

**LEGISLATIVE ASSEMBLY OF ALBERTA**Title: **Tuesday, November 17, 1981 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF SPECIAL GUESTS**

DR. PAPROSKI: Mr. Speaker, on behalf of the hon. Member for Edmonton Mill Woods, I'd like to introduce to the House 45 grade 6 students from Kameyosek school, accompanied by their principal Mr. Ron Hodges. For hon. members of the House, Kameyosek, a community school, is Cree for "a beautiful place", and I'm sure it is. The hon. Member for Edmonton Mill Woods extends his best wishes to the students and congratulates them for taking an interest in the legislative process. I ask the students now to rise and be recognized by the House.

MR. WOO: Mr. Speaker, it is my pleasure this afternoon to introduce to you, and through you to members of this Assembly, a class of 26 grade 10 students from the Strathcona Christian Academy located in the constituency of Sherwood Park. They are accompanied by their teacher Mr. Karl Mueller. The group is seated in the members gallery, and I ask them to rise and receive the warm welcome of this House.

head: **ORAL QUESTION PERIOD****Health Care Insurance — Doctors' Fees**

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Housing. It's a follow-up to a question I asked last week with regard to the negotiations between the Alberta Medical Association and the government, which are at a deadlock at the present time. I wonder if the government could indicate what steps are being taken to get negotiations back on track.

MR. RUSSELL: Mr. Speaker, I assume the hon. member meant that question to go to me and not to the Minister of Housing and Public Works.

Communication is ongoing between the negotiating team for the plan and the AMA. I've also had communications with the president of the Alberta Medical Association. I expect the parties will be back at the negotiating table before too long.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. Minister of Housing — Hospitals. I've got housing on my mind today with all the ... I won't say why.

Mr. Speaker, could the minister indicate whether at this time, through the minister and with his assistance, the government is preparing a reasonable response to the AMA's latest submission, which included requests that the AMA be the official bargaining agent, that bargaining be done in good faith, and that there be a revised

payment schedule, as well as an increase of some 32 per cent in the fee schedule?

MR. RUSSELL: To my knowledge, Mr. Speaker, those items are discussed every year. The question of whether or not there ought to be an official agreement which, in writing, recognizes the AMA as the negotiating body for all doctors in the province, is discussed annually — and agreement has not been reached — and, quite frankly, is a matter that doesn't seem to be of major concern to either party.

Secondly, I think the response to the numbers put forth by the AMA is fairly well known. Quite frankly, we think the 32 per cent income increase and the 23 per cent in other benefits is far too high, and that's the position at which the AMA left the table. I think it's incumbent upon the AMA to reduce those figures substantially.

With respect to your point about meaningful negotiations, we're committed to that. Our three-man team is in place and is ready, willing, and able to return to the table at any moment.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Hospitals and Medical Care. In my discussions with the AMA, the AMA is also willing. At this time, who is to take the first step? I understand it's incumbent upon the government to come back with a reasonable response to the submission of the Alberta Medical Association. Could the minister confirm or reject that concept?

MR. RUSSELL: Mr. Speaker, I suppose a variety of interpretations could be put upon the negotiating process. It's my advice that the AMA made a proposal which was responded to by the plan's negotiating team. At that point, the AMA left the negotiations. So I think the next move is up to the AMA, and we indicated that the plan's committee is ready to return to the table at very short notice.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister then confirm that on the arrival of the AMA at the bargaining table, the government would have a revised position with regard to the AMA submission?

MR. RUSSELL: Mr. Speaker, I find that question a little puzzling, because the whole process has been about offers and responses. The government made the last response and, at that point, the AMA left the table. I think the next move is up to the AMA.

MR. R. SPEAKER: Mr. Speaker, the only reason I raised that question is that the AMA has initiated a program which they call measured responses, in an attempt to bring in the public on their side of the issue. In light of that step the AMA is taking, rather than going back to the bargaining table at this time, because they feel the government hasn't responded in a reasonable way, has the government any plans to respond to that approach of measured responses, such as withholding Alberta Health Care Insurance payments?

