaker, I beg leave to introduce Bill No. 20, The Artificial Insemination of Domestic Animals Amendment Act, 1981.

The purpose of the Bill is to update and bring into modern terms the artificial insemination of domestic animals. It better clarifies the business of artificial insemination.

[Leave granted; Bill 20 read a first time]

MR. CRAWFORD: Mr. Speaker, I move that Bill No. 7 and Bill No. 20 be placed on the Order Paper under Government Bills and Orders.

Bill 205

The Remembrance Day Act

MR. GOGO: Mr. Speaker, I beg leave to introduce Bill 205, The Remembrance Day Act. The principles of the Bill would be to include that when a school day falls on other than a Saturday or Sunday, a non-denominational remembrance service, not longer than 5 minutes, would take place in our schools, and that, with certain exceptions, retail establishments would remain closed on Remembrance Day, November 11.

[Leave granted; Bill 205 read a first time]

Bill 214

The Home Energy Conservation Act

MR. COOK: Mr. Speaker, I beg leave to introduce a Bill, being The Home Energy Conservation Act.

It's a reintroduction of the Bill I introduced last session, where a package of grants and loans of \$2,500 is provided for consumers who wish to improve the energy efficiency of their homes, and further provides for an auditor to go through and identify the area where there is the biggest bang for the buck, so to speak, on investment in energy conservation. The auditor would then go through and make sure the work done is up to standards.

[Leave granted; Bill 214 read a first time]

head: TABLING RETURNS AND REPORTS

MR. TRYNCHY: Mr. Speaker, I wish to table and file three documents: first, the annual report of the Alberta Games Council; second, the annual report of the Department of Recreation and Parks; and third, the wilderness areas advisory council report.

MR. BORSTAD: Mr. Speaker, I would like to table with the Assembly and the Legislature Library five copies of six volumes each of the Cold Lake base line study prepared for the Northern Alberta Development Council.

MR. SPEAKER: I have the honor to table the 14th annual report of the Ombudsman, and draw the attention of the Assembly to the Ombudsman, who as you know is an officer of the Assembly, being present in the Speaker's gallery with two of his staff members, Mr. Weir and Mr. King.

head: INTRODUCTION OF SPECIAL GUESTS

MR. MILLER: Mr. Speaker, I'm delighted and proud to present to you and to members of the Legislature a very talented young lady, Loreli Madiuk. Last year Loreli won the grand award for the National Wildlife Week poster. She is with us today, during what we're celebrating as National Wildlife Week. Loreli is a grade 8 student at the Rosslyn junior high school in the constituency of Edmonton Beverly, and the Member for Edmonton Beverly is as proud as anybody in this Legislature.

I would ask that Loreli, who is accompanied by her father and mother, rise so that we can greet her, welcome her to the Alberta Legislature, and congratulate her.

MR. TOPOLNISKY: Mr. Speaker, I'm delighted to introduce to you and to members of the Assembly 45 grade 6 students from Redwater elementary school in the constituency of Redwater-Andrew. Accompanied by their teachers Mrs. Sawka and Mrs. McVeigh, they are seated in the members gallery. I would ask that they rise and receive the warm welcome of the Assembly.

MR. MAGEE: Mr. Speaker, I'm pleased today to introduce to you, and through you to members of the Assembly, 16 students from a newly formed private school, known as the People's Christian Academy, in the Red Deer constituency. This is their first year of operation. They're accompanied by their instructor Glen Mullen. Would the group, which is in the members gallery, please rise and receive the greetings from the House.

MR. CRAWFORD: Mr. Speaker, I take pleasure today in introducing 25 grade 6 students from Belgravia school in the constituency of Edmonton Parkallen. They are in the course of following some sort of practical application of the new social studies curriculum, and taking a particular and special interest in seeing the practical workings of the Legislative Assembly this afternoon. I'd like to welcome them, Mr. Speaker, and ask that they rise in the public gallery and receive the welcome of the Assembly.

DR. C. ANDERSON: Mr. Speaker, it's a pleasure to introduce to you, and through you to the members of the Assembly, 25 grade 6 students from Elk Point school. They're accompanied by their teacher Mr. Howard Meger, and by Mrs. Vinge, Mrs. Reinhart, Mrs. Mako-wecki, and Mr. Sharkey. I think this is the first occasion I've had to introduce someone from Elk Point in my constituency. I'd like to welcome them, and ask that the members show their appreciation at this time.

head: MINISTERIAL STATEMENTS

Department of Hospitals and Medical Care

MR. RUSSELL: Mr. Speaker, the Executive Council today passed an order in council establishing the Nursing Home Review Panel, a committee of seven Alberta citizens whose responsibility it will be to carry out a comprehensive and comparative assessment of the Alberta nursing home system.

The panel will be chaired by Dr. Harry Hyde, an Edmonton surgeon and former president of the medical staff, Royal Alexandra hospital. Other members of the panel are: Mrs. Barbara DeSutter, Calgary, a former nursing home administrator; Mr. Sybren Vandermeulen, an Edmonton realtor who has been very active in church-sponsored senior citizen housing programs; Mrs. Patricia Weatherup, Lethbridge, a member of the board of trustees of the Alberta children's hospital; Mr. Kevin Taft, Edmonton, a student who has been a member of the Health Facilities Review Committee for seven years and who has broad experience in the review of nursing home operations; Mr. Mac Duffield, an Innisfail businessman and former member of the Innisfail General hospital board; and Sister Jean Golden, Calgary, a member of the Roman Catholic Sisters of Loretto, with extensive international experience in social issues and Alberta senior citizen housing.

The government is very pleased that the panel is composed of Albertans with such a broad range of ex-

perience in all aspects of care for senior citizens.

The terms of reference require the panel to assess the development of the Alberta nursing home system and compare it to that in other provinces; to examine the financial, staffing, and programming elements of the system; and to report to the Minister of Hospitals and Medical Care within one year.

head: ORAL QUESTION PERIOD

Bankruptcy Investigation

MR. R. SPEAKER: Mr. Speaker, my questions today are again in pursuit of the question of government performance. My question to the Minister of Consumer and Corporate Affairs is with regard to a concern about severe losses by thousands of stockholders and client developers in the case of the filing of bankruptcy by Abacus Cities. I want to ask the minister very directly: what action has been taken by this government, by the minister, to ensure that the claims of Albertans are being protected?

MR. KOZIAK: Mr. Speaker, I had anticipated that question in the last fall session, in the spring session and, as a matter of fact, in the fall session before that, and in the spring session before that. So it has taken the Leader of the Opposition two years to become aware of the Abacus Cities situation in the province. I congratulate him on taking the time to become aware of what's happening in this province.

Mr. Speaker, the Alberta Securities Commission has been vigilant in pursuing those responsibilities it has under the Alberta Securities Act and, pursuant to that vigilance, they have appointed an investigation team which is pursuing all the ins and outs of the transactions that could be concerned with the Abacus operations. We expect a full report from those investigators this fall.

MR. R. SPEAKER: Mr. Speaker, as we all know, that investigation started in May 1979. When we think of the thousands of people who have waited and wondered about their financial future, it's very unfortunate. And now we have to wait until next fall, if this government acts by then.

Mr. Speaker, a supplementary question to the hon. minister. I understand that the RCMP, commercial crime division, is also carrying out investigations. I wonder if the minister could indicate when that report will be finalized, and when it could be made public.

MR. KOZIAK: Mr. Speaker, it was extremely fortuitous that the Securities Commission was on top of the matter and saw to it that an order was made and that the investigation proceeded as quickly as possible, to assure the success not only of the investigation but perhaps the recovery of a larger amount of money than might otherwise have been the case.* With respect to the investigation by the RCMP, that report will not be to me, so I cannot give the House an answer as to when that could be expected.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Attorney General. Could the Attorney General respond to that question?

*See page 90, right column

MR. CRAWFORD: Yes, Mr. Speaker. All I would indicate to the hon. member is that whenever there is an apparent or evident default to the extent that was the case in respect of the company about which he has asked his question, then of course the matter could be of interest to the commercial fraud division, and certain inquiries are made. However, the hon. Leader of the Opposition would know that it would be entirely wrong and improper in all respects for me to begin to discuss here any police report in respect of such matters.

MR. R. SPEAKER: Mr. Speaker, my question directly to the minister was, when will the investigation be done? I did not make a request for discussion here in the Legislature.

Mr. Speaker, my supplementary question again is to the Minister of Consumer and Corporate Affairs. As I understand it, the Alberta Securities Commission regulated the issue of the Abacus shares. At the same time, we have the Alberta Securities Commission doing the investigation. My question to the hon. minister: is the minister satisfied that the public interest is being served by an investigation by the same body that approved the shares in the first place?

MR. SPEAKER: I must express some misgiving about the form of the question. Whether the minister is satisfied is certainly a matter of opinion and, quite obviously, his opinion.

MR. R. SPEAKER: Mr. Speaker, a rephrased supplementary question to the minister. Was consideration given to the team of investigators, to the fact that a public inquiry should be held, rather than having the Alberta Securities Commission do the investigation when they were partly involved in the situation we have at the present time?

MR. KOZIAK: First of all, Mr. Speaker, in terms of the investigation, the Securities Commission is proceeding in accordance with the authority and powers given to it by the legislation passed in this Legislature, The Securities Act. The concern the hon. Leader of the Opposition raises is of course one that the Securities Commission addressed in determining that the investigation should be done by an outside team, rather than an in-house team of investigators. Firstly, of course, the nature of the investigation, as their concerns were fully borne out, was one that would take considerable time and manpower that could not be freed from the securities staff; secondly, the concern the hon. Leader of the Opposition raised, that they might overlook certain aspects that should be considered relative to how the Securities Commission handled the prospectus, and that the public might interpret an in-house investigation as covering those up. They felt it would be prudent to have the investigation conducted outside the offices of the Securities Commission.

MR. R. SPEAKER: Mr. Speaker, a final supplementary. Has the minister or the government considered a full public inquiry with regard to Abacus Cities?

MR. KOZIAK: Mr. Speaker, as the Leader of the Opposition correctly pointed out, the investigation has been going on almost two years. A public inquiry would not be beneficial, in terms of the people directly involved financially with respect to Abacus. The route chosen, which is the legislative requirement under The Securities Act, is

the correct way to proceed. It saw the appointment of an investigation team. In addition it assisted in the appointment of a receiver manager for all the properties of Abacus and a separate representative to act on behalf of the client developers.

The efforts involved in the responsibilities those people brought and discharged to the affairs of Abacus were more useful than a public inquiry, because in certain cases certain projects would have to be completed. It was an ongoing matter that was not conducive to a sort of picture-stamp approach to determine what went wrong. It was more than just determining what went wrong. It was also the question of salvaging as much as possible from what was there for the benefit of client developers; for the benefit of creditors, secured and unsecured; and, if possible, for the benefit of shareholders.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister, with regard to the report being prepared by the Alberta Securities Commission. Would that report be made public and available in the fall to the shareholders or those involved?

MR. KOZIAK: I can't anticipate the contents of that report, Mr. Speaker. As a result I can't provide the House with an answer. The duties upon me as a result of that report are set out in The Securities Act. For example, should there be evidence or direction from that report that suggests there should be some prosecution under the Act, then it may be the report cannot be made public at that time. So I would have to be bound by the requirements of the Act and the contents of the report in considering what should be done with the report at the time I receive it.

MR. GOGO: Mr. Speaker, a supplementary question to the hon. Minister of Consumer and Corporate Affairs. Recognizing that Abacus Cities was an investment vehicle that primarily attracted high-income earners who were using it for an income tax deduction or reduction, could the minister advise the House if his department's investigation or the Securities Commission's investigation would indicate an approximate number of Alberta investors who were adversely affected as a result of Abacus Cities going into receivership?

MR. KOZIAK: Mr. Speaker, it would be difficult for me to give a completely accurate answer to that. There are people who would fall into the category of shareholders, and that information would be on public record. There would be those who fall into the category of creditors. That is in a state of flux because of those who are sort of trade creditors and others, and those who are what you would call client developers. I understand the number of client developers would be in the vicinity of 2,000-plus. In many cases their arrangements with Abacus in the development of projects may result in a shortfall of funds, which they may wish to claim as unsecured creditors or otherwise in the forthcoming bankruptcy proceedings. So whether they fall under the category of client developers or creditors is a question that I don't believe has yet been decided.

MR. R. CLARK: Mr. Speaker, I'd like to direct a supplementary question to the hon. minister. It flows from the question asked by my colleague the Leader of the Opposition on the possibility of making public the report from the Securities Commission. My recollection

of the Securities Commission legislation is that there is nothing preventing the minister from making such a report public. Has the minister had discussions with the chairman of the Securities Commission regarding the possibility of making that report public?

MR. KOZIAK: Mr. Speaker, the discussions I've had with the chairman of the Alberta Securities Commission relate to the requirements of the legislation. As I indicated in an earlier answer, because I can't anticipate what the report will contain, I'm not in a position to provide a definitive answer now as to how its publication, if any, might be handled. The requirements of the Act include the consent of the Attorney General in certain cases, which would have to be considered. It may be that certain aspects of the report might be available for public consumption and others not. These considerations really have to be taken into account once the full report is in and we've had an opportunity to determine if there are any breaches of the legislation and other things.

MR. R. CLARK: Mr. Speaker, a further question. Can the minister assure the Assembly that he has not indicated to the chairperson of the Securities Commission that the government does not want the report made public?

MR. KOZIAK: Yes, Mr. Speaker, I can give that assurance.

Municipal Financing

MR. R. SPEAKER: Mr. Speaker, my second question is to the hon. Minister of Municipal Affairs. I'd like to ask him about his program of good will and support for local municipalities, when he just announced that he's going to increase lending rates from 9 per cent to 11 per cent for municipalities. What part of the program of municipal development and concern the minister has with regard to special growth problems of our municipalities in changing the concept of reasonably priced finance for our municipalities in Alberta?

MR. MOORE: Mr. Speaker, the hon. member should be aware that on a recent survey of nine other provinces in Canada, we found that no other province provides any subsidy whatsoever for municipal borrowing. In fact municipalities in every other province [interjections] are required to borrow at the going rate, which in many cases is in the order 14.5 per cent to 15 per cent.

The program the hon. member referred to was brought in by this government. Incidentally, a program of this nature was never in existence prior to it being brought in by this government in 1975. Over the last few years it has provided millions of dollars of subsidy to municipal governments in financing their requirements.

The program has not been cancelled. Indeed the program is providing greater benefits today than it did two or three years ago. The change made was that the effective interest rate was increased from 9 per cent to 11 per cent, but a very substantial 3 per cent plus subsidy still remains to municipal governments on their borrowing from the Municipal Financing Corporation.

Mr. Speaker, I make no apologies whatever for that effective program or for the unconditional municipal assistance grant program that, for the member's information, includes a very substantial component with respect to rapid growth that might occur. If the member would care to look at last year's disposition of some \$78 million

of unconditional municipal assistance grants, he will see that those grants were based on a growth factor plus the ability of a municipality to provide for its needs. That formula has been effective in achieving what in my view is the most generous municipal financing and assistance program that exists in any province in Canada.

MR. R. SPEAKER: Mr. Speaker, I'd hoped this government would be managing for Albertans, not for other provinces in Canada. What about our municipalities that need a reasonable interest rate?

Mr. Speaker, my question to the hon. minister is with regard to the whole of budgeting by municipalities in this province. In the last month, municipalities have either . . .

MR. SPEAKER: Order please. Would the hon. leader please come directly to the question.

MR. R. SPEAKER: To the hon. minister, Mr. Speaker, with regard to municipal budgeting. How does the minister expect municipal governments in this province to be able to allow for this interest increase in their present budgeting fiscal year when it was just announced now?

MR. MOORE: Mr. Speaker, the member's question really confirms that it was important that the government make that announcement before the hon. Provincial Treasurer presented his budget on April 14. Indeed that's why in late March — as we did a year ago — we advised that on borrowings for 1981 and beyond, the effective interest rate would be 11 per cent.

I would remind the hon. member as well, Mr. Speaker, that the interest rate established now makes no difference at all to a municipality's budgeting for the current calendar or fiscal year. Indeed it makes a difference for years beyond in any three-, five-, or 10-year financial plan they have, but the amount of interest required to be paid on a debenture taken out after March 31, 1981, is only reflected in payments made by the municipality beyond March 31, 1982. So there's no question that the member's research into this matter hasn't gone very far.

MR. NOTLEY: A supplementary question to the hon. minister. Is the minister in a position to advise what specific consultation took place between the minister and the Urban Municipalities Association and the Alberta association of rural municipalities before the government's announcement of the increase from 9 to 11 per cent? What formal consultation took place with the executives of both organizations?

MR. MOORE: Mr. Speaker, the matter of an interest subsidy of that nature is a very substantial component of the provincial government's spending. The consultation occurred between me, the Provincial Treasurer, and other members of the Treasury Board, where it rightfully should be.

MR. NOTLEY: A supplementary question to the hon. minister. Then there was no formal consultation with either of the two municipal associations in the province. The minister did not discuss this matter in any way with either association before the announcement was made.

MR. MOORE: Mr. Speaker, on many occasions over the last couple of years, I have discussed with the Association of MDs and Counties and with the Urban Municipalities

Association the manner in which our government might most effectively continue to provide various forms of assistance to them. Indeed most recently we've established a task force involving two members of government and two from each of those associations to review the fiscal arrangements between the government of Alberta and municipalities in this province, with a view to reporting over the course of the next several months. So there's been ongoing consultation on a wide variety of programs affecting municipal governments. Indeed we have discussed the provision of adequate financing at reasonable interest rates, but before the announcement was made, I did not discuss with them the specific fixing of an interest rate at 11 per cent as opposed to 9.

MR. NOTLEY: A supplementary question to the hon. minister. What specifics went into the computation of the 2 per cent increase, in view of the fluctuation in the bank interest rate over the last year? It's gone all over the place, but it's been high for the last year. What specifics led to the decision to increase it by 2 per cent, and was there any specific input from either of the urban or rural municipal organizations as to the amount of the 2 per cent increase?

MR. MOORE: Mr. Speaker, the current lending rate of the Municipal Financing Corporation is in the order of 14.25 per cent, which is really about the best interest rate you could get anywhere in Canada with a triple A credit rating, as is evidenced by recent loans from the Heritage Savings Trust Fund to other provinces. In that regard, it could be said that many of our municipalities would be paying well over that amount.

Quite frankly, the criteria that went into the fixing of the effective rate at 11 per cent, with the subsidy provided by the department, was a view that our municipalities required some assistance. My view, supported by the members of our government who were involved in making the decision, was that an interest rate of 11 per cent was a fair and effective rate that any municipality in Canada would be pleased to have for 1981. That's the judgment that went into it — a good judgment, I believe, when you consider the situation our municipalities face.

MR. R. SPEAKER: A final supplementary to the minister. I'm concerned about the lack of consultation and municipalities not knowing what's going on. What steps is the minister taking to advise the municipalities of what he's advised this Legislature? For one example, I'd look at the city of Calgary, concerned about a \$1.6 million increase. Has the minister informed the city of Calgary that it isn't taking effect this year?

MR. MOORE: Mr. Speaker, we're in the process of formally informing 350-odd municipalities in Alberta that there's been a change in a provincial government program. Occasionally I depend quite successfully on the news media.

MR. SPEAKER: The hon. Member for Lethbridge West with a supplementary . . .

MR. SINDLINGER: A supplementary, please.

MR. SPEAKER: Yes, the hon. Member for Lethbridge West tried to be recognized a moment ago. Followed by the hon. Member for Calgary Buffalo.

MR. GOGO: A supplementary question to the Municipal Affairs, Mr. Speaker, for clarification to me and perhaps other members. It arises from the question of the Leader of the Opposition.

I well recognize the reasons for the 11 per cent rate. Could the minister assure the House that this in no way changes those agreements made with municipalities with regard to the 9 and 8 per cent rates they've enjoyed in the past on outstanding loans, which is substantially below the prime interest rate of the chartered banks and other provinces in Canada?

MR. MOORE: Mr. Speaker, an important question. Yes, I can assure the House that the agreements we had to subsidize the debenture borrowing at 8 per cent in the second-last fiscal year and at 9 per cent in the last fiscal year continue throughout the life of those debentures and are not affected. The only thing affected by this most recent March 27 announcement was the interest rate on debentures taken out after March 27, 1981.

MR. SINDLINGER: Mr. Speaker, normally interest rates are raised either to earn more money or to discourage borrowing. My question to the minister is: which was the motive of the government in raising the interest rate, to earn more money or to discourage borrowing?

MR. MOORE: If the hon. member had been listening to the exchange over the last few minutes, we didn't raise the interest rate. In fact the Bank of Canada and federal government policies [interjections] are what have raised the interest rates in this country, quite frankly. We've provided for municipal governments a subsidy of approximately 3.25 per cent on the cost of borrowing from the Municipal Financing Corporation over the course of 1981. As members well know, the interest rates are fixed in another way. [interjections]

MR. R. SPEAKER: Lower expectations of Albertans.

MR. SINDLINGER: A final supplementary, Mr. Speaker. Before I do, I must apologize to the minister. I did listen carefully, but I had difficulty discerning what your point was.

Mr. Speaker, the supplementary question. I understand this to be a raise in interest rates from 9 to 11 per cent. If the motive was not to earn money, it must have been to discourage borrowing. Therefore, what program or plan does the minister have for the municipalities facing an increasing demand for services due to increased population growth in this province and, second, due to the erosion of their purchasing power by inflation?