MR. RUSSELL: No, Mr. Speaker. We've been assured by the AMA and its president that the health care of Albertans will not be affected. The description of the measured responses has been given to us, and I really don't see that they will affect in any significant way the

patient/doctor relationship or the health of Albertans. In addition, as I said earlier, we've made it very clear that we're ready and willing to return to the negotiating table for meaningful negotiations, which includes recognizing the valid high overhead costs of doctors in private practice. We're certainly willing to discuss what, if any, increase in net income there ought to be. So I think the government position is very clear.

On the other hand, we believe the last offer put forward by the AMA — and the point at which they left the table — of in excess of 54 per cent in one year is not realistic.

MR. R. SPEAKER: Mr. Speaker, a supplementary question for clarification. At this time, the minister is indicating that the next step is for the Alberta Medical Association to approach the government's negotiating committee with a revised program, in terms of a fee schedule and other benefits. Is that an accurate assessment of the minister's remarks?

MR. RUSSELL: Mr. Speaker, I'm probably not qualified to go into the details of my opinion of who should make the next offer at the table. I am simply indicating very clearly that there have been communications between the two bodies this week. The plan's team has indicated that they're ready and willing to return to the table at very short notice. The government offer was the last one put on the table. If the process is to continue, I think both sides have to go back to the table with the spirit in mind that they're willing to look at each other's last offers and get down to meaningful negotiations" again.

#### **Federal Budget**

MR. R. SPEAKER: Mr. Speaker, my second question is to the Provincial Treasurer. It's related to housing — I think that's where my mind was a few moments ago. In terms of rental accommodation and new housing starts in Alberta, the federal budget has had a significant effect. I wonder whether the Provincial Treasurer has assessed that and, secondly, whether he has given any consideration to tax changes with regard to techniques and methods that would stimulate further house building and rental accommodations in the province of Alberta, taking some initiatives as a province.

MR. HYNDMAN: Mr. Speaker, as my colleague, the hon. Minister of Housing and Public Works has indicated, the Alberta expenditures and investments in the housing and shelter area are at a record high — I think probably in North America — with the province of Alberta investing more moneys through the heritage fund than all other provinces combined, and more than the federal government. Certainly the record is second to none. It's constantly under review. In the past, announcements with respect to future housing programs have taken place during the spring budget, and that will be the case in future.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer with regard to the area of people's programs and the federal government's intention to cut back in the areas of health and postsecondary education. Has the government or the Provincial Treasurer initiated a policy at this time, or taken a policy position that would assure Albertans that because of the

federal government's cutbacks, there will be no cutbacks in the delivery of those services in the province of Alberta?

MR. HYNDMAN: Mr. Speaker, as I indicated last Friday, it would not be responsible or prudent budgeting to suggest automatically that we would be taking up the area vacated by federal cutbacks in health and postsecondary education. Our goal has been, and I think we have very effectively succeeded, to provide the highest quality services to Albertans in those two areas. Certainly that will be the general target in future.

However, if the federal government chooses to make cuts in terms of dollars to health and postsecondary education, then with respect to dollars going to those programs, subsequent budget years will have to be looked at in light of all the various priorities, including agriculture, environment, and such other matters.

MR. MANDEVILLE: Mr. Speaker, a supplementary question to the hon. Minister of Housing and Public Works. Is the minister's department making an assessment of what effect the federal budget is going to have on rental accommodation construction in Alberta?

MR. CHAMBERS: Mr. Speaker, of course we're assessing the implications of the federal budget. As I indicated previously, the cancellation of MURB and the capital cost allowance is of major concern.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. After the budget was announced, with regard to the \$7,500 interest-free loan for 15,000 units to be built in Canada, has the minister had contact with anyone in Ottawa to see that we in Alberta get our fair share of these rental units?