MR. MOORE: Mr. Speaker, I don't want to get into the remarks that are going to be made by the Provincial Treasurer on the evening of April 14. If the member is in his seat then, I'm sure the very extensive assistance this government has been providing and will continue to provide will be outlined in detail.

Grain Transportation

DR. BUCK: Mr. Speaker, I'd like to address my question to the hon. Minister of Economic Development. I'd like to know if the minister can indicate to the Legislature what action he is taking on releasing the 37 blue cars being held by the grain transportation authority?

MR. PLANCHE: I'm not sure I understand the question, Mr. Speaker. Was the question, what action to releasing the cars?

DR. BUCK: Yes, Mr. Speaker, that was the question.

MR. PLANCHE: Mr. Speaker, perhaps the Member for Clover Bar could be more specific about releasing them from whom.

DR. BUCK: Mr. Speaker, can the minister indicate under whose authority the movement of grain cars takes place? Is it not under the grain transportation authority of the federal agency?

MR. SPEAKER: Is the hon. member seeking to be informed on a question of law or regulation?

DR. BUCK: Mr. Speaker, I assume the minister should know, because he's responsible for the cars. Does the minister want the whole story, or does he not know anything about the situation? If he doesn't, maybe he can consult the Minister of Agriculture. Thirty-seven taxpayers' cars that cannot be unloaded are being held on sidings in British Columbia. Can the minister indicate what his department or the Department of Agriculture [is doing] about letting these cars go to the terminals?

MR. PLANCHE: Mr. Speaker, I'm not responsible, nor is anybody in my department responsible for those rail cars.

SOME HON. MEMBERS: You're right.

MR. PLANCHE: If the Member for Clover Bar is wondering whether the Canadian Wheat Board is going to allow those cars to be unloaded at the port, I suggest he ask them.

DR. BUCK: Mr. Speaker, to the minister. Can the minister indicate what utilization rate we are getting from the grain hopper cars? Is the whole number in service right now?

MR. PLANCHE: Mr. Speaker, the 800 delivered from Ontario are in service. I don't believe the 200 from Truro, Nova Scotia, have arrived in Edmonton yet.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. Can the minister indicate if these cars are being used just in Alberta?

MR. PLANCHE: Mr. Speaker, it's pretty hard to get grain from here to the Vancouver port and just use the cars in Alberta. [laughter]

DR. BUCK: That's fine. If you want to be a smart aleck, that's fine.

Mr. Speaker, can the minister indicate to this Assembly and the taxpayers of Alberta what the additional numbers of cars have done to the turnaround time in moving grain to the west coast.

MR. PLANCHE: Mr. Speaker, as the Member for Clover Bar should know, the turnaround time isn't necessarily a function of the number of hopper cars. It's also a function of the sophistication of the port facility, and indeed the whole transportation facility. So cars are help-

ing. Our information is that the turnarounds have improved from some elevator delivery points, but not necessarily just because of the addition of those cars.

DR. BUCK: Mr. Speaker, the minister knows so much, can he indicate what percentage of the cars are being used just for on track storage, and what percentage of cars are actually being used to move the grain out to the west coast?

MR. SPEAKER: Order please. We seem to be getting more ...

DR. BUCK: Well, he seems to know everything when he wants to.

MR. SPEAKER: Whether a question should go on the Order Paper doesn't depend on what the minister knows; it depends on the nature of the question.

DR. BUCK: I think it's what he wants to tell us, Mr. Speaker.

MR. SPEAKER: I respectfully suggest to the hon. member that when he gets into detail of that kind, it should be sought via the Order Paper.

MR. SINDLINGER: A supplementary, Mr. Speaker, please. Could the minister advise what monitoring agency the government has in place to ensure that those hopper cars, paid through the heritage fund, are serving the people of Alberta?

MR. PLANCHE: Mr. Speaker, when we take delivery of the final 200 cars, they will be allocated between the CPR and the CNR by traditional use. The condition of our supplying the cars to the railroad was that they would use them for western Canada grain products, board and non-board, and under the direction of the grain transport authority. From that point on, of course, we don't have any ability to continually monitor, except to ask questions at a specific time about where the cars are.

MR. SINDLINGER: A final supplementary to the minister, Mr. Speaker. How can we in Alberta be assured we're getting fair value for our money? How can we be assured the railways are serving our interest?

MR. PLANCHE: Well, Mr. Speaker, the initiative to buy the cars in the first place was because the grain fleet was deteriorating. The railroads were not able to accumulate enough capital to provide the capital costs necessary to make their whole system contemporary. It wasn't necessarily a function of what better it would be by having the cars, it was a question of the necessity of having cars at all to move grain. So as part of a commitment from three provinces, we undertook to supplement the grain fleet in order to see to it that our products are delivered to the coast.

DR. BUCK: Mr. Speaker, a final supplementary question to Minister of Agriculture. Can the minister indicate to the Legislature and to his colleague what steps are being taken by the provincial government to move the cars presently in British Columbia filled with rapeseed? What steps are the provincial government and the Minister of Agriculture taking to make sure these cars do get unloaded?

MR. SCHMIDT: Mr. Speaker, it's my understanding that the grain in the cars is tied with the owners and the transportation through Alberta Terminals Ltd. It would be through that area that representation would be made as to either the disposition of the grain within the cars or the shipment.

MR. SINDLINGER: Mr. Speaker, a final supplementary, please, to the Minister of Economic Development. In your previous response, you indicated that you supplied ...

MR. SPEAKER: Could the hon. member please [inaudible] into the third person.

MR. SINDLINGER: Excuse me, Mr. Speaker. To the Minister of Economic Development: the minister's previous response to one of the questions was that the cars were provided to make up a capital deficit that the railways were facing. The railways are often saying that because they cannot make up this capital deficit, the Crow rates will have to be increased. Now that we've provided some of this capital to the railways, will we therefore have to abide by their request to increase the Crow rates? Or if I may put it another way, Mr. Speaker: two years ago the Minister of Agriculture indicated to this Assembly that he would have a policy on the Crow rates within a year. Last year the minister did likewise. After two years does this government finally have a policy on the Crowsnest Pass freight rates?

MR. PLANCHE: Mr. Speaker, I don't remember making a commitment that we'd have a solution to the Crow rate by this year. However, I think it's important to know that if we don't have a solution to the Crow rate, where 20 per cent of the freight is providing only 14 per cent of the revenues for the railroad, and somebody doesn't step in and supply the infrastructure in terms of cars and rail, by 1985 we can expect an extremely difficult situation in terms of moving our product. We recognize that difficulty, and we are consulting with others in the grain industry and in government who are not necessarily persuaded of the immediacy of the problem. We're working diligently toward a consensus to that end, which is what the Prime Minister has requested before the federal government will move. It would be our very fond hope that we can reach that consensus.

MR. SINDLINGER: A final, final, Mr. Speaker.

MR. SPEAKER: [Inaudible] final supplementaries, sometimes two or three in a row. Perhaps we could come back to this topic if there's time.

Emission Monitoring

DR. CARTER: Mr. Speaker, my question is to the Minister of Environment. Last Saturday evening the stench in the southeast area of Calgary was quite offensive. Is the Department of Environment constantly monitoring the southeast Calgary industrial area for offensive emissions?

MR. COOKSON: Mr. Speaker, we do regular monitoring in the total area of Calgary. I think three monitors are in operation, and an additional one has just been placed in the area of Western Cooperative Fertilizers. We have a monitoring system around 18th Avenue, 18A Street, and

45th Avenue S.W., I think. We not only continue to monitor odor emissions but primarily other types of materials.

DR. CARTER: A supplementary. Has the department received complaints with respect to the Alberta Processing plant in southeast Calgary and, if so, how many?

MR. COOKSON: If my memory serves me correctly, Mr. Speaker, we had about eight complaints with regard to odor in 1980, and until this time in '81, probably several complaints dealing with this specific problem.

DR. CARTER: A final supplementary, and it is a final supplementary. Have there been discussions between the department and the Alberta Processing plant with respect to the plant being relocated outside the boundaries of the city of Calgary?

MR. COOKSON: Not really, Mr. Speaker. In the case of Alberta Processing, my information is that they have modern, up-to-date equipment. If the equipment is being handled properly by the staff in the plant, there shouldn't really be any problems with regard to odor emissions. Of course one is always subject to human failure to conduct themselves properly in the way of handling equipment. I think it's important that our attention be drawn to problems of this nature, and we can dialogue with the employer.

Crowsnest Pass Freight Rates

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Economic Development. It came up at the very last part of the last series of questions to the minister, but I'd like to deal more specifically with this question about the Crowsnest Pass rates. If I took his answer correctly, the minister implied that because 20 per cent of the haulage brought in 14 per cent of the revenue, that had to change. My question very specifically to the minister: in view of the fact that Saskatchewan has said that the commitments made publicly should lead to the retention of the Crowsnest Pass rates, is that the position of the government of Alberta? Or is it their position that the Crowsnest Pass rates should be abandoned or modified in some way?

MR. PLANCHE: Mr. Speaker, the difficulty always is the question of abandoning the Crow rates. It has never been our intention to abandon the Crow benefit to the farmers. And I'm not sure that the Saskatchewan Wheat Pool is at variance with that. The difficulties revolve around whether or not the difference between the statutory and compensatory rate should go to the grower or the railroad. There is considerable difference of opinion on that issue.

Finally, the calculation of what the compensatory rate for grain should be is still at issue. For our part we feel it should go to the grower and that the rate should be published as compensatory. But there was never any question about our position on the Crow benefit, the difference between statutory and compensatory going to the grower.

MR. NOTLEY: A supplementary question to either the hon. Minister of Economic Development or the hon. Minister of Agriculture. In view of the very heavy public investment by the two prairie provinces, as well as

Manitoba and the Wheat Board, what estimates do we now have as to the actual difference? This would undoubtedly have changed since the Hall commission report, because of this enormous public investment. That obviously is going to lead to some difference. Do we have figures, and will the minister table the figures, as to the difference between the statutory rates and the compensatory rates?

MR. PLANCHE: Mr. Speaker, I don't have any trouble tabling our estimates of the figures. The figures are not agreed upon generally, because there's a branch line subsidy component in the total differential. For the use of the member, in terms of where we're at, I'm happy to table those numbers with the understanding that they are just working document numbers.

In terms of the massive investment, we're talking about \$50 million for the rail cars, and I think the railways are in need of something in the order of \$8 billion to \$10 billion. So we've hardly scratched the surface of what's needed to make the system contemporary and operative to the end of the 1980s.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. The minister indicated the government's support of the Crow benefit directly to the producer. Is that the formal position of the government of Alberta, or is that the position of the minister? Is that the position of the Minister of Agriculture? What is the government's position with respect to this question of who in fact should get the benefit: whether it should go to the rail companies or whether it should be given out to the tens of thousands of permit holders?

MR. PLANCHE: I think that's a fair question, Mr. Speaker. I'm not sure that we have a documented policy from the government on the issue. We would be satisfied if we could get agreement from the growers and the provinces that an adjustment to compensatory rates needed to be made, and that the federal government would undertake to provide the money for the differential. Once that is established, you're talking more about the technology of the adjustment than the adjustment.

MR. NOTLEY: A supplementary question to the hon. Minister of Agriculture. What consideration have the Minister of Agriculture and the government of Alberta given to the proposal of the Crow benefit going to literally tens of thousands of individuals and the difficulty of ever guaranteeing that once we moved off the Crow rates, that benefit would continue to exist in the years ahead and not simply be done away with in future by federal budgets?

MR. SCHMIDT: Mr. Speaker, if I remember, some time ago in question period we agreed and touched that benefits should accrue to the producer. We also stated that to be absolutely sure those benefits would continue, it should be part of the legislated package that would set up the total faction of the Crow rate and the Crow issue itself. That would have to be the guarantee to the producer that that service and that benefit would continue in the years ahead.

University Tuition Fees

MR. R. CLARK: Mr. Speaker, my question to the Minister of Advanced Education and Manpower flows

from the answer the minister gave last Friday in the Assembly with regard to the question of university tuition fees, and that portion of the minister's answer when the minister said: "I would not be prepared to recommend an increase this [coming] fall, unless there were some particular circumstances that I have no knowledge of at this time."

My question to the minister, and I pose it as a result of representations from students at the University of Alberta: has the minister had discussions with representatives from the board of governors of the University of Alberta? Is the minister aware that a committee of the board is recommending a 15 per cent increase in tuition fees at the University of Alberta? Can the minister indicate to the Assembly that he will not approve that?

MR. HORSMAN: Mr. Speaker, in substance I repeat the answer I gave the last time this matter was raised in the Assembly. I've had no formal requests from any institution for an increase in tuition fees for the 1981-82 academic year. By way of correspondence with all boards of governors and in discussions with student leaders in the province, I have indicated that I intend to embark on a careful review of a long-term tuition fee policy and have indicated, and will do so again now, that unless there are unusual circumstances which have not been brought to my attention, I would not be disposed to recommending any fee increases for this forthcoming academic year, as would be my responsibility under the legislation.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister had informal discussions with representatives from the University of Alberta? I raise the question because I appreciate that a formal presentation has not been made to the minister. But if there have been informal discussions, and the minister feels the way he has indicated in the Assembly, that could be interpreted by students — and rightfully so — that the minister would not support a 15 per cent increase this year.

MR. HORSMAN: Mr. Speaker, I have had no discussions which in any way could be interpreted as having indicated to me that a formal or definite position has been taken by boards of governors in this province.

MR. R. CLARK: Mr. Speaker, one further supplementary question, very specifically: no informal discussions with representatives from the University of Alberta about any tuition increases at all?

MR. HORSMAN: Mr. Speaker, it's my understanding that certain matters are under consideration at various committee stages, but it's very inappropriate for me to comment on any of those matters until such time as something in the nature of a formal request came forward.

Social Services Regionalization

DR. C. ANDERSON: Mr. Speaker, my question is to the Minister of Social Services and Community Health. I have been informed that you met with about 160 of your department staff last Friday concerning regionalization of your department.

MR. SPEAKER: Would the hon. member please adopt the ordinary parliamentary form.

DR. C. ANDERSON: I'm sorry. Mr. Speaker, could the minister assure the Assembly that this regionalization to another locale than St. Paul will not affect the number of department staff now located in St. Paul?

MR. BOGLE: Yes, Mr. Speaker. The move to ensure that there are six regions within the province with co-terminus boundaries for the various divisions of the department will be worked out within the department over the next months.

One of the complexities at the present time is the fact that the various divisions of the department do not have co-terminus boundaries. For instance, we have 42 district social services offices and seven each of mental health and rehabilitation services. The titles for the mental health and rehabilitation services offices are regional offices. There may be some concern over the word "regional", because in the Speech from the Throne we made specific reference on page 7 to transfer of decision-making in the department and the establishment of regional offices. But very clearly the delivery of services, whether through one of the mental health, rehab, or social services offices, will continue from those local offices. The co-terminus boundaries and the new regional directors will operate out of small nerve centres, if you like, in other communities.

In short, Mr. Speaker, there should not be an adverse effect, either upon the services provided in northeast Alberta out of the St. Paul office or any of the other district or present regional offices in the department.

MR. SPEAKER: The time of the question period has run out, but if the Assembly agrees, I have recognised the hon. Member for Edmonton Glengarry. Perhaps we might deal briefly, hopefully, with the hon. member's question.

HON. MEMBERS: Agreed.

MR. SPEAKER: I apologise to the hon. Member for Bow Valley. I was probably somewhat extreme in the number of supplementaries which were asked on previous questions.

Building Standards

MR. COOK: Mr. Speaker, could I ask a question of the Minister of Labour. The new provincial building code was unveiled a couple of weeks ago in regulation form, and it was the first time that there were standards for insulation in Alberta buildings. My question is: why were no standards provided for commercial buildings?

MR. YOUNG: Mr. Speaker, to respond to the hon. Member for Edmonton Glengarry. First of all with respect to what did exist previously, there was a very minimal standard in that the insulation had to be adequate to prevent condensation on the interior of buildings.

The question as to why the code did not cover commercial or large buildings: first of all we're into a pretty complex area of energy saving or energy consumption when we start to address that question to buildings. In terms of the Alberta building code, what we really have is a standard for thermal insulation for residential buildings.

I could give quite a long answer, but to try to hit the high points of the reasons the code did not extend to

commercial buildings, I would say first of all that the ratio of energy consumption caused by leakage from exterior surfaces to the energy consumption used in the internal mechanism and operation of buildings is quite different in a commercial situation. In fact it may well be that the external considerations are less significant in terms of overall energy consumption than are the internal mechanisms.

Secondly, Mr. Speaker, a suggested code was advanced by the National Research Council in 1978. However, in commenting on the proposals, the associate committee of the National Research Council made some pretty serious observations about them, at least in my opinion. Rather than refer them to the Assembly, I would simply direct the attention of the hon. member to pages 1 and 2 of the commentary, which really suggests that it would be a very, very complex process. To evaluate the application of the code to those buildings would require a great deal of regulation. The fact of the matter is that there isn't agreement among professionals and experts in the area as to what are the most up-to-date methods for energy conservation.

The final point I'd make is that commercial and large buildings being what they are, the owners would undoubtedly have a greater stimulation and be aware of. . .

MR. NOTLEY: Speech, speech.

MR. YOUNG: This is my third point, hon. Member for Spirit River-Fairview.

The owners would undoubtedly be aware and have a stimulus to look at and look into methods of energy conservation and saving of consumption, greater than would be the case with residential consumers.

MR. COOK: A supplementary question, Mr. Speaker. The American society of heating and air conditioning engineers, a professional body, has developed a set of guidelines. Has the Minister of Labour consulted that body on the performance standards they have developed, which are accepted as industry guidelines? Secondly, has the minister considered that the natural gas price protection plan provides for the Alberta government to pay one-third of all the heating costs, and therefore inefficient buildings cost the Alberta government money? We have a very great interest.

MR. SPEAKER: It would seem that the second part of the question would clearly be superfluous. It would imply a lack of knowledge on the part of the minister that perhaps might be objected to. If the hon. minister can answer the first part briefly, we are running into private members' time, and the Chair must have some regard for that.

MR. YOUNG: Mr. Speaker, I'll try to do it briefly, and perhaps we can continue the exploration of this great and very important subject when dealing with the hon. member's private Bill.

The answer is that in drawing up the recommendations for the 1978 code, the National Research Council did in fact take into account the recommendations to which the hon. member refers. I listened to the advice given to me by the Alberta Building Standards Council, which suggested that despite all the good advice from that particular body of professionals, it was not complete enough, nor good enough, nor did it seem to take into account all the factors that should be considered.

ORDERS OF THE DAY

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

201. Moved by Mr. Batiuk:

Be it resolved that the Legislative Assembly urge the government to consider entering into negotiations with the government of Canada to withdraw Alberta from the Canadian Wheat Board designated area.

MR. BATIUK: At the outset, Mr. Speaker, I want to make it abundantly clear — and I repeat, abundantly clear — that I have never vocally expressed my dissatisfaction with the Canadian Wheat Board. I think they have done a fair job; they were useful. Never did I show any indication that I would not desire their existence. However, I feel that even though they were useful, they may have outlived their usefulness or may have just become a little stagnant. I have always believed in a dual marketing system, and I feel that it provides competition and is in the best interests of the producer.

What really enticed me to bring in this resolution, Mr. Speaker, was that I had the opportunity to review a program that was proposed by the Canadian Wheat Board. That is the market assurance plan, which I mean to refer to from now on as MAP. Just within the last days, at least after my motion was registered, I understand there has been an order that this procedure halt. However, it would halt only temporarily, so I think it is only right that my resolution continue.

When this proposal came out, it looked very attractive to me. There were a few principles that looked very good. One was an incentive to produce more grain to meet the demands and the markets, and I thought, this is very good. Another principle was to pay storage to the farmers. This was something new, and I thought it would be an added advantage; also, to provide advance payment to farmers for grain stored. At present this is in existence, but I saw nothing wrong with it. However, Mr. Speaker, I had the opportunity to attend a meeting with three members of the advisory board of the Canadian Wheat Board, along with the two presidents of both farm organizations. In that hour and a half, I was convinced that MAP would be of no benefit to the farmers. The three directors on that advisory committee did not have the same opinion about the program. They could not answer any questions on how it would function. By the time our meeting was finished, I was convinced that this proposal was just a tactic to lead the farmer down the golden path, whereby the Wheat Board could take full control of all grains.

Mr. Speaker, the farmer doesn't need MAP for an incentive to produce more. All he needs is transportation, markets, and a fair return for his produce, and he will be able to produce considerably more, whether by continuous cropping or application of fertilizers.

Secondly, Mr. Speaker, I think the storage on farms is a total farce. At the start I felt that maybe the federal treasury would be providing funds to pay storage on farms, but this committee made it clear that it would be the Canadian Wheat Board. If it is the Canadian Wheat Board, who is going to be paying? It's the farmer himself. Besides paying himself for the storage, he will have to dig and pay a little more for another bureaucracy, maybe another federal building with 100 people to man it. I believe that for every penny that would come from

storage to his left pocket, he would have to take out three to pay himself and the operating expenses. So once again, I think that storage payment is a total farce.