MR. CHAMBERS: Mr. Speaker, I've had some contact with the federal minister of housing, and we're trying to arrange some mutually convenient time to meet and, among other things, discuss that point.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. From his first assessment, has the minister any indication whether or not that program will benefit Albertans? Does it require further negotiation with the federal minister to see if we in Alberta really benefit from the program that was announced?

MR. CHAMBERS: Mr. Speaker, the indication I've ascertained from the budget is that it would apply to areas where the vacancy rate was less than 1 per cent. As to which cities would be designated, I don't have that information. That would have to be ascertained down the road.

#### **Mobile-Home Sites Legislation**

MR. ZAOZIRNY: Mr. Speaker, my question is to the hon. Minister of Consumer and Corporate Affairs. It arises from assurances given by the minister to this Assembly last fall and last spring that legislation which would provide some reasonable protection to mobile-home owners was imminent. Can the minister advise the Assembly whether legislation based upon the recommendations of the Institute of Law Research and Reform in that regard will be forthcoming in these fall sittings?

MR. KOZIAK: Mr. Speaker, responding to the question, I recall the discussions that took place in the Legislature on those very points during the course of the spring session. At that time, I indicated that my intention was to write to groups around the province on the very issues raised by the Member for Calgary Forest Lawn. Unfortunately, the events of the summer, in terms of both energy and constitutional matters, did not free up sufficient caucus time for us to discuss those principles before I raised them with people around the province as possible areas of legislation. So the time line I had hoped to follow was not one I could.

MR. ZAOZIRNY: A supplementary question. Could the minister give the Assembly some indication as to when we can expect some comprehensive legislation in this area?

MR. KOZIAK: Mr. Speaker, I hope to be able to raise this matter for discussion, in terms of the principles involved, during the course of what time may be available after the conclusion of the fall session and before the commencement of the spring session.

MR. ZAOZIRNY: Supplementary, Mr. Speaker. Given that the proposed legislation recommended by the institute would require, among other things, a six-month notice of rent increase and a six-month notice of vacating of premises, can the minister advise the Assembly what interim steps he intends to take to provide some protection to mobile-home owners who, in the present housing crisis, are most adversely affected by the housing squeeze?

MR. KOZIAK: Mr. Speaker, I can only provide the hon. member the assurance that those provisions dealing with mobile homes found in the existing Temporary Rent Regulation Measures Act and Rent Decontrol Act will not be repealed until such time as we've had an opportunity to discuss and deal with the issue of the landlord/tenant relationship in the mobile home situation, as different from the landlord/tenant relationship in other circumstances.

MR. ZAOZIRNY: A final supplementary, Mr. Speaker. Given that those provisions referred to by the minister don't in fact include such extended periods for notice of rent increase or vacating of premises, does the minister intend to introduce any interim measures whatsoever, in addition to those presently in place?

MR. KOZIAK: Mr. Speaker, I would not intend to proceed contrary to the laws of the province of Alberta, in introducing measures not within my authority.

#### Constitution — Charter of Rights

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the Premier. It's my understanding, from the *ad hoc* Committee of Canadian Women and the Constitution, that today the federal government polled provincial governments on two questions dealing with the Charter of Rights: one dealing with Section 28, the equality provisions; the other dealing with the rights of disabled persons. Is the government in a position to advise the Assembly of the position of the Alberta government with respect to the notwithstanding provision, as it relates to the equality provisions and the rights of disabled persons? Would the government of Alberta be prepared to see the

notwithstanding clause dropped as it applies to those two provisions of the Charter of Rights?

MR. LOUGHEED: First of all, Mr. Speaker, the way the hon. member phrased the question seems to me to create some difficulty in response. The implication of the question is that something is lost by the notwithstanding provisions, and that's not so. Something is gained.

The notwithstanding provisions permit the elected representatives of the people from time to time in the provinces to respond to the needs and aspirations of citizens. Quite clearly, as we have determined in this Legislature with our first and second Bills, the Bill of Rights and The Individual's Rights Protection Act, such a notwithstanding clause is an important additional protection to people such as the disabled. If a court should rule in a certain way, by way of interpretation, that is considered by the citizens of the time as unfair and certainly not in accordance with the aspirations of our disabled citizens, we could be bound to that judicial decision for all time. Therefore, that judicial decision would continue until there was an amendment to our constitution. So the disabled people of our country and province are much better protected by having the supremacy of the Legislature, rather than the supremacy of the courts.

The misunderstanding of that situation throughout the country is unfortunate with those who hold to that view. Our position is that with regard to the equality rights — that is, Section 15 — there should be a notwithstanding provision to protect the disabled from a situation of an unfortunate judicial decision, and have the citizens, through their elected representatives, right that wrong when it occurs.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Premier. It's my understanding, however, that the federal government has polled the provinces. Perhaps the Premier could confirm whether in fact that has occurred in the last day or so.

My direct question is: is the continued support of the accord by the government of Alberta contingent upon the application of the notwithstanding provision to Section 15, the equality of rights provision, as well as the disabled clause? Or, should other provinces agree to the dropping of that notwithstanding provision, would the Alberta government still continue to support the accord?

MR. LOUGHEED: Mr. Speaker, it's fundamental to us that the supremacy of the Legislature be there, rather than the supremacy of the courts. We believe that the citizens of our province, as we've shown under our Bill of Rights and The Individual's Rights Protection Act, are much better protected by having a situation of supremacy of elected representatives over supremacy of appointed judges.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification, so there is no misunderstanding. Is it a correct assessment of the Premier's statement that Alberta's continued support of the accord is dependent upon the inclusion of the notwithstanding provision as it applies to those two sections, or would the Alberta government agree to dropping that section if other provinces chose to?

MR. LOUGHEED: Mr. Speaker, I explained in this Legislature on November 6 that our position is that we entered into an accord, and one of the fundamental posi-

tions of this government was that with regard to the three specific areas — fundamental freedoms, legal rights, and equality rights — it was essential that we had the supremacy of elected people over appointed people.

#### **Rights of Disabled Persons**

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Labour, dealing with rights of disabled persons in Alberta in this International Year of Disabled Persons. Is the minister in charge of the Human Rights Commission able to advise the House how many exemptions for affirmative action have been allowed pursuant to the Act of the Legislature, in view of the Premier's statement about the supremacy of the Legislature as opposed to the supremacy of the courts?

MR. YOUNG: Mr. Speaker, there has been one exemption, and that is a very broad exemption dealing with the disabled.

#### **International Year of Disabled Persons**

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Social Services and Community Health, again dealing with the rights of disabled persons. Is the minister in a position to advise the Assembly whether there will be any additional funding this year for the Alberta committee for the International Year of Disabled Persons? I ask that with respect to the information tabled yesterday, which indicates that a number of the applications have had to be turned down as a result of a lack of funds. Is there any intention on the part of the Alberta government to increase the funding for the International Year of Disabled Persons special project fund?

MR. BOGLE: Mr. Speaker, we have been reviewing the submitted requests on an ongoing basis between the chairman of the International Year of Disabled Persons committee and my office. We did that in light of the experiences we had in the International Year of the Child some two years ago, where basically the same occurred: many applications were received and a number of them could not be funded. As the hon. member will recall, during 1979 we did provide some additional funding for the International Year of the Child.

A decision was made by the committee, and supported by my office, that some funds which were earmarked for a conference which would have been held very late during this calendar year, be redirected so that additional projects could in fact be approved. I will be meeting with the chairman and members of the committee on December 9, when we will review whether any other projects should receive favorable consideration. Of course, the matter will be addressed at that time.