Mr. Speaker, what about the losses that occur? It was mentioned very clearly that the Canadian Wheat Board is going to take care of the losses. When we look back just a couple of years ago, when LIFT was in operation — well, we've got a surplus of wheat; don't seed wheat, seed hay, and we'll pay you \$10. And this was done. But in a couple of years, when there was a need for wheat in the market, there was no wheat or hay. Maybe some people were sitting behind the bars, but still, there has to be payment for those losses. I can foresee that the farmers, through the Wheat Board, will be paying losses in the future.

We have to realize that Alberta produces 50 per cent of all the feed barley in Canada, and 65 per cent of that is fed right here in Alberta. If this program goes through and the farmer commits his grain to the Canadian Wheat Board, as is stated in the program, that will be the end of farmers being able to sell to the feeder. Any person wanting to buy feed will have to buy it through the elevator, and at present the tariffs are about 15 cents per bushel. When there will be only one system of marketing, I think they'll go slightly higher.

Mr. Speaker, the farmer is continuously confronted with hazards. The weather: he may suffer a drought, or even flooding, hail, frost, storms. Pests: the crows are a real hazard to the farmers. One crow flies over the field and devours the grain, and the other one rides the rails at the farmer's expense. When we see that our feeder cattle and feed barley are being moved to central Canada, particularly to Quebec, not only is this done but they are able to raise that beef on the barley that rides for 14 cents per bushel from Alberta to Quebec. Also, what happens? It is fed there, and the products are processed. How many packing plants in Alberta have closed down in the last number of years? And those who are backing the Crow rate are the ones who are crying, what is the Alberta government going to do so the packing plants don't close?

Mr. Speaker, when you send a letter from Edmonton to Leduc, you have to pay 17 cents for the first three ounces. Yet a bushel of wheat, 60 pounds, goes across the country for only 40 cents. To me this is not logical. A hundred years ago the government of Canada saw the need to develop western Canada, and to do this they provided large tracts of land and mineral rights to the Canadian Pacific railway, to build a track to western Canada. This was done, but it did not provide what the government of Canada in that day saw. So in its wisdom, the government of Canada provided quarter sections of land, 160 acres, known as homesteads, for \$10, for people to come and develop this fresh land. My parents and grandparents came. They came here because they knew that for \$10 there was a chance to obtain a whole quarter section of land, to own and to do with it and on it what they pleased, with very little government interference. They had left a place where they had a small portion of land but where the government told them, you must seed this and you must seed that. They told them what portion they would get in the fall, and if there is anything extra it would be left for them. They went away from the kind of government that existed there.

Now, Mr. Speaker, we see that these quarter sections of land that were sold for \$10 are now being sold at \$500 per acre, \$1,000 per acre, and considerably higher. It would be very ridiculous if the government of Canada said, well, you're old, you can't work the land anymore; if you want to sell it, sell it back for \$10 — but just as

ridiculous as these people expecting the Canadian Pacific railway to haul grain in this country at prices set in 1897. I personally feel that maybe the CPR is not always right. Where there is rail abandonment, maybe they should be forfeiting some of the benefits they derived, whether mineral rights or otherwise. But I feel that the farmers should not be paying this. I think they are not getting enough for their products to be able to pay what the present rate should be.

Mr. Speaker, I'm quite well aware that the New Democratic Party strongly supports MAP and the Crow rate. I'm not surprised, because if everything were well, a party such as that would have nothing to holler about. As long as something is no good, it's to their advantage. I'd just like to mention that five or six years ago, when the former minister of energy introduced the Alberta energy Act in this House, the first thing the hon. Member for Spirit River-Fairview stood up and said, I agree in principle. Well at once our caucus got concerned, because there must be something wrong in that Act that he agreed with. We scrutinized that Act, brought it back with amendments, and then the hon. member opposed it in its entirety.

I can see the New Democratic Party doing that, but what really bothers me is when the National Farmers Union recently went on a mission to Ottawa, to tell the government of Canada not to do anything with the Crow rate. This went right up their alley: don't do anything. Sure they wouldn't do anything. They wouldn't have to pay anything if they didn't do anything. I would have expected that the Farmers Union should have demanded that the government of Canada do something. It was they who in 1897 set those rates and did nothing about them for the last 85 years. However, they fell into the prey of the federal government, and I'm sure the federal government will be glad not to do anything.

Mr. Speaker, just recently I heard a definition of a farmer. Very interesting. A farmer is a person who sells wholesale, buys retail, and pays the freight both ways.

Mr. Speaker, less than two years ago when the Conservatives formed the government in Ottawa and the hon. Don Mazankowski was appointed Minister of Transport, he immediately announced his objectives to increase markets and transportation by 50 per cent in five years, with 20 per cent the first year. True enough, many of us, including me, were pessimistic that this would happen, looking at the collapse of the bridge at the harbor. However, before the first year was over that 20 per cent was realized; grain moved. How many graineries already on the farms were totally empty? Less than a year after, what do we have? A month ago people in the northern part of my constituency were allowed to haul only a three-bushel quota.

Mr. Speaker, we know there are many criticisms that the Alberta government does not consider the farmer and is doing very little. But we must accept that grain transportation is the responsibility and obligation of the federal government. Yet our government purchased the Canadian government terminals, we've purchased 1,000 hopper cars, and we committed ourselves for over \$200 million to the Prince Rupert terminal.

Less than two years ago when there were negotiations for these hopper cars with the Canadian Wheat Board, the province of Saskatchewan, and the province of Alberta, the Minister of Agriculture for Saskatchewan very cautiously said that we must watch Alberta to see that they purchase their cars, that that document is going to be binding, and we'll have to watch that they don't hold

the hopper cars only for Albertans. Mr. Speaker, every place you go in any of the four provinces in western Canada, you will see the blue cars. I have yet to see a Saskatchewan car.

Mr. Speaker, I know that to some extent Alberta farmers do lose a little because of transportation when grain is pulled through the Wheat Board. However, I don't want to be looked upon as a bit greedy. It is nothing if Alberta farmers contribute a little to it. But what really bothers me — if Hydro-Quebec contributed to the rest of Canada or was nationalized, if the gold in Ontario or the pulp, paper, and timber in Manitoba and British Columbia were nationalized, or the potash in Saskatchewan, I wouldn't say anything. It would be all right. But I cannot see why the Wheat Board or the Canadian government in any way sit and try to take advantage of Alberta. True enough, there are some deficiencies in the Canadian Wheat Board, but that's expected. However, they will have to be looked at. With total control and with Ontario not being in the designated area, Ontario would be able to sell their barley at \$200 per tonne across the border and bring it in and replace it with Alberta wheat at \$160 per tonne.

Mr. Speaker, I would like to read a little quote from *Hansard* of April 22, 1980. I had a resolution before the House urging the government to provide more incentives for beginning farmers. It reads:

What ... bothers me, Mr. Speaker, is that just a couple of months ago the Canadian Wheat Board provided a permit to Quaker Oats of Peterborough, Ontario, to import 3.5 million bushels of oats. Knowing the number of farmers in my constituency and no doubt any place in western Canada who have had oats standing for 5, 8, and 10 years — [because there was] no price, no quota — [yet] the Wheat Board allowed Quaker Oats to import oats from the United States. To me, this is ridiculous. Just to think of it ... In western Canada, we may feel that 3.5 million bushels is not very much, but if that 3.5 million bushels was given to the beginning farmers as an extra quota ...

I think that would help them to a great extent.

A few statistics, Mr. Speaker. From 1974 to 1979, feed grain production in Canada rose by 17.7 per cent. In the United States, it rose by 44.4 per cent. From 1971 to '79, Canadian wheat production rose by 7 per cent. In the United States, it fell by 12 per cent. Yet exports in the United States increased by 6 per cent. Canadian exports fell by 19 per cent. So maybe it is not right to blame transportation totally. There are many cases where the Canadian Wheat Board uses private grain company agents as its agents in selling grain on foreign markets. This appears to be more efficient than establishing its own network.

Another area that I would like to quote is:

The [Canadian Wheat Board], presumably due to a 1937 court decision ... never purchases grain directly from the producer. Rather, it purchases grain from the corporate entity at the elevator who purchases it from the producer. It generally uses company agents to sell grain abroad. Its purpose, then, can only be two elements as a middleman: ... (Presumably for a national interest), and price assurance. With only 18 per cent of the world wheat export market, it can hardly control the market, nor the price. Domestically, it controls all grain moving through elevators, mills, and railways, yet, it never sells directly. Its efficiency, then, has only two roles

remaining: transportation and price. The transportation issue is beyond its scope. The price is beyond its scope, other than to maintain some role in monitoring private industry.

Mr. Speaker, if MAP had gone ahead and the Canadian Wheat Board had taken total control over grain marketing, it would have been the biggest monopoly in this country. Sure, the government of Canada owns Air Canada, but it is not the only airline. They own Petro-Can, but they don't own all the gas pumps. But if they take total control of grain marketing, there will be no competition whatsoever. I feel that for too long the cow has been fed in western Canada, milked in central Canada, and the fertilizer has been scraped to eastern Canada.

Mr. Speaker, as I mentioned earlier, my parents and grandparents left a country where state and government control existed. I think they have done well over the last century. Are we coming back again to state control? Our parents and grandparents had a place to flee. But where are our children and grandchildren going to flee when state control enters here.

Mr. Speaker, I see that my time has already elapsed. I want to thank the members for listening the way they have, and I invite debate on this very important issue.

MR. MANDEVILLE: Mr. Speaker, just a few remarks on Motion 201. I really think the resolution is a little premature. I read the resolution, and it says:

Be it resolved that the Legislative Assembly urge the government to consider entering into negotiations with the government of Canada to withdraw Alberta from the Canadian Wheat Board designated area.

I listened closely to the mover of the resolution for some of the reasons we should be withdrawing from the Canadian Wheat Board and some of the methods we could use to withdraw from the board. I really wasn't able to make an assessment on how it could be done or what the reasons are for doing it. I oppose MAP, and at that point in time I thought possibly we should be looking into putting some pressure on to see that we don't go ahead with MAP.

I was very pleased to see that the advisory committee of the Canadian Wheat Board has put MAP on the shelf. I think it was going to be detrimental, especially to Alberta farmers and feeders. I was at some of their meetings, and I have heard comments from many of our farmers and ranchers. They were very concerned about MAP. So I'm pleased that the Minister of Agriculture put pressure on the federal government, the Wheat Board, and Hazen Argue, and got this particular program shelved for this time.

Mr. Speaker, I doubt very much if we would get support from Alberta farmers with regard to withdrawing from the Canadian Wheat Board. I'm sure that I wouldn't get support in my own constituency to support the resolution, or the provincial government coming up with legislation or whatever they need to withdraw from the Canadian Wheat Board.

Mr. Speaker, a prime example is that last year the Canadian Wheat Board handled 83 per cent of the barley. That's certainly an indication to me that farmers in Alberta are willing to deal with the board. Barley can be on the board or it can be on the free market.

What would we be if we opted out from the Canadian Wheat Board? It would mean that we would be on a totally open market, without access to export. I could see B.C., Manitoba, and Saskatchewan getting first chance at

all our export markets. In a year when we have surplus grain, I think it would really create a problem as far as Alberta is concerned. We would certainly be on the back burner as far as Alberta producers are concerned in marketing their grain, and we'd definitely be looking at lower prices. Also, we would have problems with our docking facilities under present conditions. At the present time the issuing of all export permits is done through the Canadian Wheat Board. If we were to opt out, it would be necessary to have federal legislation passed so we would be able to market our grain in foreign markets.

Mr. Speaker, I'm not saying the Canadian Wheat Board doesn't need improving, because it certainly does. It has had some improvements and needs more improvements along the line of price differentials we have as far as the United States and Canada, and Australia and some of our exporting nations, are concerned. I think bureaucracy has built up so large in the Canadian Wheat Board that they're looking for programs, such as MAP that they were trying to implement. I think if we had some of the bureaucracy in the Wheat Board doing more constructive work, they would certainly fit in much better with the people of western Canada. I say popularity alone should indicate that the motion is inadvisable at this particular time.

I think one of the problems we're facing, more so than the Canadian Wheat Board, is transportation. That is the big problem we're facing as far as our grain situation in western Canada is concerned. We should be looking at a different transportation system. I know we've all hovered over the Crow rates for years, but it's time that we look at a different method. I don't want to give up any benefits we've been given under the Crow rates, but I think we have to look at something different as far as transporting our grain is concerned. Under the present Crow rates, we're certain that rail companies aren't going to transport our grain and do a good job at the prices they're paid for handling our grain.

We have terminals in Alberta at the present time. I think we should be looking at putting more inland terminals in Alberta and possibly cleaning our grain here in Alberta. It seems ridiculous to me that we transport our grain to our west coast ports, clean it, and then have the screenings sent back, which are a by-product we can certainly use in Alberta as far as feed is concerned.

Another area really bothers me as far as transportation is concerned — and it would be more so if we didn't have the Wheat Board to help us in that area. So many times when we have a good market for our grains, we have orders, ships at the Vancouver port, what happens? The dock workers go on strike, and we lose those orders. We are paying demurrage on the ships, and where do they go? They go to San Francisco and some of the other ports and load. I think those are some of the areas we need to take a real good look at and see that they're modified or straightened out.

I just want to say, Mr. Speaker, that I don't support the Canadian Wheat Board because it has become a heritage in western Canada for marketing our grains. I don't think we should withdraw from the Wheat Board at this particular time.

Thank you.

[Two members rose]

MR. SPEAKER: The hon. Member for Cardston tried to get the attention of the Chair earlier.

MR. THOMPSON: Thank you, Mr. Speaker. Like several other members in the Assembly, I would like to extend my condolences to the family of Don Hansen. I knew him well, and I'm sure the community he lived in will miss him greatly.

Time marches on. I guess we'd better speak about the motion the Member for Vegreville brought in today. I feel it's a very timely motion. It's bound to stir up considerable interest. I think he really is doing a service to the farming community in bringing it up for discussion at this time.

I feel the Member for Vegreville is probably the most capable person in this Assembly to speak on the operation of the Wheat Board. He is a member of the Alberta Grain Commission. He is a rural member from north-central Alberta and has a very good handle on what producing grain is all about. He really has first-hand knowledge on the operation and procedures used by Wheat Board personnel. I listened with a great deal of interest to what he said on the operation of the Wheat Board today. I really don't believe any member is more qualified than the Member for Vegreville to speak on this subject.

In marketing grain there are two philosophies. One is to keep the system as open as possible to allow producers to choose any of many options in how they sell their grain. Of course the other one is a closed, very rigid system. You have a central marketing agency that has control over both delivery and price. There are several farm organizations — the Alberta Wheat Pool, Unifarm, and the NFU — that are totally committed to not only this system but to see that all grains produced in our province are sold under this system.

However, there are other groups: the Palliser Wheat Growers and the Western Barley Growers. These people feel an alternative system should be set up. They honestly feel the Wheat Board is basically concerned with selling Canadian red spring wheat. For barley producers in our province — and the hon. member mentioned that we probably produce more barley in Alberta than the other two western provinces combined — there are times that barley does not have the priority with the Wheat Board that we feel it should.

I was interested to hear the Member for Bow Valley mention that the farmers in his constituency are quite solidly behind the Wheat Board. We've listened to the Prime Minister of our country mention referendums on TV. I don't think there would be anything wrong in getting an assessment of how the grain producers in our province feel about having a dual system for selling grain. Possibly he is right. If it is rejected by a great majority, so be it. But from talking to the younger farmers who are growing up and starting to farm in our farming communities, I have the feeling that they would like a different system, or at least an alternative to the Canadian Wheat Board.

I don't really want to put the Wheat Board down, because many people really feel this is the basic way they'd like to sell their grain. I have no problems with that at all. If someone wants to use the board facilities, fine. I think they should be just as generous to people who wish to use the open market system and allow them some share of the export market. Everyone here knows that our export prices are far higher than domestic prices. Under the present system, no one can tap into the export market without delivering their grain to the Wheat Board. This is one reason I feel there should be some opportunity for other people to get some share of the

international grain market.

I have some objections to the present system of selling grain. I'll name three. The main one is compulsion. I don't feel people should be compelled to do anything, except under very extreme circumstances. Mr. Speaker, with your indulgence I would like to mention seat belt legislation as an analogy. I think there should be seat belts in all cars. I even believe that people should use seat belts. But I don't think people should be compelled by law to use seat belts. This is the way I feel. You should not be compelled to use the Wheat Board facilities if you don't want to.

My next objection is the federal government's manipulation of the Wheat Board for political reasons. I started farming in 1948. There may be a few old farmers around here who can remember the British wheat deal and the famous "have regard" clause. I don't blame the Wheat Board for this deal. The federal government put it through. True, it was administered by the Wheat Board. But basically we have a history of at least 30 years in this country that the federal government manipulated the Wheat Board for political reasons. It's 30 years ago, but I'll never forget that famous British wheat deal. Finally, in about 1959 Diefenbaker gave western farmers \$65 million, which was a very small share of what they lost in those days.

More recently I was talking with Esmond Jarvis, a member of the Canadian Wheat Board, on the Ontario sale of barley. The Wheat Board was directed by the federal government to issue export permits for this Ontario barley. It gave the farmers in Ontario an opportunity to replace that barley with cheaper western grain. Those are just two examples I can quote where the Wheat Board has been manipulated by the federal government.

The third one is the fact that the system we are using today really lacks any incentive for efficiency. Maybe some of the members here don't understand what I'm saying. When a farmer delivers his grain to the Wheat Board, he is given an initial payment. The board sells the grain for considerably more than this initial payment, and the difference is put in a pool. After that all the costs of handling that grain, all the mistakes made with demurrage and whatever, are taken out of that pool. Basically what happens to the farmers is that they are paid on a per tonne basis from what is left in that pool. But the farmer pays for any mistakes that are made. No one else in the system takes any responsibility. There is a great deal of opportunity for inefficiency. There is really no penalty for it. This is one thing I think should be changed in the system today.

I'd like to see a dual marketing system. I'd like to see the farmers make their decisions one way or the other on whether they want to use the wheat pool's facilities or whether they would like to use the open market facilities. There would have to be some kind of regulation put in so you couldn't hop in and out every month; probably something like, you start a crop year, make a decision to be in or out, and you stay with it for at least that year.

I really don't want to be a prophet of doom, but honestly, Mr. Speaker, I think we are fast approaching a crisis in our grain marketing system. Our share of the world grain trade is diminishing. Our major competitor's share is increasing. I don't want to lay the total blame for this at the feet of the Wheat Board, but because they're the sole marketing agency we have in this country for export grain, I feel they should be accountable to some extent.

Thank you for your attention, Mr. Speaker.

[Mr. Appleby in the Chair]

MR. NOTLEY: Mr. Speaker, I welcome the opportunity to participate in the debate this afternoon. I was interested in the initial comments of the hon. Member for Vegreville. He talked about being in favor of a dual marketing system. That being the case it's rather strange, when one reads the resolution, that he's asking us today:

that the Legislative Assembly urge the government to consider entering into negotiations with the government of Canada to withdraw Alberta from the Canadian Wheat Board designated area.

When you say you're in favor of a dual marketing system, it's rather strange to use that in arguing that we withdraw from the Wheat Board designated area.

The hon. member went on to suggest that what we need are transportation, markets, and a fair return. No question about that, Mr. Speaker. But those who've argued ...

MR. BATIUK: On a point of order. Mr. Speaker, for the hon. member's information, if Alberta withdrew from the designated area, they would still have the opportunity to sell their grain to the Canadian Wheat Board.

DR. BUCK: Mr. Speaker, he's not speaking to a point of order. [interjections]

MR. NOTLEY: Mr. Speaker, I think the hon. member has raised a point of order which is an opinion. I have a different opinion. We'll discuss it in the course of the debate.

Now to proceed with my remarks, Mr. Speaker. The member went on to suggest that he's in favor of better transportation, markets, and a fair return. But you know, when one looks at the history of the farm movement in western Canada and their crusade, if you like, for orderly marketing through the Wheat Board, it's precisely because of the concern over transportation, markets, and "a fair return" that almost every farmer organization in western Canada — bar none until the most recent years when we've seen the development of the Palliser Wheat Growers and the barley association — almost without exception, farm organizations in this province have been ardent supporters of orderly marketing.

Perhaps it's worth taking just a moment to chart the development of the Canadian Wheat Board. It was started in this country in 1935 as a result of legislation introduced by R.B. Bennett in the dying days of his administration. In 1940, during World War II, changes were made that allowed the introduction of the quota system. In order to give the Wheat Board power over intraprovincial trade in grains, in the late '40s we had the passage of the course grains acts in the three prairie provinces. Throughout that period of some 15 years we had a continual linkage, if you like, between farmers who were advocating an extension of orderly marketing and the willingness of political parties whatever their stripe to accommodate that demand. We had different governments in the three prairie provinces at the time, a Conservative government in the House of Commons in 1935, and then a Liberal government thereafter when changes were made.

But, Mr. Speaker, the point that has been underlined is that the development of the Canadian Wheat Board is not some kind of eastern plot. It is something that has come from western Canada and, quite frankly, is a very important part of the agricultural history, if you like, of

the province of Alberta.

Now, Mr. Speaker, during the discussion of MAP there's been a good deal of misinformation about that particular program. A proposal was made. Who made the proposal? I've had some people suggest it was made by a group of bureaucrats. In fact the proposal was made by the advisory committee to the Canadian Wheat Board. Now who are the advisory committee? Well it's worth underlining, especially for some of the urban members, that the advisory committee to the Canadian Wheat Board is not a group of people appointed by the government of Canada. They are people chosen by the permit holders across western Canada. As a matter of fact in the last wheat board advisory committee elections, Mr. Speaker, some 75,000 farmers participated in the selection of these people who sit on the advisory committee. A majority — not all; several were opposed to MAP — recommended this program which has been presented to farmers for the last few weeks. So let's get away from this idea of some kind of conspiracy.

The concept behind MAP is not new, Mr. Speaker. It's not something that just originated. Good heavens, if any of the members in this House have done any reading at all, they'll know that the old interprovincial farm union council 20 years ago advocated the concept of MAP in its presentation to federal governments, even during the time when Mr. Diefenbaker was in office. The idea that this is somehow a new idea that is being foisted upon we poor westerners is just simply not correct.

Mr. Speaker, I'm glad to see the Minister of Agriculture is in his place, because I think in this particular debate it's important that the minister take part, regardless of what the hon. Member for Vegreville has said in introducing this subject. During the course of the discussion of MAP throughout rural Alberta, the minister's comment, which was widely quoted, was that Alberta should consider withdrawing from the Wheat Board designated area. In my view that implied a position on the part of government not answered by a resolution introduced by the hon. Member for Vegreville, but which is only going to be answered by this minister standing in his place during this particular debate and telling us where the government of Alberta stands on the resolution before us this afternoon. Does the hon. Member for Vegreville speak for the government of Alberta? Is that the position of the Minister of Agriculture, or is the position of the government of Alberta something else? Are they going to sit on the fence? Are they going to take some sort of public opinion poll, sort of see which way the wind is blowing in rural Alberta, and then if the hon. Member for Vegreville gets enough wind — and certainly there's no problem there — maybe he will jump on the side of the hon. Member for Vegreville. Or is the government going to stand behind the farmers, who for the most part, I think, would want this province to remain in the Canadian Wheat Board.

Mr. Speaker, let's take a look at MAP and examine the question of who supports the MAP concept. Of course we have the standing policy statement by Unifarm. The hon. Member for Cardston indicated the support of Unifarm for the concept of MAP. We have the Wheat Pool resolution:

Be it resolved that the Wheat Pool supports the concept of a guaranteed marketing plan for wheats, oats and barley to be administered by the Canadian Wheat Board and financed by the government of Canada.

At the moment one point that should be underlined in

this debate is that the position advanced by the advisory committee of the Wheat Board was that the cost of storage should be paid by the government of Canada. Whether that will be accepted at some point down the road, we'll have to wait and see. But there should be no question that that was the recommendation presented to farmers.

Mr. Speaker, in addition to Unifarm, the Wheat Pool, we have of course the well-known support of the National Farmers Union for the concept of orderly marketing. But what the hon. Member for Vegreville didn't mention was another interesting program: the advance purchase plan. As I read the objectives of the advance purchase plan, I find a remarkable similarity indeed between the advance purchase plan and MAP. The objectives in the delivery system: provide a strong incentive to meet production goals, place money in a farmer's hands immediately after harvest so he can get on with next year's work, give the producer of grains and oil seeds an assurance of minimum supply, maintain the farmers freedom of multiplicity of markets, and give the farmers cash as early as possible for as much of their crop as they wish to sell to the Canadian Wheat Board. Then it goes on to outline the basis of the plan. Hon. members who've studied MAP will realize the basis of the plan is again remarkably the same. MAP would be voluntary. Nobody would be forced to undertake it. Once a person agreed, however, there would be certain obligations under that agreement.

But you know, Mr. Speaker, the advance purchase plan was not developed by the advisory committee of the Canadian Wheat Board at all. It was the proposal of the Murta committee, established by the Hon. Don Mazankowski when that particular gentleman was Minister of Transport. In February 1981, Mr. Schellenberger, the Member of Parliament for Wetaskiwin, submitted the advance purchase plan for discussion, input, and response. I would say to hon. members of the Legislature who are so upset about MAP, frankly if you look at the proposal of Mr. Schellenberger and Mr. Murta, there is indeed — but not in every instance — a remarkable similarity in terms of basic objectives, and even in the mechanism which is set up. Mr. Speaker, there's no question that if anyone were to voluntarily enter into this advance purchase program, they would have all the obligations incumbent upon them that they would under MAP.

Mr. Speaker, the concept of market assurance seems to have pretty widespread support, whether it be the Wheat Pool, Unifarm, the National Farmers Union or even, it appears, the transportation committee of the federal Conservative party. I find it really difficult to understand why we should not at least look at this proposal in an objective way. There is no question that if Canada is to get its share of the international market, we have to make sure there are stocks in place so we can emphasize our long-term export strategy and commitments.

I held pre-session meetings in almost every community in my constituency. Since farmers for the most part attended these meetings, we discussed the program at every single meeting. I remember a former member of the hog board in the community of Berwyn — and members of the Assembly will know that the hog board does not support the principle of supply and management. The hog board is a selling agency, but it does not embrace the principle of supply and management. It does however, and has for a long time, committed itself to long-term advance contract. This particular individual, who is not a supporter of the New Democratic Party and certainly a

militant free-enterpriser, argued most strongly of anybody who had turned out to any of the meetings in favor of MAP, because from his experience serving on the hog board for a number of years, if we're going to seriously get into the market place of the world we have to have the kind of assurance of supply that MAP will give us. He argued, as Wheat Board advisory members and other people who support the principle of MAP have argued, that it's not perfect in every detail, nor is the advance purchase program proposed by Mr. Murta and Mr. Schellenberger.

Mr. Speaker, the point is that if we are concerned about getting into the market place of the world, we have to have some kind of program like this in place. Argue over some of the details if you wish, but we've got to have some kind of program like this in place. I say to the hon. minister of Agriculture, surely we're going to be positive. We have to accomplish something a little better than pulling out of the Wheat Board as far as the province of Alberta is concerned. Surely the Minister of Agriculture must have some kind of proposal that he's prepared to put before the farmers of Alberta. Perhaps it's the advance payment program that the Murta committee recommended, but we haven't heard that from the hon. Minister of Agriculture. All we have today is the motion from the hon. Member for Vegreville saying: we're going to pull out of the Wheat Board.

The hon. Member for Vegreville is telling us that if we can just pass this little resolution of his and enter into negotiations to withdraw Alberta, from the Canadian Wheat Board designated area, there's no problem; we'll have a dual marketing system, and the farmers who want to use the Wheat Board will. Mr. Speaker, I think that if he is able to succeed in doing that, he will be one of the master magicians of all time.

If we pull out of the Wheat Board — the hon. member for Bow Valley is absolutely right — the Wheat Board has the authorization for export permits. What will happen? Who's going to get priority on the export of grain? It's going to be people from Saskatchewan, Manitoba, and the part of British Columbia in the designated area. There's absolutely no doubt that that's correct, and we all know that's correct, or we would have pulled out of the Wheat Board. The board isn't going to give priority to grain produced in Alberta if we're not part of it. They're going to commit the export emphasis, if you like, to the farmers in the designated area.

Mr. Speaker, I don't think it takes any great genius to realize that that is going to have a depressing effect on price; no doubt about that. In addition, because we would no longer be part of the Wheat Board, the grain that would go, even the grain replaced from Wheat Board stocks to supply the feed grain market in eastern Canada at a corn competitive price . . . Now I should mention, as the hon. minister knows, that if you look at prices over the last 15 years, while right at the moment the export market is better, there have been times when the market in Ontario was higher. I think you'll find it probably balances out over a long period of time.

But that's not really the point, Mr. Speaker. If we withdraw from the designated area, we're going to have to ship the grain from Alberta to Thunder Bay at compensatory rates, not Crow rates, because we're no longer part of a wheat board. We'll have to ship the grain to Thunder Bay at compensatory rates. What's that going to mean? That's going to mean lower prices for feedgrain producers.

Then we have the problem of, we'll have to wait our

turn for export contracts. Yes, we may get some export after Manitoba, Saskatchewan, or British Columbia have satisfied their export demand. Then perhaps the Wheat Board will say, all right, we'll let Alberta, which is not part of the designated area, come on board after the other provinces have their share. That's going to mean that the competition of the export market won't disappear, but it will be less significant; and it will mean that many young people will have to go the route of dumping their grain on the open market, as we've seen before.

Mr. Speaker, I say to the hon. members of the Legislature, those who oppose MAP so persistently, that one of the advantages of MAP is that in times of surplus—it allows people to avoid this problem of having to dump their grain because they've got pressing commitments. It's all right for a well-established farmer who has substantial investments and can ride out the hollows because he's in a position to make money during the peaks, but for so many, especially young people getting started, you need some kind of stability in the market place.

I say to members of the House that if we cast our minds back to the late 60s and early 70s, when we had a number of years of surplus and didn't have any MAP to develop an inventory which would not disrupt the market place, what clearly happened was that the price went to almost nothing. We had barley that was selling three bushels for \$1 for a few months in the late 60s and early 70s. I hope that situation never occurs again, and I might just say to members of the House that if it did, there wouldn't be too many of our younger farmers in business very long, particularly with what the costs of input are today or with the high cost of land which somehow has to reflect itself in what the farmer receives in net income.

So we don't want to go through that again, Mr. Speaker. One of the ways of avoiding that kind of difficult situation is to have a program that allows you to manage your surplus. I can't imagine why there is such total opposition to it by this government. Mr. Speaker, I would say that if we're really concerned about maintaining a dual marketing system and a nice, happy, competitive environment, what are we worried about? Nobody is forcing the farmer to enter into MAP.

Mr. Speaker, I suspect the concern is that the people in the industry who oppose MAP know perfectly well that most farmers will enter into MAP on a voluntary basis, and that there will be less grain available for the private market. No question about that, but the private market will have to meet the competition of a program of inventory management which is going to allow some price stability. I would say to members of the House: look at modifications if you don't like certain aspects of MAP, look at Mr. Murta's proposal, but let's not throw out the window the entire process that we've worked so long for so many years to develop in western Canada, as the member for Vegreville suggests.

If we withdrew from the Wheat Board, one of the problems is that the pooling would be lost. The Member for Cardston says that pooling leads to inefficiencies. Well, I think those inefficiencies are going to be in the market place in any event. But what pooling does provide is that the person who has to market his grain gets the advantage of the best possible combination of prices, as well as worst, over the year and gets his share. It's an equitable share, as opposed to being in a position to be able to sell at the very right moment. I suppose some farmers are big enough to try to outguess the market place, but over the years most farmers have endorsed the pooling concept because it is a way of providing the kind

of equity in the market place that Mr. Murta is talking about. Objective number one of the Murta report is equity both in delivery to market and reasonable equity in the price paid for produce.

So, Mr. Speaker, I would say to members of the House, let's take a look at what this province is going to propose in a positive sense to assist the grains industry. Some say no problem, we don't need MAP. All we need is better transportation. I would argue that we certainly need better transportation. There are many things we could do in improving the transportation of grain. Some of the proposals made by the Premier on July 25 had a good deal of merit. But unfortunately he tied those proposals to getting everything he wants on the energy deal. So if we get what we want on the energy deal, then perhaps we'll do a little bit in the area of grain transportation.

Mr. Speaker, I would suggest that what we need is investment in the area of transportation, not as a substitute for some kind of market assurance program but as a complementary program, because it seems to me that would be the best possible solution to the problem in the long term.

Mr. Speaker, I just want to conclude my remarks by saying I know some argue very strongly in favor of the open market. The hon. Member for Cardston talked about one particular deal, the British grain deal. I believe 1948 was the year he mentioned. Yes, that happened. But there are other deals too where we don't have the Wheat Board. Perhaps you might mention the grain deal of 1962 in the United States, where the large grain companies bought up grain from farmers for almost nothing because prices, as every member of this Assembly will know, were very low in the early '70s. It turned out afterwards that some of these companies, if they didn't have advance information leaked by government, certainly had a pretty good idea what was going to happen: a deal was going to be signed between the Nixon administration and the Soviet Union. So they bought grain from farmers all over the United States of America at fire-sale prices and when the deal was made sold the grain at a substantial profit. Hundreds and hundreds of millions of dollars didn't go back to the farmers through the pooling system, hon. Member for Cardston, as it would have under the Wheat Board. No, not a dime went back to the farmers, because they'd sold it to the grain companies. The money went to the Cargills, Dreyfuses, Bunes, and Continentals.

Mr. Speaker, that's one of the reasons why farm organizations in this province are in favor of orderly marketing. They've seen what happened many, many years ago and what happens in other jurisdictions, and they don't want that sort of thing to happen here.

You know, it's fine to say, I want to have individual choice. As the hon. Member for Cardston says, there should be absolute individual choice in the market place — Joe Blow and a large outfit like Cargill that operates around the world. Well, Mr. Speaker, that's very nice in theory, but as the farmers before the Wheat Board was established could prove — and many of the reasons the older farmers in this province in particular are so strongly in favor of the Wheat Board, as I'm sure the hon. member knows — they don't trust the private grain trade, and they want a system that provides some kind of equity and protection in the market place.

Mr. Speaker, I could talk about Cargill here, but in the remaining moments I'd just like to say that I find it rather interesting to compare the attitudes of members of this House towards the marketing of agricultural products.

There seems to be an underlying suspicion of orderly marketing. You know, we've got to watch it; if there's not a communist bogeyman, it's somehow a rather dangerous concept. We've got to watch it. But we don't have that kind of attitude when it comes to our petroleum industry. All the members of this Assembly voted with great enthusiasm for the marketing of petroleum in Alberta through our Petroleum Marketing Commission in 1973. Everybody was in favor of it, jumping up and down, very enthusiastic. I haven't heard the hon. Member for Vegreville criticize the Petroleum Marketing Commission.

I don't recall that other members of this House have ever criticized the pro-rationing scheme for oil that was brought in during the '50s. Why did that happen? It happened, Mr. Speaker, because there was a glut of oil, because the only way you could maintain even the low prices at the time was to have a form of supply management. So we had the pro-rationing of oil: this much oil could be produced from every oil well in the province, supervised and controlled by at that time the Oil and Gas Conservation Board, now the Energy Resources Conservation Board.

We had the development of pro-rationing in Saskatchewan's potash industry during the '60s when there was a surplus of potash: there's only so much potash market; let's divide the market up on a basis that we'll have so much allowable for every company. If you like, Mr. Speaker, all part of a program of supply management, endorsed by the oil industry and, as far as I know, advocated by the government and all the opposition parties at the time.

Mr. Speaker, if we are in favor of orderly marketing for oil companies, why are we so much opposed to orderly marketing for farmers? While it is important to have the opinions of various members of the Assembly, I think it's most important at this point in the debate that the Minister of Agriculture take the opportunity to tell us what the government proposes to do. Is it the position, really the position, of the government of Alberta that in 1981, after all the history, after the Wheat Board was originated by a Tory government in 1935, we should seriously enter into negotiations to withdraw Alberta from the Canadian wheat pool? Is that the position of this government? Because if it is, let me tell you that I certainly wouldn't mind debating that with any of the hon. members in this House, including the hon. Member for Vegreville, in Vegreville, Drayton Valley, Grande Prairie, and right across the province. Because while farmers in this province have some quarrels with the Wheat Board and may not agree with every element of Wheat Board policy, and may even have some questions about MAP and want changes in it, I have no doubt that if we were to hold a plebiscite on whether the farmers of this province wanted to support this resolution, there would be such an overwhelming rejection that it would force this government to face political reality very quickly.

I suggest, Mr. Speaker, that in the interest of orderly marketing, in the interest of developing a greater share of the international market, perhaps it's incumbent in this debate for the Minister of Agriculture right now to not only tell us where he stands but where the government stands on this particular resolution.

MR. HYLAND: Mr. Speaker, it's a pleasure to rise and take part in the debate on this motion. I would like to note, though, that during the comments by the hon. Member for Spirit River-Fairview it seemed like we were

considerably in the dark. I noticed that a great many light bulbs in the ceiling weren't on, and about halfway through his speech something miraculously happened and all the lights came on. I don't know if it was just the lights that got to us or the hon. member's speech, but something did happen during that time.

MR. NOTLEY: I'd do anything to enlighten you, A1.

MR. HYLAND: Mr. Speaker, just a little history of the Wheat Board and some information I found in getting prepared for this resolution — the hon. Member for Spirit River-Fairview gave some of the history of the years when the Wheat Board was formed. There was a publication that was put out for many, many years. It was called *Grain Market Features*. One of the things I found in this publication was a comment by the hon. James R. Murray, who was chief commissioner of the Canadian Wheat Board. These comments were made before the Royal Grain Inquiry Commission in Regina on March 25, 1937. It's under a portion that's his opinion:

A government wheat board such as provided for in the present Act cannot function successfully.

Further down in the paragraph:

It will not work and as time goes on its policies and operations would be subordinated more and more to political considerations rather than being determined by sound market practices.

Mr. Speaker, I submit that that was a problem when the Wheat Board was formed, and it is still the problem with the Canadian Wheat Board today. We've heard of several instances — and I will get to some of them later — of what's happened because of influence within the Wheat Board. Again I'd like to quote from the same publication, put out a few years later. It's a report of what Dr. H. W. Wood, president of the Alberta Wheat Pool and member of the wartime Canadian Wheat Board, said in the *Star-Phoenix* in January 1921:

... farmers had no confidence in a permanent (Wheat) Board for the simple reason that politics would become mixed up with it.

Mr. Speaker, for many years that has been the problem with some of the decisions of the Wheat Board: the politics and influence by the government in the activities of the Wheat Board.

As we look at the history of the Wheat Board, we find it was started to control the marketing of wheat in the western provinces. It does not have any effect on grain in Ontario. In this information I was able to find, it points out that:

The Emergency Wheat Control Board obviously is to limit, in case of necessity, the amount of wheat Western farmers will be permitted to market to the local elevator (no limitation apparently is intended to be imposed on wheat growers in Eastern Canada).

Mr. Speaker, I would submit that that is the problem that existed then; that is part of the problem that exists now. Certain parts of the country are allowed access to the world market, or feed grain markets across the border into the United States, at a rate and at an opportunity that we in western Canada do not have.

In this paper there is also a quote from Premier Bracken of Manitoba, when he debated this Bill:

We draw attention to the wide powers given to this Board ... it would seem far greater than any ever given before to any three or four men excepting in Wartime. It will also be noted that farmers and others, upon whom the Board can impose its will,

are specifically denied any appeal from the Board's orders should they feel they have been unjustly or unfairly dealt with.

Mr. Speaker, a very powerful board indeed, one where people can't appeal to any other forums when they feel they have been treated unjustly by this board.

As I said, the Wheat Board does not affect Ontario. As I illustrated in the words that were written many years ago, the concern was there then and it's still there now. Some members have used the example of the export contract that was denied by the Wheat Board, and then the Wheat Board was ordered by the federal government to allow the people in Ontario to export 30,000 tons of barley to the U.S. Yet at the same time, when we in Alberta applied for an export permit, we were refused by the Wheat Board. The federal government did not instruct the Wheat Board to issue us an export permit for 30,000 tons of grain. Indeed, the price at the elevator for barley at that time I believe was \$3.04, and the price reported in the wheat budget of October 9 was \$3.96 for the barley sold from Ontario to the American market. So, Mr. Speaker, as was illustrated earlier, a very great influence is extended on the Wheat Board by the federal government.

Some time ago in this Assembly, the hon. Member for Calgary Buffalo joined in a debate on the Crowsnest rates and gave us a history of the rates. In that debate he also gave us a score card of what happened in grain movement in Canada and the U.S. from 1940 to 1979. As many members will recall, in 1940 Canada exported 4 million tons; the U.S. exported 3 million tons. At that stage we were ahead of the United States. In the next 10-year period, Canada did not increase its exports of grain. The U.S. increased its exports by 233 per cent. From 1950 to 1960, we increased our exports some 25 per cent. The U.S. again increased its exports 200 per cent. From 1960 to 1979, we increased our exports to 21 million tons, with U.S. exports at 100 million tons; a 700 per cent increase in almost 20 years. So our exports of grain have not increased as dramatically as exports increased in the United States.

Our highest year for exporting grain was 1979-80, with 21,728,000 metric tonnes of grain moved. This was not totally as a result of the Wheat Board. A good portion was as a result of the appointment of Dr. Horner to the rail authority, to allocate cars for the movement of grain in Canada. Our second highest year, 20 million tonnes, was in '72-'73. So there are a number of years there when we were somewhat below our highest export amounts. This year I understand we are running approximately 5 per cent above our previous high. Time will tell what will happen in the grain export markets.

It is also interesting to note that certain members in the Assembly have talked about the bad marketing in parts of the United States, and how the multinationals there have not done a good marketing job in taking the grain from the farmers and marketing it. If one looks very closely — and having a constituency against the American border, I hear some of their comments about their grain movements. On the average they consistently get somewhat more for their product than we do, and in most cases they move it three to four months after the crop has been taken off. Their movement is into the companies; the companies buy it and pay the full cost of transportation — not with the benefits of Crow rates, but the full cost of transportation to the coast. Yet the movement is much faster. The farmer doesn't have to store the grain as long, and he obtains his cash flow. The

grain is moved and sold on the international market. I've just read out the percentage increase in the U.S. export market. The movement of the grain is understandable.