MR. NOTLEY: A supplementary question to the hon. minister. Again I quote from the information tabled yesterday. About 12 per cent of the applications for special project funds were turned down. But as I look at this information, it would appear that those are the larger projects and that in total dollar volumes, a very small percentage of the total has been met. Is the minister in a position to advise the Assembly whether any initial assessment has been made by the department as to how much of this some \$700,000 still outstanding could reasonably be met as a target?

MR. BOGLE: Mr. Speaker, if the hon. member will look more carefully at the information provided, he will see a number of examples of projects received by organizations, including municipalities, to do the kinds of capital works projects that we believe should be undertaken as a normal matter of the priorities of that municipal council. I refer to one such proposal from within an urban municipality within the constituency I have the pleasure of representing. So there should be no misunderstanding, Mr. Speaker: for projects of that nature, we see consideration for funding under a normal process by the municipal council itself.

MR. NOTLEY: Mr. Speaker, a final supplementary question to the hon. minister, if I may, in this International Year of Disabled Persons. With respect to entry into home care, is the government giving any consideration to changing the entry requirements under the home care program from medical entry only to less stringent entry requirements, and making funding available to health units in the province to ensure the financing of such a change?

MR. BOGLE: Mr. Speaker, I'm sure the hon. member is aware that we are now in the fourth year of a four-year program to introduce a co-ordinated home care program to the residents of this province. The budget for the present fiscal year is some \$18 million. I am committed, as was my predecessor, to ensuring that we do the program we are now committed to well.

Several evaluations are now taking place, in cooperation with the health units and other local authorities, to ensure that the medical entry point test currently used on the co-ordinated home care program is in fact being used in a uniform way across this province. Consideration is being given to a number of options as to areas where the program might be expanded. As well, Mr. Speaker, consideration is on an ongoing basis with regard to the support services provided through family and community support service for such services as meals on wheels and homemaker services, which are supplementary to the co-ordinated home care program itself.

#### **Constitution — Charter of Rights (continued)**

MR. LOUGHEED: Mr. Speaker, I wonder if I could supplement the first answer I gave to the hon. Member for Spirit River-Fairview. I don't have the exact text of the question which he raised with me on a very important matter, and I rather thought his supplementary questions might lead me to it. I was asked with regard to the matter of equality rights in the constitution, as far as males and females are concerned, involved in two sections of the proposed constitution. The hon. Member for Spirit River-Fairview asked me about Section 15, and I responded as precisely as I could.

I do not believe he asked me with regard to Section 28. That section is very important, and perhaps I could read it. It has been the subject of intergovernmental discussions today and yesterday, and I thought members of the Legislative Assembly would wish to know about it. Section 28 states:

Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

The accord tabled in this Legislature on November 6 provides changes with regard to alterations in the Charter

of Rights and Freedoms and refers to a notwithstanding clause covering sections dealing with fundamental freedoms, legal rights, and equality rights, period. Such notwithstanding clause does not therefore extend to Section 28. It is the position of the government of Alberta, in discussions across the country today, that it is not intended that the provisions of Section 28, or the intention or thrust of Section 28 as to equally guaranteeing to male and female persons the rights and freedoms in it, are in any way diminished by the accord, and that Section 28 should stand as it is now provided.

MR. SPEAKER: I was going to make an observation about the exercise of a few moments ago, in which we started with a question on the constitution and ended up with the funding for the disabled. I realize that was stretching the idea of a supplementary well beyond any meaning it could possibly have. But I didn't intervene, because we have an exceptionally short list. I'm making this observation only so that the occasion won't be used as a precedent, as sometimes happens.

#### Rural Gas Co-ops

DR. BUCK: Mr. Speaker, I'd like to ask a question of the Minister of Utilities and Telephones. This has to do with the problem facing many rural gas co-ops, where additional hook-ups are excessively costly to the co-ops. Can the minister indicate the severity of the situation, and what the minister proposes to do to assist the rural gas co-ops in this matter?