The Wheat Board accepts our grain in Canada at the elevator and exports it to the coast, at which time it sells the grain. In many cases I believe it uses private grain companies as its selling agents, except where the Wheat board handles the grain itself. For example, I believe grain going to China is handled that way. So the Wheat Board is not selling it in total on the international market. It is being sold by other groups on the international market. There may be a good reason for that. The reason, Mr. Speaker, may be the high cost of establishing a sales force throughout the world. There may be many varied reasons. But we often hear of areas of the world that haven't had a Wheat Board salesman in for many, many years, and they are interested in buying our wheat or barley.

I have a very good friend who owns a large car dealership in Medicine Hat. He has told me many times that if you have a salesman and you want him to sell, the basic wage is not the most important thing. The most important thing is his percentage of his sales. If he gets a reasonable percentage of his sales, he will get out and work and far exceed his basic wage. Maybe this is something we should do with the commissioners of the Wheat Board. Maybe we should give them a commission on the grain they sell so they get out and move the grain. If they make more money than their wage, so be it. But as farmers throughout western Canada, we will be benefiting from the movement of that grain.

The hon. Member for Spirit River-Fairview talked about the time when barley sold for \$3 a bushel and you had to sell it to feeders. I remember those times. At least I remember the time when I had to sell barley for 50 cents a bushel. And where was the Wheat Board? Well, they weren't taking it. The elevators were full; they weren't accepting the grain. When you have — as almost all farmers have — payments to make and input costs to pay, you have to find a market. So the market was the feeders, at anywhere from 30 cents to 50 cents a bushel. But you couldn't put it into the elevator, the bank manager didn't want it, and you had to buy groceries, so you had to do something with the wheat. I submit that it may not have been a good price, you may not have made much, if any, money on it, but it was moved and was able to be moved because there was an alternate there to sell it. If we had been under full control and not able to sell to feeders, as part of MAP suggests, or all grains had been put under the control of the Wheat Board, we would not have been able to move that barley, even at 30 cents to 50 cents a bushel. We would still have it.

Let me use an example, if all grains were under the jurisdiction of the Wheat Board and you couldn't sell any grains to feeders or anything else. I had an instance a couple of years ago when I had a strip of grain seeded to winter wheat. Because of winter kill — it had rye in it a couple of years before. It may not have been good farming practice to seed winter wheat a year after I had rye in the field. Nevertheless I had the grain; nobody would take it. So a local feeder accepted it at an agreed price. It was beneficial to me; he used it for feed. Mr. Speaker, if the availability hadn't been there, I would probably still have that grain in storage today.

In the last few years the Wheat Board has been entering into contracts for soft white wheat. All members of this Assembly have heard me speak numerous times in this Legislature about the problems involved with soft

white wheat growers of southern Alberta. I know some members in the opposition are also very familiar with these problems, as a large amount of that wheat is grown in some of their constituencies. I don't think it would be beneficial to repeat the many arguments I have put forward, except to say that the board is taking some steps in respect to soft wheat — finally, after many years of work by the soft white wheat growers association — to find markets for that grain. A number of years ago when the Premier and a number of cabinet and government people came back from one of the travel missions they were on, they thought there was a market in certain parts of the world for a number of kinds of wheat we grew. These groups requested a sample of our product so they could test it to see if it would fit their needs. We finally agreed to pay the cost of transportation of that product to these countries. It took a long time to get that product on the way, and it got moving only after Mr. Jarvis was appointed chief commissioner of the Wheat Board. Through his assistance, the Alberta Grain Commission was able to move that grain into those countries so they could bake-test it, or however they test it, to find out if it was suitable for their use.

As I've said, Mr. Speaker, I believe we should have a dual marketing system for grain; we should be able to make a choice to sell that grain to whomever we wish. If the Wheat Board is an aggressive seller and maintains a high price for their product, they will get the majority of grain available. They'll have to maintain their markets and be an aggressive seller to get this wheat in a competitive situation.

Today, Mr. Speaker, some of the members talked about quotas. Quotas and quota allocations are subjects that always receive much discussion. Quotas are set on bushels per acre, delivery at the elevator. It has often been felt by many members of this Legislature and many farmers in Alberta that the quota system does not especially benefit them because we have mixed grains grown in Alberta. We may not have the highest amount of wheat grown, but I believe we have very close to the highest number of bushels — or tonnes if you think in the new language, I guess. I've never been able to figure out what kind of area a tonne of wheat takes up. Including the feed grains and other crops we grow, we have in total the largest number of bushels of grain grown. So we are somewhat more unique than other provinces because of our mix in the crops grown. That's the reason we need to have a different or dual kind of marketing system.

Mr. Speaker, I would like to finish my part in the debate by quoting from a letter I received from one of my constituents. This letter was about MAP, but part of one paragraph is appropriate for this situation.

I must say that I've left my comments on MAP, because I have a motion on the Order Paper on the market assurance program that will be debated in this Assembly at a later date. I look forward to other members participating in that. I think many who made their speeches in the debate today can again stand up and add to it. I look forward to the debate at that time.

Mr. Speaker, I quote:

I feel it is time that a producer plebiscite were held on all grains & oilseeds to see, once & for all, how much support the [Canadian Wheat Board] really has.

Mr. Speaker, I submit that contrary to feelings expressed today by some members of the Assembly, those words from a grower are indeed the feelings that exist

towards the Wheat Board today.

Thank you.

MR. R. SPEAKER: Mr. Speaker, I want to add just a few remarks to those of my colleague from Bow Valley-Empress, not to repeat what he has said regarding our position on this resolution. The reason I rise in my place as well is to look at the real intent of this motion placed before this Assembly. The intent disturbs me. When we as members of this Legislature come to Edmonton and make all attempts to discuss policy in a positive way, we are faced with the first resolution of this government that is a great performance in political expediency.

The hon. Member for Vegreville felt there was some political mileage in raising this in this Legislature, and he rushed to Edmonton to put it on the Order Paper first. He wanted to admit on a false point of privilege that he brought it here [interjections] because he was against MAP.

MR. DEPUTY SPEAKER: There is a point of order being suggested.

MR. COOK: The member is assigning motives to the hon. Member for Vegreville that just can't be substantiated by the facts. The resolution is drawn by ballot.

MR. DEPUTY SPEAKER: The hon. member is not really on a point of order. Will the Leader of the Opposition please continue.

MR. R. SPEAKER: Thank you very much. I know the hon. member who just rose was out of order, as always. But, Mr. Speaker, he's learning. [interjections]

MR. NOTLEY: He's got a lot to learn.

MR. R. SPEAKER: Mr. Speaker, let's put the motion in perspective as it actually is. [interjections] The hon. Member for Vegreville has returned to his seat. That is fortunate. I appreciate that he's here at this time.

All the debate that followed after introduction and moving of this resolution was about why I'm against MAP. There was not one mention of what kind of board we were going to set up in Alberta. Are we going to set up an Alberta wheat board? Let's hear about it if that's what it is. I hope the hon. minister will stand in his place, because that's where the responsibility of this government rests. We should hear about that.

If we are against the Canadian Wheat Board, why didn't the hon. minister stand up and say: I am against it so we're going to withdraw from it. The hon. member didn't have the courage to say: I'm against the Canadian Wheat Board, make a proposal, and give reasons. When you make changes in a legislature and in a province in marketing products for the farmers of Alberta, I think it's incumbent upon the hon. member first to say why that member is against a program and, secondly, to give a positive alternative and outline that alternative in the debate. But that didn't happen, Mr. Speaker. I'm very disappointed about that.

MR. COOK: Check your own motions, Ray.

MR. R. SPEAKER: Mr. Speaker, as we on this side of the Assembly indicated, we accept the Canadian Wheat Board. We know there should be some changes. We feel that pressure should be placed upon the Wheat Board

and some positive suggestions made with regard to it. A dual system — and the hon. Member for Cardston explained it very well. I appreciated his debate and contribution to this Assembly this afternoon. I felt there were some positive suggestions and an attempt to come to grips with the resolution in a more mature fashion.

My hon. colleague from Bow Valley has indicated that basically we support the Canadian Wheat Board, but there need to be some changes. The dual system with regard to maintaining the Canadian Wheat Board, possibly allowing for the use of the free-market system relative to our wheat, could be a good change and would add some flexibility to the marketing system in western Canada at the present time. We think that's a good suggestion that could be negotiated; thought through, and used to the benefit of farmers of western Canada. But that's what this Legislature is for: to make some suggestions and examine that kind of proposal.

It disappointed me very much when the hon. Member for Vegreville used it because he thought, here is a chance for me to sound great within the farming community of Alberta and gain some political support for this Conservative government. It wasn't a pro, speech. I think that's what we certainly need in the agricultural industry today to make it grow. So I only wanted to add those remarks, Mr. Speaker.

I'd like to give the minister about 15 minutes so he can place the real position of the Conservative government on the record of this Assembly at this time. Are they supporting the Canadian Wheat Board in any form? Are they totally against the Canadian Wheat Board? Is the government prepared to set up an Alberta wheat board? Is the government prepared to look at a broader free-market system in Alberta and introduce it in a very positive manner? I think it's incumbent upon the Minister of Agriculture to answer those questions in this Assembly for us and certainly for the farmers in Alberta.

MR. NOTLEY: Let's hear from the minister.

[Mr. Speaker in the Chair]

MR. L. CLARK: Mr. Speaker, it's a pleasure to enter the debate on this motion today. I wasn't going to speak on MAP at all, because I was hoping it was dead and buried after last week. But I couldn't help but notice that out of the first five speakers, the only one who spoke in favor of it was a non-farmer.

To the hon. Member for Spirit River-Fairview, I believe the petroleum marketing board controls only gas and oil that comes off Crown lands. We have freehold lands still working on the free market. That's the way I understand it anyway. So there are really two systems in place.

I'd like to start out by congratulating the hon. Member for Vegreville for bringing the motion forward. I believe it's something that needs debate.

Mr. Speaker, I'd like to start by going through a little history of the Wheat Board. I'm going to start quite a way back at the suspension of the open market in 1917 when the board of grain commissioners was established to control the price and distribution of Canadian wheat. This move was necessitated by centralized buying during the war on behalf of the allied governments which had cornered the markets, and prices had risen to \$2 a bushel, which was an unprecedented price at that time. Until that time, before the war, it had only been up to about \$1.

At the end of the war the first wheat board was estab-

lished in 1919. It was followed by the disbanding of the board of grain supervisors and the re-establishment of the futures market and the Winnipeg Grain Exchange in July 1919. I guess what really came out of this was that the Wheat Board was finally brought into being in 1935. It is important to realize that it was brought in for a good reason. At that time the price of wheat was very low. If I could just take an example, when we were farming in the 30s — I'm from a dryland farm in southeastern Alberta, and I was raised during the dirty '30s as they called them. I believe the price of wheat in 1932 was 19 cents a bushel. So the Wheat Board was formed for a very good reason. I wouldn't say that all the farming community is against what the Wheat Board stands for even today. It has effectively shielded the producers. Basically it was set out to shield them from the low prices at harvest time so that any producer would be guaranteed the same price, no matter what time of year he sold his grain. It was also set forth to establish a basic floor price for wheat.

I emphasize that it was for wheat. That was all it was originally set up for. Since that time it has expanded into all the other grains. I believe in 1949 they took over the coarse grains. Since that time they have gone into the canola and many other areas, and they've set quotas on these grains. I guess the question is, how far do we go with the Wheat Board, or how much control do we give one government agency over an industry? Once you've given away that control, once that control is given to a board, it's very difficult to get it back. Do we give them absolute control over the grain industry in western Canada? That's what they're asking for. Or do we feel there is a place where the private sector can be useful and that some competition would be beneficial to the industry?

I would like to bring what I feel is one of the concerns people in my constituency have with the Wheat Board. It is the basis on which they have set their quotas. To do this I'll have to use the example of a couple of farmers, one in Saskatchewan and one in Alberta. I would like to pick, say, a farmer from the Rockyford area who has two sections of land under pivot irrigation. As I said, the other farmer lives in Saskatchewan and has a four-section dryland farm. Let us take a six-bushel quota for example and compare these two farmers at the end of the year. First we'll look at the production. The Rockyford farmer seeds his pivot land every year and has 1,240 acres of crop. He certainly expects to grow at least 60 bushels of wheat per acre. That would give him a total of 76,800 bushels of grain for the year.

Taking the farm in Saskatchewan where they have four sections of land and seed only half of it every year, summer fallowing the other half — he was a dryland farmer, and I believe if I gave him 30 bushels to the acre, that would be a fairly generous average for a farm in Saskatchewan. That would just give him half of what they could grow on those two sections in Rockyford, which would be 38,400 bushels. Under our present quota system, on a six-bushel quota the farmer in Rockyford will be able to sell 7,680 bushels of grain. Say he gets \$4 a bushel for it; that's \$30,720, according to my figures. I'm not much of a mathematician. On the other hand, the Saskatchewan farmer would be able to sell on 15,360 bushels because he can sell on all his summer fallow land. He would be able to sell \$61,000 worth of grain. If you take that down the line a way until you get a 12-bushel quota, which is usually the largest we ever get in our area — you carry that down far enough, and you'll find that if you get a 12-bushel quota on the Saskatchewan farmer, he's out of grain, and he has received approximately

\$153,600. The Alberta farmer would have only half that, and his expenses on an irrigated farm are at least four times what they are in dryland farming.

So it comes down to the fact that although the Rockyford farmer has grown twice the amount of grain at maybe four times the expense, he has only half the income. This is one of the problems with the Wheat Board and its quota system today. It's very unfair to the irrigation areas. You could take that up into the Olds area where they seed every year, or any other farming area where they get enough moisture to seed their land every year.

I don't imply that the Canadian Wheat Board is all bad, Mr. Speaker. I don't want to imply either that farmers in my area want to see the Wheat Board done away with completely. But if they have a surplus of grain, they want to retain the right to dispose of it somewhere in an open market. I believe the hon. Member for Cypress mentioned that there are bills to pay on farms, a high capital cost, especially on an irrigation farm. So there has to be some way you can get rid of that 61,000 bushels of surplus grain that Rockyford farmer had over and above the man in Saskatchewan, due to the unfair quota system that is really designed for the Saskatchewan farmer. I guess the point I'm trying to make is that the quota system is not designed for all western Canada. It's not designed for regions. It's designed for the Saskatchewan dryland farmer.

Mr. Speaker, I don't really know whether I'm going to have time to finish this, because I'm just getting started on it. I would beg leave to adjourn debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, when the House reconvenes this evening at 8 p.m., we will be resuming debate on the Speech from the Throne.

[The House recessed at 5:28 and resumed at 8 p.m.]

head: **CONSIDERATION OF HIS HONOUR THE LIEUTENANT-GOVERNOR'S SPEECH**

Moved by Mrs. Embury:

That an humble address be presented to His Honour the Honourable the Lieutenant-Governor of Alberta as follows:

To His Honour the Honourable Frank Lynch-Staunton, Lieutenant-Governor of the province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Adjourned debate April 6: Dr. Carter]

DR. CARTER: Mr. Speaker, it is my pleasure to take part in the throne speech debate. Like others before me, I wish to compliment those who have been responsible for the selection of the Sergeant-at-Arms. I know that in terms of his own heritage, he brings a rather rich background to this Assembly. I also know that he has consid-

erable personal experience in many areas, especially with respect to his military background. Many of us realize that he has an extensive fund of stories in his repertoire, and we all have no doubt that the stories will be even more sophisticated in the future because of his new duties.

Calgary is one of those very fast-growing cities in the province of Alberta, and certainly the constituency of Calgary Millican has been blessed by some of the dynamic growth that has been taking place. Within the city of Calgary as a whole, recently some statistical analysis was done, and it works out this way. The in-migration has been 34 per cent from the provinces of British Columbia, Saskatchewan, and Manitoba, and 31 per cent of the newcomers have come from the interesting province of Ontario, with 12 percent from the maritime provinces and 8 per cent from Quebec. So it is a rather interesting feature that of the in-migration of newcomers who have come to help build Alberta, 51 per cent have come from Ontario and other eastern provinces, and 61 per cent have come seeking employment within the economy of this province.

In the projections of growth of population in just one small area of the Calgary Millican constituency, bounded south of the Glenmore Trail and east of the Bow River, it is expected that within the three subdivisions of Riverbend, Barlow, and McKenzie, during the course of the next seven to eight years, there will be an additional 53,000 people. That doesn't take into account the other growth which has already taken place within the last two years in other portions of that large constituency.

Those who have come into Calgary from other countries represent 11 per cent. Fairly recently, like other members of this Assembly, I have attended citizenship court in Calgary. On the day I was present for that interesting experience, at least 18 countries from throughout the world were represented. Obviously, Mr. Speaker, this influx to the province of people who have come from other nations, as well as from other portions of our country, means that Albertans are the beneficiaries in the sense that all these people come with considerable experience and represent quite a considerable cultural diversity.

One portion of the constituency of Calgary Millican includes Chinatown. Within the last year, there has been considerable construction of new buildings carrying the Chinese motif. Last year my colleague from Calgary Forest Lawn was present with me at the opening of the new Chinese school. In discussion just a few days ago with Doug Tims, principal of the Chinese school, we understand that the school is now considerably overcrowded, with double classrooms taking place. In essence, at least 300 students are there, the bulk of whom are Chinese-Canadian, Vietnamese-Canadian, with a number of Caucasian students as well, all of this being handled by a staff of 13, plus the principal. Within the constituency area of Chinatown, there appears to be a need for some additional housing for senior citizens. In addition there is the need for land to be found to develop a nursing home for the elderly Chinese, because in nearly every case there is this language difficulty.

With respect to the whole area of Calgary Millican, for that matter the whole area of Calgary, there seems to be an ever-increasing need for additional senior citizen housing accommodation to be constructed. Over the course of the last seven to eight years, the provincial government has responded admirably with respect to senior citizen housing, especially the self-contained variety. But in dis-

cussion with the Minister of Housing and Public Works, I understand that there is an estimate of about 3,000 potential senior citizens waiting for additional accommodation. All of this, of course, is brought about because of the vast in-migration to the city of Calgary, which has resulted in an almost zero vacancy rate in rental accommodation at the moment.

I am pleased that the provincial government is extending a helping hand in its support for Calgary's seeking the Olympic bid and that, hopefully, the Olympic bid will be awarded to Calgary for 1988. Of course, the events at that time will be taking place in the constituencies of Greg Stevens, Stu McCrae, and me, provided that all three of us are re-elected.

The considerable support being given to the construction of a coliseum is very commendable. Hopefully that support will be seen in the true light, that it is indeed support for amateur sport as well as for Olympic sport and, naturally, as a third participant in all of that, the Calgary Flames who, hopefully, might make it to the Stanley Cup.

In the course of this coming year, the first leg of the LRT system will be opened in Calgary. Hopefully the citizens of Calgary will put that system to good use, especially with respect to the parking pressure that exists in the whole area of the Stampede park. One of the real difficulties with respect to locating the coliseum is the matter of through traffic, in particular parking. That of course has created difficulties not only for the area of Victoria Park but also for the east belt line, for Erlton and Ramsay. Perhaps the Stampede board and those involved in the construction of the coliseum are going to have to take into consideration the examination of the possibility of building a parking structure somewhere on the grounds of the Stampede.

Within the throne speech debate, Mr. Speaker, considerable emphasis was given to natives and native opportunities for their participation in the growth of this province and country. For the past number of months, there has been considerable joint consultation between the caucus subcommittee together with native peoples throughout the province, with a broad representation of the province and members of the Indian Association of Alberta being there. The main thrust of this subcommittee has been with respect to trying to open up additional opportunities for economic development so that native persons might be able to participate in that growth. It is also interesting to note, Mr. Speaker, that it has been estimated that over and above \$200 million per year is coming into this province with respect to natural resource revenue, and that significant amount of money is going to 17 of the 42 Indian bands in this province. To date there has been no evidence that the 17 "have" bands are prepared to hand out or participate in co-operative ventures with other bands not quite so fortunate.

One other development which has taken place which I think is of considerable interest and importance, is that within the city of Calgary, the Calgary Chamber of Commerce has put together some expertise, through some volunteers and partial funding, and working together with representatives of the department of Native Affairs, have participated through Native Outreach with respect to a native employment program. In the course of the last half of last year, over 233 native persons were able to find employment working through this program with the Calgary Chamber of Commerce. Just 10 days ago the Minister responsible for Native Affairs, Dr. McCrimmon, handed over to the chamber a cheque in

the amount of \$11,000 with respect to this program. I know that officials in his department have been most co-operative with respect to this venture, which is probably the first of its kind in Canada with respect to trying to find employment for native persons in urban areas.

In January 1980 the ministers of Culture, Native Affairs, and Education agreed that they would co-operate with respect to a special project known as urban native education. I was named special adviser to the Minister of Education with respect to this area. In the course of this last period of time, I have been working together not only with native groups but also with the separate and public school boards in both Calgary and Edmonton with a view to encouraging opportunities for our native children and young adults within the urban areas.

I'm sure that members of the Assembly are all too familiar that within the city of Edmonton there is a native alternative school known as Awasis, which in Cree means young child, and that this program has been in operation in Prince Charles school in northwest Edmonton for about eight years. This program is quite unique in Canada. It has a very important component: it hires native drivers. In small vans the drivers transport the native children from the area west and north of the North Saskatchewan River. The native drivers provide a very special function in terms of the educational component. After school they also are able to act as liaison workers between school and home, so when they bring the child home and no one is there or there's a very difficult situation there, we have front-line native persons involved to deal with that.