MR. SHABEN: Mr. Speaker, I have difficulty responding to the question without the specifics of which gas co-op it is, and what sort of difficulties. Throughout the year, as last year, there has been quite an increase in the number of new hook-ups of rural customers through the gas system. If the Member for Clover Bar is aware of a specific difficulty, I'd appreciate his bringing it to my attention. We'd see if we could work on the problem.

DR. BUCK: Mr. Speaker, the problem is not just one gas co-op. The one I'm directly referring to is the Lamco gas co-op, but there are many others in the same situation. In light of the fact that since 1973 and '74 the cost of providing services to new hook-ups — the costs of new looping and new material — has escalated drastically, what is the government's policy to give additional support to the co-ops facing major financial problems because of the additional new hook-ups?

MR. SHABEN: Mr. Speaker, there has been considerable increase in the level of support to the rural gas co-ops. The support for looping or additional transmission lines is not based on a fixed dollar figure; it's a percentage of sharing of costs between the owners — that is, the farmer members — and the government. That formula hasn't changed.

If there is a particular difficulty with Lamco or another co-op, I'd appreciate it being brought to my attention, and we'll deal with it. No such difficulty that's related to this particular situation has been brought directly to me. There are circumstances — and they were raised earlier by certain co-ops that had difficulties — that don't relate to extensions but to the farmer contribution in the initial stage and the front-end cost in the gas rate, which is different from the matter referred to by the member. I'd

appreciate it if the member would bring the specifics of his concern to my attention.

DR. BUCK: Mr. Speaker, to the hon. minister. The minister will recall that earlier in the session the hon. Member for Spirit River-Fairview, I believe, brought up this matter that many co-ops were in financial difficulty. Has the matter of these co-ops being in financial difficulties not been brought to the minister's attention?

MR. SHABEN: Mr. Speaker, I recall a question by the former Leader of the Opposition, the Member for Olds-Didsbury, who raised the question with respect to county-owned systems. I don't recall the question the Member for Clover Bar refers to. As I said, I would appreciate being advised of the specifics of which co-op it is and what the particular circumstances are, then I'd be better able to respond.

#### Acupuncturists

MR. R. SPEAKER: Mr. Speaker, my question is to the minister responsible for health professions, I believe the Associate Minister of Telephones. It is with regard to the profession of acupuncturists. I have an acupuncturist in my constituency, Mr. Mas Inaba, and he is concerned that government legislation may be coming forward to eliminate in the province of Alberta acupuncturists who are not medical doctors. I wonder if the minister could put forward the government's point of view on that specific matter at this point in time.

DR. WEBBER: Mr. Speaker, as the hon. Leader of the Opposition knows, The Health Occupations Act passed by the Legislature has yet to be proclaimed. Once that Act is proclaimed and the Health Occupations Board is in place, those health occupational groups that wish to come under the umbrella of that Act would take their cases to that particular board. That board would then make a recommendation to government. The result would possibly be an amendment to the Act, if government saw fit to see that group under the umbrella of that Act.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Could the minister indicate at what stage the decision making is with regard to proclaiming that Act? Is that to happen at an early date in 1982, or will that still happen in 1981?

DR. WEBBER: Mr. Speaker, I'm hoping we will have the Act proclaimed and the board in place early in 1982.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. The minister didn't deal directly with my question with regard to acupuncturists. At this point in time, could the minister indicate what support there is from the government in terms of acupuncturists who are not medical doctors?

DR. WEBBER: Mr. Speaker, if I interpret the question correctly, he's asking what support we're getting from the public.

MR. R. SPEAKER: What's your position?

DR. WEBBER: All I can say is that we have been getting some letters of support for acupuncturists in the last few days.