In Calgary in the last year and a half, the Plains Indian Cultural Survival school has come into existence. I am pleased to say that in the course of the last number of months the Calgary Public School Board has enabled the Plains Indians Cultural Survival school to move to a better facility where there is much more space and where the cultural and educational program has room to grow. In both these cases, Mr. Speaker, the personnel associated with the Awasis school or the Plains Indian Cultural Survival school, should all be commended for their diligence, commitment, and tenacity. After all, the education of native people within this country has always been seen as the purview of the federal government. Another complicating factor has been that when native people come into the inner cities they are really no longer represented by the Indian Association of Alberta. They must try to find various groups or mechanisms whereby they can get their own point of view across. Of course this is very difficult because for the most part these people are very transient in nature. Oftentimes they are intimidated by the system, and that includes a public or separate school board.

Within the course of this last number of weeks, thanks in measure to the encouragement and support of the Minister responsible for Native Affairs, together with the Minister of Education and the Minister of Social Services and Community Health, a sum of \$510,000 has been set aside specifically for urban native education over the next number of years. This will be handled through the educational opportunity fund. Within the Department of Education, a group of persons has been identified who, I'm pleased to say, in the last four to five months have taken on their responsibility to act as co-ordinators within the department for any kind of inquiries which might come their way with respect to the training of native children or young adults within urban centres. Those two steps are quite significant.

With respect to the native schools themselves, one of the concerns they have had is the lack of funding for the development of their own specific curriculum so that they might take advantage of their own native background or language. As long as the umbrella groups make their proposal known to the separate or public school boards, the aspect of curriculum and development may take place when it receives the appropriate approval through the educational opportunity fund.

The Awasis school and the Plains Indian Cultural Survival school are among the best schools of their type in Canada. I know that both schools have had difficulties, but I am pleased to say that I have received co-operation not only from the school boards but the Department of Education so that we might further these examples. As a matter of fact, in discussion with the Edmonton Separate School Board and the Public School Board, it is intended that by September this year that within the city of Edmonton in terms of an alternative school for native children, for young adults, the complete spectrum from kindergarten to grade 12 will be covered.

Mr. Speaker, my final note with respect to urban native education is this: the program funding exists, and if native groups in the province, especially in urban areas, want to take advantage of this program and funding, I hope they will not be bashful but will come forward, that they perhaps might contact me, certainly their own school boards, so we might be able to further this process of native education. For in this province, as in other provinces, most native Canadians in urban areas are not likely to proceed past grade 6. We are fortunate, and it's very encouraging that tremendous numbers are moving on through high school and to university. But when you look at the numbers involved, most native people do not get past grade 6. I really completely believe that one of the most hopeful ways forward for native Indian people in this province is for them to further their education. Within this system we have, they have the choice to carry on their education through either the public or separate school boards from kindergarten to grade 12, or for a period of time or for the whole length of time of their education up to grade 12, they have the freedom of choice to take that education within an alternative school system. The programs exist, Mr. Speaker. I only hope that persons will come forward and make their request to their school boards and through them to the Department of Education.

In the course of this last year I have been very fortunate to be the chairman of the Social Care Facilities Review Committee. In one sense I find it a great reminder. I won't care to mention how many years ago I went through my Bachelor of Arts degree in Manitoba and majored in psychology. At that time I went to visit some of the mental facilities at Selkirk and Portage la Prairie. In all honesty I found that experience to be quite traumatic and damaging. But in this last year, as I say, I've been very fortunate with respect to that committee, for it has brought me back in contact with that aspect of reality which relates to mentally handicapped persons, as well as a number of other areas.

The committee has 12 members, including me. I have come to appreciate greatly not only the experience but the sensitivity and sense of humor of my colleague from Highwood, George Wolstenholme. My vice-chairman, Jim Falconer, is diligent and brings a great amount of experience to this particular job. Mr. Speaker, I can't speak too highly of all the members of this committee.

Something like 900 different facilities are within the

ambit of this committee. They include those for the mentally handicapped, the emotionally disturbed, sheltered workshops, youth detention and youth assessment centres, facilities for transient males, facilities for single women, facilities for families in violence, overnight facilities for the Alcoholism and Drug Abuse Commission, and day care centres. Over 900 facilities in those areas serve persons within the province of Alberta. In the first six months of operation of this particular committee, over 160 of those facilities were visited. As of today, Mr. Speaker, I can report that over 300 facilities have been visited in this province and in Ontario, Manitoba, Saskatchewan, and B.C. From personal experience in visiting these facilities, both in the province and outside, I can say that Alberta's facilities are indeed second to none.

Within the last seven to eight years there has been a tremendous growth of group homes in the province, partly because of public acceptance, also because of better drug therapy and a conscious decision to de-institutionalize some of the larger facilities in this province. As I have visited the larger facilities, I am pleased to report that the atmosphere in most of them is really quite encouraging. The use of color is really most attractive and I think beneficial. The food is good, and the patients are well clothed. Occupational therapy is found in nearly every facility and seems to be very well used.

There is no doubt that tremendous pressures are placed on the staff. Oftentimes many of them burn out after two years, but that also is a common phenomenon across the country. By the same token, other persons working in these facilities have been on staff for 15 to 20 to 22 years, and they deserve a vote of confidence and our thanks with respect to their devotion and care.

In visiting social care facilities, one of the things I often find is that some social workers refer to the residents as clients. I find that in most of the larger facilities the staff refer to the residents as persons. The whole matter of the aspect of caring is seen in the way they gently and lovingly touch the persons committed to their care.

Mr. Speaker, I would like to talk very briefly about Michener Centre. The government is in the process of replacing a number of buildings, and a number of the present buildings are being upgraded. Staff increases have been authorized in the past year: an additional 37 positions were announced in the spring, followed by another 100 in August. The whole morale situation seems to be greatly improved. I compare the Michener Centre to the similar facility in Orillia, Ontario, and believe me, there is no comparison. Even though at times we wonder if there are difficulties there, nevertheless Michener compares most favorably with the facilities in other provinces.

In terms of the ambit of this committee visiting some of these places, it is indeed traumatic to see how misshapen human bodies can be, to see the degree of handicap, and then to see how the staff really deal with persons in, say, the Cormack Centre. Mr. Speaker, I am also pleased to note that oftentimes it's people from outside not only this province but this country who are working in such close proximity and so lovingly with some of these persons in these facilities.

I know I've gone overtime, Mr. Speaker, but I want to close with this example. Sometimes we think energy policies only affect businesses, but I want to use this small core sample bag as an example of how the federal energy policy can have detrimental ramifications with respect to sheltered workshops for mentally handicapped or physically multihandicapped persons. This core sample bag takes 11 steps to make. It comes from the Kinsmen

Training Centre in Medicine Hat, and the handicapped persons there produce 50,000 of these in the course of the month. But I'm afraid that if some aspects of the national energy policy are put in place and continue to work their harmful effect, there will be a spinoff that there won't be the need for that kind of production, which helps some of our handicapped people to feel they're able to be of use to not only themselves but someone else.

Mr. Speaker, I could go on at great length about social care facilities in this province, but I conclude by saying that Alberta does not need to be ashamed on behalf of the group homes or the other facilities present in this province. Indeed we owe a debt of gratitude to the many volunteer workers, as well as to those paid workers who work in these institutions, group homes, and facilities in this province.

MR. FJORDBOTTEN: Mr. Speaker, it's a special privilege to stand here today in this Legislative Assembly as a representative of the Macleod constituency. In the past two years in which I've been privileged to serve, much has happened in our province and indeed our country.

As the throne speech mentioned, 1980 was a year of celebration and thanksgiving in Alberta. The events in our communities during the 75th celebrations were a great success. Mr. Speaker, they were a success because people worked hard. Individually and collectively, they worked hard to celebrate our 75th Anniversary.

In an anniversary year we reflect on our past, and Alberta has a past which saw people leave many different countries all over the world to come to a new land. Today when we travel, it takes very little time to get to any part of the world. We know pretty well what we're going to see when we get there. Because of books and television, we've seen pictures, and we have some idea of what we're going to see when we get there. But the pioneers who came to this new land didn't know what they would find when they got here. When they did get here, they fought blizzards, dust storms, and drought; they fought in two great wars; they fought sickness and loneliness. But they persevered, and because they did we have a great province and a great country. We have a responsibility to continue that hard work and that dedication of those pioneers. We have a responsibility to continue that now and in the future. Over the past few days some have said that the throne speech doesn't contain anything. I think if you're truly honest as you view the throne speech, we've come a long way because the concern for people, the programs available, the standards of those programs in every area . . . I look at the four priorities of the throne speech: social services, health care, housing, and federal and intergovernmental relations — very important priorities — as well as the other ones of education, public lands, environment, transportation, and all the other areas. In every area it shows government's concern for people.

One of the major problems I feel we have is what the Premier said in 1979, and I don't think it has changed a bit today. He said one of the major problems then was the high expectations of people and the decline of the virtue of thrift. I think that is a definite concern today, Mr. Speaker.

I'd like to say tonight that I enjoyed the remarks made by the hon. Member for Calgary North West and the hon. Member for Innisfail in moving and seconding the speech. I enjoyed the speeches of all the members before me, and I was impressed with the remarks of those members. Every one of their speeches indicate the sincerity

with which they represent their constituents. Over the past two years I've been here, I have observed every member in this House, and I have an overwhelming confidence that the dedication, ability, and sincerity tied to the enormous talent under the leadership of a truly great man, Peter Lougheed, will meet whatever challenges lie ahead.

This is a very critical time in the history of our province and our country. In 1905 the Macleod constituency was represented by Frederick Haultain. He was regarded as the premier of the Northwest Territories. I am pleased to see that he was honored by having a building named after him. If you stand out on the steps of the Legislature, the building you see in front of you, the Frederick Haultain Building, was named after him. When Frederick Haultain represented the Macleod constituency, he fought to have the ownership of our natural resources, our land and our minerals, but it was some 25 years later that we got those rights. Now a group of men in Ottawa wants to take away those resources that men like Haultain fought for, this group in Ottawa who now want to change the rules of Canada.

All members here understand that there are forces at work in Canada today to tear Canada apart. The basic law of any democracy requires the consent of its citizens. The moves being made today in our federal capital certainly don't have the consent of its citizens. The Speech from the Throne says Alberta's future has been jeopardized as a result of the federal government's actions. Governments are supposed to prevent the self-centred and the greedy from stepping on the true rights of others; the present government in Ottawa is doing the very things it's supposed to prevent. Not many people realize that there's a second verse to *O Canada*. It could very well be our prayer for Canada today.

Ruler supreme, Who hearest humble pray'r.
Hold our Dominion in Thy loving care.
Help us find, O God, in Thee
A lasting rich reward,
As waiting for a better day,
We ever stand on guard.

I don't think very many members realized there was a second verse, and I think it's important to hear it today.

Mr. Speaker, the hon. members who have spoken before me have covered most of the areas in the throne speech. However, I'd like to mention just two, Agriculture and Economic Development. Economic Development is working in so many areas that I'm afraid I can only cover a few. Those who would be critical and say we're not doing enough couldn't possibly understand the enormous strides Alberta is making in economic development.

The throne speech states:

Economic diversification is a major objective of my government. Our goals are to process our natural resources, decentralize economic activity, upgrade the skills of our work force, and expand . . . into foreign markets.

Very worthwhile objectives, and Economic Development is certainly working in those areas. Our petrochemical industry, as the throne speech states, will make a major contribution to economic development in Alberta. We have an abundance of feedstock, natural advantages, and we're moving quickly in our approach to this important area with positive steps that are well thought through.

When we talk about our coal reserves, this is an exciting step in the long-range future for the development of Alberta. It's something that should excite everyone. There are many countries like Italy, for example, that would like to buy a lot of coal from us. Macleod constituency is blessed with coal in the new mines at Kipp and Shaughnessy, but the coal we could ship — the rail system is just not capable of handling the volume of coal that the demand is there for. If we did ship all the coal on the rail system, there would be no room for agricultural products, and then we'd really be in a problem. I think the answer to this is a slurry pipeline to the coast and port facilities to handle that slurry pipeline, and Economic Development is working on it.

The other moves in Economic Development: the hopper cars, Neptune Bulk Terminals, Prince Rupert port, the inland terminals, the motion picture industry — the list goes on and on and on, and shows that Alberta is displaying leadership in seeing that the foresight and the hard work of our pioneers is still very much alive and active in Alberta today.

Economic Development has a trade division that functions to assist Alberta companies to market their goods outside the province. They do this by identifying specific export venture projects, foreign joint ventures, and licensing opportunities. They co-ordinate participation at trade shows, organizing missions by Alberta firms to selected foreign markets. There's a marketing branch in Economic Development, and it develops marketing strategies in key industrial and service sectors and maintains a monitoring program which matches Alberta products and services with potential markets outside the province.

Another division, the industry development branch, concentrates on development of agricultural and meat-processing industries, the expansion of steel industry, and the establishment of our province as a major centre of finance, of research, and high technology.

During the last year Alberta companies were assisted in export projects. They varied from a sale of \$7.2 million of heavy transport vehicles, building materials valued at approximately \$8 million, prefabricated structures at \$500,000, farm machinery at \$140,000, drilling rig power tongs for \$1 million to \$2 million. In addition to those and many more, the department's trade show program resulted in on-site sales at trade shows of about \$7 million and potential sales of approximately \$130 million over the next 12 months.

I was in the Persian Gulf in March and saw the international oil show. Nine Alberta companies were there, doing a first-class job. Alberta development and trade was the only province represented. You know what kind of buildings the trade show was held in? The buildings were manufactured in Calgary by Sprung Structures, the same type of structure that was given to the Italian earthquake victims. So how anyone could say that we aren't doing enough . . . The throne speech only gives one small paragraph, but behind that paragraph is a mountain of effort and activity.

I mention quite a lot about Economic Development — International Trade because it's important to Canada, to Alberta, and to the Macleod constituency, because with the money from the heritage fund that we put into irrigation, Macleod constituency, southern Alberta, in fact all of Alberta, will benefit greatly in the years ahead. The products we have historically grown, new ones that will be possible because of irrigation, tied to the development and processing industry processing those products in southern Alberta — we're going to have a very major role

to play in the future in feeding a hungry world.

Mr. Speaker, there are some concerns today in the agricultural community. The throne speech mentions inflation and high interest. Inflation's really with us all, but the Ag. Development Corporation is working to alleviate some of the problems. In the 1980-81 fiscal year, the Agricultural Development Corporation will approve loans estimated at about \$178 million, \$140 million of that in the beginning farm program. In addition, their specific on loans is estimated to be approximately \$6 million. The Alberta farm development loans, the ones loaned by the banks and credit unions and guaranteed by Alberta, are estimated to be about \$60 million. Altogether then this government, through ADC, will have loaned or guaranteed loans of about \$244 million in the '80-81 fiscal year, and all those loans for the continued success and development of farming. That's close to one quarter of a billion dollars in one year to ensure the future of our backbone industry, agriculture. You might be interested to note that in the Farm Credit Corporation booklet it says that in '80-81 they forecast direct loans of \$10 million from the Quebec Farm Credit Bureau; in Alberta \$110 million from the Ag. Development Corporation. I think we're doing significantly well.

This afternoon the hon. Member for Vegreville said that producers buy retail, sell wholesale, and pay the freight both ways. Freight rates and transportation are problems that we must continue to work on to resolve. Because if we can grow it, the markets are out there. We have to be able to ship it. We're showing leadership in that area as well. I mentioned the agricultural development program, the hog stabilization program, the food processing centre, irrigation, reclaiming saline soils, the Agricultural Research Council Farming for the Future program that's funded by the heritage fund, the hopper cars, the inland terminals — the list goes on and on. It shows real leadership.

I'd like to mention a few things about Agriculture and how it operates. I'd like to share it with the members in the House. Agriculture has a specific tool for guiding the future of agriculture, and that tool is information. Alberta Agriculture really doesn't handle people or organizations, but it motivates, guides, and assists people. It organizes people to do their own work. Alberta Agriculture serves primarily through its district offices. Some facts you might find of interest: in 1980 there were 57,000 farm operators in Alberta, resulting in about \$2 billion worth of agricultural products produced each year. One hundred thousand people are directly employed on farms, and another 400,000 are employed in other aspects of the agricultural industry. In fact two out of three jobs in the province of Alberta are filled in agriculture.

We in the Macleod constituency look forward to the programs outlined in the throne speech in all these areas, and we look forward to some highway improvement. We've put more money into highways, but we could certainly use more highways in southern Alberta. I think Highway No. 2 from Nanton to Fort Macleod certainly needs to be twinned, and Highway No. 3 from Fort Macleod to Monarch and the highway from Fort Macleod to Cardston. We're pleased about the nursing home that's approved for Claresholm, the new hospital and attached unit for the medically fragile in Fort Macleod, the self-contained units in our community, and the exciting new development at the Head-Smashed-In Buffalo Jump at Fort Macleod.

I'd like to close by saying that it's a pleasure and an honor for me to stand here, and I thank the people of the

Macleod constituency for sending me. I'd like to say that the goal of good government should be the welfare and the happiness of the people over whom it rules. I believe this government has that aim in mind.

Thank you.

MR. WEISS: Mr. Speaker, it is indeed an honor to reply to the Speech from the Throne. First I would like to congratulate the Member for Calgary North West for moving the motion and delivering such a thoughtful and well-contained speech. Second, I thank the Member for Innisfail for his sincere contribution to the debate.

Mr. Speaker, may I take this opportunity to welcome His Honour the Lieutenant-Governor, Frank Lynch-Staunton. It was certainly nice to have seen and heard him. We welcome his contribution. Also on behalf of the members of my constituency, I welcome the new Sergeant-at-Arms Mr. Oscar Lacombe, and wish him well in his new duties. As you are well aware and as pointed out by the hon. Member for Calgary Millican, Mr. Lacombe is very much noted for his humor and anecdotes out of the House, but I'm certain he will not tolerate any of the humor or funniness within the House.

Mr. Speaker, I look at you and think you befit your new chair and surroundings very much. I think the sincerity and decorum that you bring to our House and add to its grace and charm is wonderful. I'd like to commend the city of Edmonton for bestowing upon us, the members of the Legislature, the gift that they have in this 75th year.

Mr. Speaker, we talk about the brevity and sincerity you bring. I'm glad to see that sometimes it even exudes out to the members of the opposition. They're very capable and intelligent people. As we see tonight, they're in their places, listening sincerely and properly. That doesn't always take place. I think it takes you, Mr. Speaker, to bring us all into a proper perspective.

Mr. Speaker, I congratulate this government for its continued and relentless commitment to the people of Alberta and, on behalf of my constituents, express my appreciation to this government for its strength, guidance, and many contributions it has made to the people of the Lac La Biche-Fort McMurray region.

Mr. Speaker, I recognize the four very important facets made known in the throne speech. I might note that all points considered — housing, health care, social services, and federal/provincial relations — are impending issues which our government has always dealt with immediately and effectively. This government has responded to those needs and continues to fulfil them in my constituency in many, many ways.

Mr. Speaker, I'll divert my thoughts at this point to extend a brief thanks to all the many volunteers and service groups that worked so hard to make Alberta's 75th Anniversary so successful. Congratulations on a job well done, and special recognition to my newest and only city in my constituency, Fort McMurray.

In hospitals and medical care, Mr. Speaker, we were pleased to officially open in 1980 the new Fort McMurray Regional hospital. The hospital is a welcome addition to the city of Fort McMurray. In this forthcoming year we're also looking forward to the sod-breaking ceremony for the proposed new Lac La Biche hospital. Hopefully tenders will be called for around September of this year for this new, modern facility to be built at a cost of some \$13 million to 14 million.

Mr. Speaker, I would like to highlight several programs developed by our Minister of Housing and Public

Works. On behalf of my constituency and respective communities, including Fort Chipewyan, Fort MacKay, Conklin, Janvier, Kikino, and Caslan, I welcome the rural home assistance programs which will provide many native families with financial aid and self-help advice. With respect to the Alberta pioneer repair program, I might say that while we have fewer senior citizens than in some areas in this province, I can assure you that those who have been eligible to receive grants through this program are certainly most appreciative. I encourage our government to continue with this program to meet future needs. I might mention that Fort Chipewyan, the oldest community in Alberta, awaits an already approved 25-unit senior citizens' accommodation. I might stress that it is a most-needed facility, which will be called for tender in the next few weeks. In another area I'm happy to report that the new provincial buildings are well under way in both Lac La Biche and the city of Fort McMurray, certainly an indication of being responsive to the needs of the communities in those centres.

Mr. Speaker, I would certainly like to commend the hon. Minister of Advanced Education and Manpower for his dedicated efforts in upgrading and improving Keyano College in Fort McMurray. I might add we are anxious to get on with the new approved Alberta vocational centre in my constituency and look forward to the new facility in Lac La Biche. This morning we heard the hon. minister remark about joint effort in citizen input with regard to community involvement. I'm pleased to say that a new hydraulic lift will be installed in Keyano College through these joint efforts, in a challenge that our minister threw out to the citizens of our community, which they were able to respond and meet. We thank him for that assistance.

On another related issue, Mr. Speaker, I might bring the Assembly's attention to the establishment of a nursing research fund of \$1 million. This fund will provide an opportunity to investigate the major issues facing the nursing profession today and consequently will improve the quality of care and health in this province, and most hopefully the northern areas. The starting nursing education program at Keyano College in Fort McMurray is another example of the government's response to this issue and certainly a welcome one within our community. I look forward to the day that we'll see the first nurses trained through this program and perhaps put back into place in the northern communities.

Once again, Mr. Speaker, we see this government take action to respond to alleviate distressing problems within our province. I am now speaking of the Hon. Minister of Social Services and Community Health, who has been and continues to be more than attentive to social health issues. One such issue is the foster care program. Already this ministry has taken steps to improve foster care by increasing the number of social workers to reduce case-loads, thereby improving the service. Of the 40 recommendations contained in the Ombudsman's report, at least 30 have been implemented or will be acted upon immediately.

The media have taken it upon themselves to be the spokespersons against the foster parent program. I would like to go on record, Mr. Speaker, as commending the many fine foster parents within the Lac La Biche-Fort McMurray constituency. Without their involvement many children would go without the love and care foster parents extend to them. I thank them personally. It is also true that this takes place in all parts of the province of Alberta.

I am very happy our government has made available various programs to celebrate the International Year of Disabled Persons. Already constituents have approached me indicating their interest to participate. I certainly welcome them and we look forward to working with them in this forthcoming year.

Public lands has been a very involved and intensive issue in our area. The minister has been very involved, and the Associate Minister of Public Lands and Wildlife certainly is no exception. The need for acreages in the Fort McMurray region has been raised by me on many occasions before, and I look forward to the ongoing assistance by the hon. Associate Minister of Public Lands and Wildlife to help make this need a reality. Mr. Minister, I'm sure that 1981 will be that year.

Municipal affairs play a very important point within our community and in our area. Mr. Speaker, I'd like to mention and emphasize the important role improvement districts play in the Lac La Biche-Fort McMurray area. The staff and advisory personnel in Improvement District No. 18 have been most helpful in obtaining departmental approval for major water and sewer projects. Water is now turned on in Wandering River, and phase one of the \$10 million to \$12 million water project has now been awarded for the community of Fort Chipewyan. Last year in my reply to the Speech from the Throne, I had indicated it was a political decision, and it certainly was. I commend and appreciate the minister responsible and all members of this Legislature, including members of the opposition, for their support in this worth-while project.

While it would appear citizens of the city of Fort McMurray will not be victims of the ravaging Athabasca and Clearwater this year, I would encourage the hon. Minister of Environment to continue working with the flood abatement committee to come up with a workable and satisfactory solution for preventive assistance in order that we may avoid another '77 disaster. I certainly appreciate the concerns of the people involved, because I too was one of the citizens affected very seriously in 1977, and I'm sure we will lick that problem yet.

On behalf of my constituency I welcome the Minister of Transportation's ongoing commitment to continually improve roads in the district where resource development means heavy transport. I am most pleased to advise the Assembly that our goal is to complete negotiations with the federal government so as to assume financial undertaking for building the much-needed airport terminal in the community of Fort McMurray.

Mr. Speaker, with the help of the ministry of the Attorney General, Fort McMurray now has a new courthouse under way. We are also looking forward to the hon. Solicitor General's decentralization services which will meet the increasing demand for motor vehicle registration and licences within the community.

I would like to quote the Speech from the Throne in relation to energy and natural resources:

My government is prepared to enter into meaningful discussions with the federal government on an overall energy pricing and taxation agreement which will restore the province's ownership position and also the investor confidence needed to maintain high levels of exploration and development activity.

Mr. Speaker, indeed "Canada is at the crossroads in terms of [its] energy future." I'm appalled at the suggestion of the hon. Leader of the Opposition today that we should strive to reach 100 per cent of world prices and work with regard to the revised royalty position. That would be disastrous. I certainly suggest that no agreement

would ever be made. It certainly shows their inflexibility and inability to respond to Alberta's needs. I support our government's policy, and I do not wish to burden, and have the burden borne by one person alone in this Assembly, our Hon. Mr. Peter Lougheed, the Premier. I think it was a unanimous decision shared by most members of this Assembly, and should be by all, including the lone dissenter. It is not Lougheed versus Trudeau; it is the elected representatives of the people of Alberta acting in a wise and just manner to protect what is rightfully ours. I do not believe I am any less a Canadian or Albertan for standing up for this right. I would certainly emphasize to all members of this Legislative Assembly that we owe it to our constituents to remain firm and strong in this position and to ensure that we have a protective policy for our future our future citizens.

Mr. Speaker, I now turn my thoughts to our hon. Minister of Recreation and Parks. This ministry is ever so important because it provides Albertans with an aesthetically pleasing environment as well as many cherished leisure service programs. In the day of leisure and free time we have today, we all should be able to participate and enjoy the recreation life. With all due respect, while other areas each have their own importance, I would ask the hon. Minister of Recreation and Parks not to overlook the need to develop a lakeland park in the Lac La Biche region. This area has over 75 per cent of Alberta's prime beaches, and if properly developed, this area could service and be enjoyed by many Albertans and out-of-province visitors as well. The new miniparks program is one I await with anticipation, and the residents of my constituency await the April 14 budget announcement.

Finally, Mr. Speaker, I might add that the Department of Tourism and Small Business has made possible, and I quote from the Speech from the Throne:

The establishment of a major oil sands interpretative centre in Fort McMurray will highlight Alberta's ... leadership in oil sands technology.

Mr. Speaker, at a cost of some \$5.9 million, this is a first for Alberta and all of Canada. I would invite the hon. Dr. Ian Reid, my colleague to the left here who said he's never been to Fort McMurray, for he and others who have not been, to come up and see what we have. I can assure you the interpretive centre will be the finest in Canada, bar none.

Mr. Speaker, I have not been able to review all the highlights and in my brief remarks have in all probability missed commenting on some areas. For this I apologize. I would however, like to assure you, and through you to all members of this Assembly, that I will continue to be a liaison for the constituents of the Lac La Biche-Fort McMurray area, will endeavor to continue presenting their individual needs and collective concerns to the respective departments, and will always keep the members of the Assembly informed.

In your afternoon prayers, Mr. Speaker, your kind words were clearly heard by me. Your reference to work for our constituents and strength and wisdom give me that guidance and direction to keep me on the right road, and for that I thank you in these, our very troubled days.

MR. COOK: Mr. Speaker, it's a real honor and pleasure for me to participate in the throne speech debate. I, too, would like to congratulate the hon. members for Calgary North West and Innisfail for making a very solid presentation to the House. They supplied excellent reviews of the impact of the speech, both in the province generally and on their constituencies in particular. They added to

the level of debate, and it's going to be a real challenge just to try to meet that standard.

I'd also like to thank His Honour the Lieutenant-Governor for presenting a very fine speech to the House. It covers a broad range of activity. After listening to the speech and rereading it, one begins to appreciate the range and nature of government activities. His Honour did a very fine job of presenting the speech. Over the course of the year, I've had the pleasure of attending a number of functions where His Honour was there representing the people of Alberta. For me, he epitomizes the virtues of Alberta: a rancher from southern Alberta who has seen the province from a very small beginning, predominantly agricultural and small towns and villages to a thriving metropolitan and agricultural centre. Mr. Speaker, over the last year the Lieutenant-Governor certainly has served the people of Alberta well.

Mr. Speaker, I'd like to thank you, too, for bringing decorum and order to the Assembly. It's certainly appreciated by all members, on all sides. You bring a national reputation to this Chamber. After listening to a number of colleagues, or fellow legislators, in other jurisdictions, it's remarkable to hear some of the horror stories that come back to us of other chambers, at other times. The order and decorum this House has is largely due to you, sir, and we thank you.

Finally, as many others have, I'd like to recognize our Sergeant-at-Arms. I'm sure Mr. Lacombe will fulfil the duties of his office very well, as he served the Executive Council as security head before. We're looking forward to a long relationship with him.

Mr. Speaker, I'd like to start into the main part of my speech. I'm going to try to reflect on the priorities of the government in a way that looks ahead, not just in the '81-82 fiscal year but also as a conservator society for the coming generation. I'd like to take a longer perspective than just one fiscal year. In passing, I'd also like to note that Social Credit would have us believe we have done nothing in the last 10 years. If that's the case, 700,000 people who voted with their feet by coming to the province, or staying in the province, since 1971 would be a little surprised to hear the remarks of the hon. Member for Little Bow a couple of days ago. The real truth is that 700,000 people would disagree with that gentleman. It's quite clear that this is the province of opportunity. Perhaps it shows that it's not the government that's tired, rather the opposition. They didn't offer any positive alternatives. They just came back with their tired, old harping on closed government, tired government, and no new initiatives. It's quite clearly the opposite, and I think the opposition is in fact the tired crew in the Assembly.

AN HON. MEMBER: Tired or retired?

MR. COOK: Re-tired is what they should be — retreated.

Mr. Speaker, we are growing, and that's my concern. We've grown by 700,000 people in the last 10 years. I think we should really use the economic pause or lull we have now because of the two plants being put off, to pause, reflect, and plan for the future. This is a time to choose the kind of Alberta we want to have over the next 10, 20, 30 years. I think it's a time to catch our breath and to think. We have had problems with rapid growth. We've had economic problems, trying to provide infrastructure. We've had social problems, trying to provide the backup to families in crisis. There is a lot of stress and strain on both the people of the province and on the

natural resources, on the basic development systems of the province. I don't think we have any choice; we have to grow. We're providing energy for the rest of the country, and that's a national responsibility. We cannot simply choose not to grow. It's not an alternative.

But consider, Mr. Speaker, that in about 25 years the manpower department of the hon. Member for Medicine Hat suggests we're going to have a population approaching 4 million people. That means we have to manage the growth. We have to plan the nature of that growth.

I think we should have some guideposts, some positions or ways to judge the nature of the growth and what kind of growth we want to have. I'd like to offer a couple of ideas. I think future growth should spread economic opportunity not just regionally, although it should certainly do that and the decentralization program of the Alberta government accomplishes that in large measure. Some people in Edmonton are a little sensitive about that word right now, Mr. Speaker, but it's important that we spread the benefits of growth. We have some real problems in northern Alberta, where people are living in a semi-rural environment. We have some problems in east-central Alberta, where communities are aging rapidly and there isn't very much economic opportunity. [interjection]

The hon. member mentions Mill Woods. I think that's a good example of the need for planning in an area of rapid growth. That's no reflection on the hon. member, but there again we need to remember that Mill Woods and communities like it in the urban centres like Calgary and Edmonton have been experiencing rapid growth. They need recreation facilities, roads, schools, and they were not provided when the people went in there. As a result there have been problems. My community has the same problems. Dickensfield and Castle Downs are two areas of rapid growth, and there are social problems because of that.

So we have to spread economic growth and opportunity in the province. It shouldn't be centred in Calgary and Edmonton, where I think we've grown too fast for our own good. We should spread the benefits, or whatever, to our less fortunate citizens in some of the other parts of the province. That's one guidepost.

I think we should also try to expand the range of economic activity, the type of activity. It shouldn't be enough simply to have a petrochemical industry or the food processing industry we're trying to attract. Those are important. But in the throne speech the Minister of Economic Development identified the movie industry as a potential economic opportunity for us, and it is. It is a clean industry. It's labor-intensive. It requires a good deal of imagination. It will provide not just an economic opportunity but a cultural opportunity for our citizens. For that reason I salute the Minister of Economic Development. I think that's a good development.

I think we should also recognize that future growth should provide for social opportunities, and the movie industry is one good example. But industry should be helping to create a social fabric, a social community where we're encouraging the arts, culture, education. In his speech the Minister of Advanced Education and Manpower pointed out that Nu-West Development and Carma have been acting as good corporate citizens, providing endowment funds for the University of Calgary. We should encourage more of that, Mr. Speaker, through our tax system, through our economic development.

We're basically talking about planning for a type of growth that is balanced in a number of different ways. It's balanced in that it spreads economic opportunity among

different peoples, different regions. It diversifies the range of activity in the province. The government has been doing that.

I would like to point out, though, that with a population of 2.2 million today, we're going to have almost twice as many people in the next 25 years. That's going to create incredible conflicts within this province. We're going to have conflicting demands on land, for recreation, industry, future urbanization, agriculture, forestry, energy development, coal mines. In that one area alone, Mr. Speaker, there are going to be some incredible pressures. It requires the people of Alberta and the government to think clearly about what their priorities are and plan ahead.

Water is another good example. In the north we have a great deal of water, in fact in some areas too much. I see in the Speech from the Throne that we're putting in a dam to control flooding. In the south, though, we have exactly the opposite problem, a shortage of water. The Bow River has virtually reached the limits of its capacity for industrial development. In the questions the hon. Minister of Environment answered in the last session, we're seeing that there are some real problems with effluent being poured in the river. The environmental limits have just about been reached. We need more water for irrigation, Mr. Speaker, and that will require us to make some tough decisions about damming rivers and controlling the water resources we have in the south. Industry is going to need more water for cooling.

I'm trying to focus on some of the competing demands for some of our scarce natural resources. And the list goes on. When you think of the competing demands for agriculture, for natural resources like natural gas as a feedstock for both the petrochemical industry and fertilizer . . . We're going to have problems with coal, tar sands, and timber development because they affect very greatly the quality of the soil that is left behind. Mr. Speaker, I'm arguing that we have to proceed with growth. We have to diversify the economy, but we have to do it in a way that is environmentally sensitive. We are, but we're going to experience much more growth. The problems are going to be compounded and, as a result, become much more serious.

For example, Mr. Speaker, I'm concerned that as we develop our forestry resources on the Eastern Slopes, we're going to be looking at very serious impacts on our watershed. The drinking water for Red Deer, Edmonton, and all the central Alberta communities is dependent on having a good forestry resource, well managed and well maintained, on the Eastern Slopes of the Rockies. Any future development should keep that in mind. We're going to need more parkland and pasture for agricultural resources. We're going to have to preserve our wildlife. It's a very important resource, and we've only to see the plane-loads of people coming in from Japan to appreciate that that's one resource they appreciate that they don't have. It will have a value to us in the promotion of tourism and development in that area. Yes, we have to develop, but we have to do it in a way that is environmentally sensitive, that promotes balanced growth and promotes a province we're all going to enjoy living in, culturally, socially, and economically.

I'd like to close with a few comments. I'll try to be brief, Mr. Speaker. U.S. energy studies show that in the next few years coal is going to be in great demand as a transition fuel from oil and gas to coal and perhaps nuclear power. Fusion is one fuel source I've mentioned over and over again. That's being developed rapidly too.

But western coal is low in sulphur, and it's easily mineable on the great plains. I'd like to use this as an example of the concern some of us should have. We have a national duty to extract it, and we have a national duty to provide energy for our fellow Canadians. I don't think anyone in this Chamber would suggest that we don't.

MR. PAHL: We should get paid for it.

MR. COOK: But we should get paid for it, as the hon. Member for Edmonton Mill Woods suggests.

But we should also be concerned about some suggestions; for example, to export power to the United States using Alberta coal as a fuel. My concern, Mr. Speaker, is that the proposed plant in the Lacombe area would chew up a good deal of agricultural land. I find it a little difficult to think that we're going to have all the social and environmental costs, and the benefits are going to be exported outside the country. I think that area will prompt a real serious debate about our need to develop that kind of resource, export the benefits of that resource, and retain all the social and environmental costs. As the Member for Edmonton Mill Woods points out, if we aren't receiving fair value for that resource, for the balance I think we shouldn't go ahead.

I'd like to comment too on land as a resource. I think the annexation question in the city of Edmonton is a good example of the competing demands for a scarce natural resource. We should be trying to encourage our cities to be compact in their growth, and I think we are. In his programming, the Minister of Transportation is providing for the development of light rapid transit, which by its very nature encourages a metropolitan area to become more compact, to look in and try to develop the city core, both as a housing and a commercial and industrial centre. That's a good example of good planning, and the government should be commended for that.

I think, though, we should also be looking at some disturbing news from the University of Saskatchewan in Saskatoon. Reports there suggest that the soil humus, nitrogen levels, soil fertility, and a number of trace elements in our soils are dropping. We need research to improve our farming techniques, to replace those vital components of the soil. Unfortunately we're finding that the federal government is cutting back on its federal research spending on agriculture. It's a base industry not just for Alberta but for the rest of western Canada, and I think the Minister of Agriculture is developing research. In light of the federal government vacating its responsibility or declining a responsible approach, I would only suggest that we should be boosting our R and D in that vital area. It's sad to note too, Mr. Speaker, that the United States Department of Agriculture is cutting back on its research and development spending in agriculture. We could do a great deal there. It might provide economic benefits in an industrial sense too, because any technology that we develop could be exported as well, both in Canada and to the United States.

Still focussing on land, our best land lies along the Highway No. 2 corridor. That's no accident, because the early development of the province took place along that narrow band of No. 1 and No. 2 soils, roughly between Calgary and Edmonton. The concern I have is that that also is the area of the greatest urban development in the province, and I think we should be far-sighted and try to protect it.

I'd like to ask why. Fred Bentley in the University of Alberta soils department points out that because they are

well drained and have high humus content, nos. 1 and 2 soils are the most productive soils. Mr. Speaker, that means that for a given amount of input, fertilizer or pesticides, you get much more return for that investment than you do on nos. 2, 3, 4 soils, and down the line. The soil classification I'm using is the Canada Land Inventory classification. My concern is very simply this: if that is the case, by taking those soils out of production, we are creaming off the best agricultural resource we have and will be left with No. 3 and No. 4 soils, which inherently require much more input to get the same amount of output. Much more cost will have to go in to extract the same bushel of wheat. If we're competing in an international market with Iowa and Kansas, states in the United States that are protecting their agricultural resources and zoning their agricultural land, then when our oil and gas reserves decline and we're more and more dependent on agriculture, we'll be left with our least productive land as our land base.

That concerns me, Mr. Speaker. I think we should be moving pretty boldly to try to zone and protect our agricultural land. At the same time I think we should recognize that we have to provide fair market compensation for the farmers who will lose development rights. That's also implicit. I'd just like to plug the Bill I introduced; I think it does that.

Mr. Speaker, I'd like to close by saying the 1981 throne speech reflects the growth of the province in the last 10 years. It reflects the pressures and shows good management. It shows that Executive Council has been trying to balance the competing demands on our various natural resources and on our people in an imaginative and responsible way. I'd just like to consider the past record of this administration. As good examples of this, I look upon The Planning Act of 1977; the development of an economic development ministry; food processing and irrigation programs developed over the last few years; the expansion of the Research Council, which is doing important work in coal technology and forestry; and the Eastern Slopes policy.

In closing I think the throne speech provides a good example of a balanced approach to competing demands on natural resources, to pressures on a community that is growing rapidly, not because it wants to but because it has to provide a service for the rest of the country, and it reflects a government that is busy building a province. Mr. Speaker, the proof of the pudding is in direct comparison or contrast to the point of the hon. Leader of the Opposition a couple of days ago. Since this government took over in 1971, 700,000 people have voted with their feet to come here or to stay here. That, Mr. Speaker, I think is the greatest test of all. That is the mark of an administration that has earned the respect not just of Albertans but of other Canadians who have come here to enjoy the building of a province. I have the honor to be part of the government. I'm privileged to be able to serve with my colleagues in that. It's an exciting and bold challenge. I think the citizens of Edmonton Glengarry are proud to be a part of the province, sharing in both jobs and economic and social opportunity.

Mr. Speaker, I'd like to close on that note. It's a proud record of the past, and I think the government is clearly planning ahead for the future.

MR. BORSTAD: Mr. Speaker, I'm pleased to take part this evening in the throne speech debate. First I would like to congratulate the mover and seconder of His Honour's speech, the Member for Calgary North West

and the Member for Innisfail. They did a very commendable job. I also wish the Member for Innisfail a speedy return to the Assembly from his hospital bed and hope that we see him very soon.

I was going to speak in particular about my constituency this evening, but because of the wide-ranging debate so far I thought I might do a bit of a review of what has happened in the last two years. I've picked three main themes. I was going to talk about Canada after 14 months of Mr. Trudeau, the damaging effects on Alberta; a report on northern Alberta and the Grande Prairie constituency; and close with remarks on the Speech from the Throne.

Since the federal election last spring, we have seen a chain of events take place which have split this country east and west. The discriminatory actions of the federal government have created ill will, unemployment, and business failures. We've seen nothing like it since the Great Depression. All of this brought on by a man who seems determined to bust our country apart through his unilateral action, national energy policy, and the budget of October 28 — after 14 months of some so-called discussions on oil pricing with Alberta, the first ministers' conference, and the constitution, which now shows that at no time was there ever any attempt by the federal government to try to reconcile the differences or even to agree on anything with the provinces.

Serious attempts were being made by the former government to come to some realistic oil pricing which would be something reasonable by today's standard. If those things had happened, we would have seen the building of the oil plants, which would have enabled us to reach energy self-sufficiency in Canada in the next decade. This was all thrown aside by political promises to central Canada by the Liberals. Even at the election we found out that before we'd completed voting the Liberals had been elected again. This does not seem to make that much sense to me. Mr. Trudeau promises that he wants to have a made-in-Canada price, which bears no reasonable similarity to North American price. After federal and provincial committees crossed the country meeting on the constitution, followed up by the first ministers' meetings in September, we saw a total breakdown in the conference, with most provinces in total opposition to the federal government. Since that meeting we have seen the government force closure, limit debate a number of times, continually moving ahead with their plan in spite of almost total opposition. Only time will tell if the Prime Minister will be able to get Great Britain to carry out his wishes. But with the latest events in Britain, let's hope this will not be successful.

Last October we had a budget and an energy policy wrapped in the Canadian flag, presented to Canadians, and written in such a way that it's taken us months to find out what was in it and what the total impact would be on Canada. The budget and the national energy policy were developed to put the western provinces in their places and to pirate our funds, I suppose, for the federal coffers, while oil companies started limiting their exploration budgets in Canada and directing them south of the border. This has some very serious effects on this province and, in particular some specific communities, which I will expand on later.

The national energy policy as presented in the federal budget last October completely destroyed any chance Canada may have of energy self-sufficiency. I would like to point out a few startling figures. In 1978 some 7,000 wells were drilled; in 1979, 7,700; and in 1980, about

9,000. In 1981 it was anticipated that there would be about 10,500, but this will fall considerably short because of what happened on October 28. As of October 28 we had an available drilling fleet of some 570 rigs. As of January 5, 1981, a number of these had crossed the border along with the service rigs, and about 175 rigs laying down waiting for contracts, which there probably won't be. In short the money that would have been paid for those wells and spent in Canada has now gone across the border along with the skilled workers. Under the national energy policy we are actually abandoning wells that could be producing economically, another problem that's been brought on by the national energy policy. Moreover we are buying on the world market what we could be producing. The consequences of the national energy policy are serious. Not only are we forced to buy from abroad, but we are also forced to do so at inflated prices. Furthermore who can be certain there will even be any to buy in 1990? It is estimated that by 1990 Canada will be purchasing about \$10 billion worth of oil a year, indeed a very sad situation and a very bleak picture. Only in the past few weeks did we see some glimmer of hope through the actions of the opposition members in the Commons, in the pressure being brought to bear on Ottawa by the eight provinces to change their plans, sit down with the provinces, and work out an agreement.

All of this national uncertainty has had damaging effects on the province as well as on our nation. Inflation is running in double digits. Interest rates are near 20 per cent. Investor confidence is shaken. Skilled workers and equipment are leaving our country. Rather than try to do something about these national problems, we see actions which seem to be bent on destroying us as a great country that we could be, a nation that has so much in its people, its land, and its resources, not enjoyed by many other countries of the world.

These effects are being felt in central Canada through the loss of jobs, which could be eliminated if the oil sands plants were allowed to go ahead. They are also being felt in Alberta by the loss of investor confidence and inflation and, in particular, in those areas of the province where the oil exploration has been high over the last few years.

In northern Alberta we have seen Canadian Hunter, the people who pioneered the Elmworth field, drastically cut their exploration budget and shift it to the United States where opportunities are greater. Small service companies are being forced to move along with them. Many companies are cutting back, and in some cases they will be out of business because of no work. Presently in Grande Prairie after a shortage of hotel rooms only a few short months ago, we have hotels running at 25 to 40 percent occupancy rates. Many businesses are down 30 to 40 per cent in sales from what they were only eight months ago, brought on by external problems they have no control over.

Mr. Speaker, we see a number of polls being carried out federally, provincially, and by various other interest groups. I thought it would be of interest to carry one out myself. I sent out some 150 letters covering commercial, retail, and professionals in the constituency. I received a 45 per cent return, and I thought I might read a couple of the questions and the answers I got.

The first question was: "Have your sales, production forecasts, work orders or contracts fallen off noticeably over the last five months?" Out of that 50 per cent returned, 80 per cent said yes. The other question was: "Have companies you are in contact with reduced or stopped exploration work?" Eighty-five per cent said yes.

"Do you feel there are currently more people unemployed in the area (in respect to your type of business) than in comparison to the same period last year?" Eighty-five per cent said yes. "Should prices for domestic priced crude oil move more rapidly to approximately 75 per cent of world prices?" Eighty-five per cent said yes. That gives you some idea of what the response is in the Grande Prairie constituency.

Many small heavy equipment operators have been laid off because of the exploration cutbacks, and more will be laid off. I was very pleased with the most recent announcement by the Minister of Transportation of the \$30 million to go to the municipal districts and IDs to provide jobs for those small operators on an hourly basis. This will be of great assistance to some of those operators.

I would now like to make a few comments about the Grande Prairie constituency. The Grande Prairie Regional College continues to expand and deliver upgrading courses to an ever-expanding area. The much-needed students' residences, which will go to tender within the next few weeks in a beautiful setting on the banks of Bear creek, will be completed for 150 students. Plans are under way to expand industrial arts and apprenticeship training, along with nursing in the future.

I would like to commend Dr. Henry Anderson for his dedication and service to Grande Prairie Regional College. He has been with the college since its inception when they were in a little, rented schoolhouse to the regional college as it stands today on the banks of Bear creek. He leaves at the end of this term to take up a new position, and he will be greatly missed by the community.

Another thing that's quite unique — and I thought I might mention it — is Camp Tamarac, a crippled children's outdoor camp being built by the Grande Prairie Shrine Club. It's proceeding well, and it will take its first crippled children this summer. It will give the children an outdoor experience that you and I take for granted, and I hope we as a government will find ways to assist them.

As a member of the select committee on surface rights, I realize the impact strip mines, ethylene plants, and industrial plants are having on the prime soil of this province. This will have a long-term effect on the ability for us to produce food. It would seem to make a lot of sense to me not to concentrate all our industry in the Edmonton-Calgary corridor. We have the feedstock in the Elmworth field and the non-productive farmland that can be used. Rather than covering up our good farmland with pavement and plants, I would urge the Minister of Economic Development to look north.

We're using up a large number of acres of good farmland each year. I have already mentioned that I would like to commend the Associate Minister of Public Lands and Wildlife for his continued progress in opening up new land in northern Alberta. There has been pressure to open up public land in ID 16 west of Grovedale. I would ask the minister to give his early consideration to that. The range improvement program will be of great assistance to our beef producers in the north.

Mr. Speaker, a very successful conference was held this year by the Northern Alberta Development Council in Grande Prairie November 20 to 22. The theme of that conference was, Alberta north in the 80s. From across northern Alberta they brought together some 340 citizens from all walks of life. Virtually every area in northern Alberta was represented. We were very honored to have our Premier open the conference and to have the former Lieutenant-Governor and his wife attend the full

conference.

The Northern Alberta Development Council has held a number of public meetings across the north this year and received 123 briefs from citizens. These briefs continue to stress the need for improved transportation, shortage of health-care professionals: doctors, dentists, nurses, and support staff in the more isolated areas. Alcohol is also a major problem, with a great need for detox centres and an alcohol abuse centre in northern Alberta. I might mention the good working relationship the council has with AADAC. I would thank the hon. member for Lethbridge West for his efforts to assist us in those areas in northern Alberta.

I'd like to move to the Speech from the Throne and some of the items. Mr. Speaker, I'd like to congratulate His Honour in his presentation of the speech on the 2nd. I was pleased to see that the four items of concern highlighted this year were housing, health care, social service, and federal and inter-governmental relations.

Affordable housing continues to be a high priority across northern Alberta. High interest rates continue to eliminate many young people from home ownership. I was pleased to see the continued assistance program for our rural native housing program, also an increase in the provision of housing for our senior citizens through the self-contained lodge units. Hospitals and medicare are a high priority in northern Alberta, but somehow we have to implement an incentive for health care professionals in order to attract and retain those people in the smaller centres, not only in northern Alberta but across the province. Regionalization of social services will help greatly, putting some of the decision-making back at the local level.

With the need well established for an emergency shelter in our city for battered women and children, victims of family violence, the Grande Prairie women's society started Croken House almost a year ago. They rented a house where they were able to handle 10 women per night. Through government assistance and community support, this group has done a very commendable job and a service to the area. I would like to thank them publicly for their very high volunteer effort. I'm very pleased to see that the minister is now establishing a program to assist Croken House and those other centres in need across the province. Mental health facilities are in great demand in northern Alberta so that people needing to be hospitalized can be closer to their family and friends for faster recovery.

Agriculture is very important in northern Alberta, and with new land being opened up the beginning farmer program needs to be expanded. A recent survey shows that some 50 per cent of those farming in northern Alberta earn off-farm income or are part-time farmers. The present program does not assist those farmers in all cases. I urge the minister to set up a lime subsidization program to assist our farmers on the gray-wooded soil in the north. I would also urge the minister to carry out a program to establish a baseline study of soil sampling across the north so that we can see 10 years down the road, what is happening to our soil with the gas plants and those types of things.

With the very heavy use of our highways in northern Alberta, I'm pleased to see the continued twinning of Highway 2 north. Because of the truck weights and the many roads that have deteriorated, I urge the minister to continue the rehabilitation and resource roads program. On behalf of the citizens of the north I want to say how much we appreciate the new \$30 million program, which

will not only put our equipment to work but will also provide better roads for many of the IDs and MDs.

Something that needs further examination is reciprocity between British Columbia and Alberta with the trucking industry. This has been a major problem for Alberta truckers for many years, as there is no reciprocity agreement between the two provinces. While B.C. truckers can haul and license into Alberta, such is not the same the other way, into B.C. I hope something can be done about that problem.

I was very pleased to see the programs being established for native people so that they may benefit from the economic development, preventative social services programs, transportation, water, sewer, and housing, especially in the more isolated communities.

Finally I want to congratulate the Minister of Utilities and Telephones for the rural gas program and the natural gas price protection plan so much appreciated by all Albertans. I would also urge the minister to move as swiftly as possible to develop the Dunvegan and the Slave River dams in order to supply at an early date the power so badly needed by this province.

In closing I wish to say how much I appreciate being able to speak in this debate and express the appreciations and concerns of the Grande Prairie constituency and me. I hope and pray that we will be able to get back to the table to negotiate an oil pricing agreement, and that the premiers will be able to present to the Prime Minister alternatives on the constitution which will benefit all Canadians so that we can get back to building a great Canada rather than destroying it.

MR. HYLAND: Mr. Speaker, it's a pleasure to take part in the debate of the throne speech. It seems like it never rains but it pours. I was up speaking this afternoon on the motion of the hon. Member for Vegreville and now again tonight on the throne speech. I too would like to extend my congratulations to the new Sergeant-at-Arms. I'm sure he will carry out his duties very capably, as capably as we have known him to carry out other duties that he has had associated with this building. The Member for Calgary Millican commented about the extra things we know the Sergeant-at-Arms for, his stories. I'll just leave it at that. I don't think I'll attempt to repeat some of them in the Legislature. I believe they'd probably get stricken from the record. It's enjoyable to have him in the Legislature as our Sergeant-at-Arms.

First, Mr. Speaker, I'd like to talk about hospitals and medicare, more especially about the wing for medically dependent people to be constructed as an addition to the Bow Island General hospital and nursing home. This wing is to be constructed to house medically dependent people who would be moved from Baker Centre in Calgary so that that building can be replaced. The hon. Member for Macleod mentioned in his speech the 30-bed facility to be constructed in Macleod, and a similar 30-bed facility will be constructed in Bow Island to take care of some of the clients who will be moved from Baker Centre. To move such a facility into a town the size of Bow Island is true decentralization by government. It could employ approximately 30 people, and that will have a very beneficial effect on the economy in the area, as with the construction of this the hospital will be the largest employer of people in the town.

I'd also like to speak a little about the use of the hospital in Bow Island. I believe it was in 1977 that we opened a 20-bed extended care wing to the active treatment hospital. At that time the active treatment hospital

underwent substantial renovations to bring it up to a more modern state and to install air conditioning. At that time it was thought that the 20-bed nursing home wing would be sufficient. As is apparent now, it is not sufficient, and the board has requested the minister to go ahead with the building proposal of extended care and active treatment beds in the hospital. I'm sure this project will be looked at. The board is very enthusiastic about it, and I know it will be a great benefit to the community. In speaking to the chairman, they are not as concerned with the total numbers they are requesting, but they are concerned that they have adequate accommodations for the people who need to be hospitalized. At present the active treatment hospital is running with a considerable number of nursing home type patients in it and is thus making a heavy load and a high bed ratio for those who need the active treatment bed. But such is the nature of a facility constructed there a number of years ago.

Mr. Speaker, I was glad to hear of the decentralization of the Department of Social Services and Community Health into six regions. I'm sure that will be of great benefit to the citizens of Alberta. If their decentralization is carried out and is as successful as the decentralization carried out by the Department of Transportation a few years ago, I'm sure it will of great benefit to the people of Alberta.

Mr. Speaker, we've heard several members comment on the year of the disabled person and the special committee struck to review programs that could be carried out during this year. I was pleased to have a constituent of mine placed on that committee, Mrs. Willms from Bow Island, mother of a handicapped child. I'm sure she will bring a very different view to that committee, that of a parent who has had to work with a handicapped child. The child was handicapped because of an accident at a very young age.

Secondly, Mr. Speaker, I'd like to talk about education. I was pleased to note in the Speech from the Throne that this will be the first year of the new social studies curriculum to be used in junior and senior high schools. I think this has been a pet peeve of many of the members of this Assembly for a good many years, a better understanding in the social studies program in the school curriculum of the history of our province and country, rather than of the other parts of North America. Also, I was glad to see the announcement of an additional stage of an educational finance plan, a study that will determine ways and means of financing education in Alberta for many years to come.

Mr. Speaker, tomorrow morning starting at 8 o'clock, history will be made in ID 1 in the Medicine Hat area. The residents of Improvement District 1 will be voting to see if they want to become a self-sufficient municipal authority or to remain a part and operated by the Department of Municipal Affairs under the ID administration branch. The residents themselves will make their choice in casting their ballots tomorrow. I don't think I would like to quote on record the way I think the vote will go. We'll wait and see what happens tomorrow night.

But I would like to extend my thanks to the Minister of Municipal Affairs for attending an informational meeting in Medicine Hat last month. It was fairly well attended, and many questions were asked of the minister and me. It was made evident to the people then that the decision on self-governing would be up to them. So they will have their chance to make their choice tomorrow.

Mr. Speaker, I'd now like to turn to agriculture, and just briefly remind the members of the commitments this

Legislature made toward upgrading the irrigations systems in southern Alberta, commitments we will start to see take shape this year and for many more years to come. These commitments will have a very profound effect on the economy in the areas of southern Alberta. Especially, in the constituency of Cypress we will start to see activities take place at a major storage reservoir, that of Forty Mile Coulee midway between Bow Island and Foremost, and in extensive upgrading of the main canal system throughout the St. Mary's irrigation district.

Mr. Speaker, I am looking forward to the completion of the proposed processing centre at Leduc. I'm sure it will be very useful to the agricultural sector in Alberta in that they will have a facility to test their products that they feel they can make and sell in the world market. I'm sure it will be especially useful to those involved in the irrigation industry, because we can grow just about anything that can be grown in the world, but we have a very expensive problem of storage of these products. With such a centre to test other methods of processing or storing these products, I'm sure we will find that of great assistance to the agricultural processing industry in Alberta.

Mr. Speaker, many of you have seen these English cucumbers available in supermarkets throughout Alberta. Last week in discussion with some members of Red Hat Co-op who are greenhouse operators in Redcliff and Medicine Hat, they informed me that all these style of cucumbers are grown in Redcliff and Medicine Hat. Some are exported to Winnipeg and some to Vancouver. The production from the greenhouses is approximately 375,000 dozen cucumbers. I'm not sure what that is in individual numbers, but I suggest it would be a fairly big pile of cucumbers. This means approximately a \$2 million payout from the Red Hat Co-op to the growers in the area. This year, with the increased natural gas tax from the federal energy policy, the growers received almost a 200 per cent increase in their gas cost. Where their bills were running approximately \$500 a month a year ago, they are running \$1,000 a month this year. So for five months out of the winter, on the average it's costing each grower about \$5,000 because of the energy policy of the federal government. As we all know, this will increase according to the price structures laid out in the energy policy and will be almost double again by the time it's over. These growers were buying their gas from the gas company at 20 cents an MCF, and the tax was far more, at 30 cents — one and a half times what they were paying for the initial product. So, Mr. Speaker, it has put many greenhouse operators at a financial disadvantage when they are hit with such cost increases.

Mr. Speaker, I was glad to read in the throne speech about Alberta Terminals, the appointment of the new board of directors. I'm sure the terminals and the board will be active in promoting new ideas for the movement of grain in Alberta. I look forward to their innovative ideas in the movement of grain.

Mr. Speaker, a year or so ago we announced in this Assembly that this government would finance a portion of the terminal at Prince Rupert. A consortium was formed to study and build such a terminal, yet it seems we are a number of years down the road and nothing has happened yet. To some extent I can understand that. With the new terminal some members of the consortium will maybe lose some money in the short run, because they have substantial investments in the harbor at Vancouver. The majority are farmer-owned groups. They are supposed to do things that are for the benefit of the

farmer. They are co-ops, so they should be doing things for the benefit of the farmer. I would urge them to forget the short-term problems, look at the long-term beneficial effects to the farming community, and get going ahead with plans and construction of a terminal at Prince Rupert.

Mr. Speaker, in almost every speech related to the Speech from the Throne, we have heard about the energy and natural resources programs of the federal government and how they affect the people in the province of Alberta. The Member for Grande Prairie, who spoke just before me, illustrated the very deep economic problems that program is causing in his constituency. Lately in the papers we have been reading full-page ads, and we have been seeing advertisements on TV to buy in Canada — Better Buy Canadian. Really, Mr. Speaker, it's a farce when the government of Canada, which is paying for those advertisements, would sooner pay twice the price they have offered Albertans for a resource product, buy elsewhere in the world, and help the economies of other nations when our economy in 1979 I believe increased by about 13 per cent, and in 1980 increased by 0.3 per cent. It would seem odd that with such a problem in the economy of the country, a government would be willing to export many, many dollars out of the country in exchange for a resource that is here at almost half the cost.

I note that some of my friends have sent me a note. Some of them are very artistically minded. It's too bad I couldn't explain that and have that written into *Hansard* too. The caption says: my name is Alan Hyland, and I'm the meanest pickle in the Hat. I can't explain the drawing. [interjections]

Mr. Speaker, I would like to comment next on Economic Development. I'd like to compliment the minister for the activities he and his department are carrying out toward economic development in the province of Alberta. They are too numerous to mention at this late hour, but the minister is trying many things to improve the Alberta economy. I'm sure his federal counterparts could take many lessons from his enthusiasm for the economy of this province.

Lastly, Mr. Speaker, I'd like to deal with the field of federal and intergovernmental affairs, especially the constitution and the constitutional debate as it has been throughout Canada in the last number of months. Recently Blaine Thacker, MP for Lethbridge-Foothills, was invited to speak to the Bow Island Chamber of Commerce about the constitution. The chamber sponsored the supper, and approximately 200 people were out. So the interest in the constitution and the feeling people have for the constitution were quite evident at that meeting. He impressed upon them the seriousness of the moves being made by Mr. Trudeau and his government in Ottawa. He noted something I had never thought of before in the approach to the constitution. He noted that the history of Canada is one of statute and compromise, not of civil war as has been in the nation to the south of us. Through our history we have managed to go on and make our statutes and compromises. That has been done by two governments, not one. Throughout history it has been done by at least two levels of government.

Mr. Speaker, I would like to quote a letter from ... Again I'm getting some notes. They want me to be brief. Hon. members, I assure you that this will be at least the last page of my speech.

Mr. Speaker, because I think it expresses the feelings of many citizens of Alberta relating to the constitution, I'd

like to quote from a letter sent by the minister of St. John's Presbyterian Church in Medicine Hat to the members of that church. In a sermon that was broadcast over the radio, he expressed his concerns on the constitution relating to the supremacy of God, the dignity and worth of the human person, the position of the family, and respect for moral and spiritual law.

Mr. Speaker, I know that in this Legislature we should not quote from letters of other people, but I'd like to quote from this letter because it expresses, in better words than I could, the feelings of people in Alberta relating to those matters in the constitution.

The ten provinces and two territories like the twelve tribes are separate entities with inalienable identities and rights. These cannot be usurped from them at will. Each is equal to the other at the beginning of the race. The bigger cannot take away the rights or have special privileges over the smaller. All can barter and bargain some of their rights away to improve the co-operation within the nation, but nothing can be taken away.

I would suggest those are the feelings of people in rural Alberta.

I'd also like to quote the last line in that letter. Because after seeing the Prime Minister of this country on the news last night in the broadcast of a question he answered in Parliament, after saying that the premiers couldn't come to an agreement, saying that even if they do come to an agreement he wouldn't meet with them, that he would only meet with them after the constitution had been brought home. Mr. Speaker, I think that's shameful. I think his attitude is unbending, and it's easily illustrated in this last phrase.

I realize that in your indomitable, unbending will, you will not change. But I want you to know where I stand.

Mr. Speaker, I would suggest that's where the people of Alberta stand, relating to the constitution.

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

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. KOZIAK: Mr. Speaker, I wonder if I might rise on a point of personal privilege to make a correction in one word that appeared in the answer I gave to the Leader of the Opposition during question period this afternoon. During the course of the question period, I used the word "fortuitous" where I meant "fortunate". The answer came out: "Mr. Speaker, it was extremely fortuitous that the Securities Commission was on top of the matter ...". Now we all know that the Securities Commission does not act by chance and that the word I had intended to use was "fortunate" rather than "fortuitous".* I would hope the record can be corrected.

DR. BUCK: It just proves that it would be much better if lawyers would speak in layman's language when they speak in legislatures.

MR. HORSMAN: Mr. Speaker, on that happy note, I would advise the Assembly that when we reconvene tomorrow afternoon, after question period we will resume the debate on the Speech from the Throne.

*See page 58, right column, paragraph 9

[At 10:13 p.m., on motion, the House adjourned to
Wednesday at 2:30 p.m.]