### **Rights of Disabled Persons** (continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct a question, if I may, to the hon. Minister of Labour. It's a supplementary to the question I put to the Minister of Labour dealing with The Individual's Rights Protection Act and the exemptions for affirmative action. Is the minister in a position to confirm to the Legislature that the one exemption the minister made reference to, with respect to disabled people, related to government programs existing prior to 1980? Have there been any exemptions with respect to new programs since the passage of the Act?

MR. YOUNG: Mr. Speaker, I welcome the opportunity to expand upon that matter. The exemption given was delegated by Executive Council to the Alberta Human Rights Commission for the commission to exercise in whatever detail it wished. However, it was restricted to the area of physical characteristics. The rationale at the time — one which I think to be current now — is that there is a lack of certainty, if I may express it that way, with the notion of equality of opportunity and identical treatment. It is reasonably obvious to most that identical treatment of individuals does not produce equality of opportunity.

There was a concern, strictly on the part of the commission, that it would be important to assure that programs, government or private — to address directly a facet of the hon. member's question — that were positive in their support of persons disabled or falling under the criteria of physical characteristics within the legislation, should continue if there would ever be a challenge. That's the reason for the exemption that was given, and it was given on that broad basis.

### **ORDERS OF THE DAY**

MR. HORSMAN: Mr. Speaker, I move that the two questions 141 and 144, and Motion for a Return 147 stand and retain their place on the Order Paper.

[Motion carried]

### **head: MOTIONS OTHER THAN GOVERNMENT MOTIONS**

214. Moved by Mr. Sindlinger:

Be it resolved that the Assembly urge the government to consider making public its policy on the Crowsnest Pass freight rate as was promised in the Assembly by the Minister of Agriculture and by the Minister of Economic Development.

[Debate adjourned April 30: Mr. Bradley speaking]

MR. BRADLEY: Mr. Speaker, I'm pleased to resume debate today on this very important issue of the Crow rates and what the government's policy is. When I adjourned debate last spring, there was a question with regard to exactly what Canadian Pacific railway had received with regard to constructing the Crowsnest line. I was in a sort of mini-debate with some of my colleagues to my right as to what in fact they had received. Of course, the historical fact has been that Canadian Pacific

railway received 25 million acres to construct the original line. Part of the mythology in western Canada is that the Crow rate issue relates to that original 25 million acre land grant. In fact, CPR did not receive \$25 million to build the Crowsnest section of the line. I want to clear up that confusion today, because a number of hon. members have concerns with the development and history of Canadian Pacific railway. We tend to confuse the original land grants with the issue before us today relating to the Crow.

What actually took place was that the federal government subsidized CPR to build the Crow line at the tune of \$11,000 per mile to an upward limit of some \$3.6 million. That's what CPR received from the federal government. It actually ended up being some \$3.4 million in subsidy to the CPR to build this line extending from Lethbridge to Nelson, B.C. When we get into the question of land grants, there were no land grants from the federal government to CPR to build this line. What took place were grants from the British Columbia government to CPR for that portion of the line constructed within British Columbia. They offered 20,000 acres to CPR for every mile of rail line constructed, for a total of 3,755,733 acres. So the land grant came from the British Columbia government to Canadian Pacific railway, not from the federal government.

As part of the federal government's condition that it subsidize construction of the line, the federal government actually ended up receiving land from CPR to construct this line. The federal government received from the land grant CPR had received from the British Columbia government 50,000 acres of prime coal-bearing land in southeastern British Columbia, which I believe the federal government retains to this day in an area known as federal coal reserve. In addition, CPR transferred to a company called the Crowsnest Pass Coal Company 254,640 acres of coal-bearing land. The condition of transfer of those 250,000 or so acres was that CPR would receive the right to transport the coal produced from those lands, and in return the Crowsnest Pass Coal Company would provide coal to the CPR at a reasonable rate. In addition, another 519,075 acres of that land which the B.C. government had granted to CPR was returned to the B.C. government in lieu of taxes.

In 1912, an additional 2,549,699 acres of that land were sold back to the B.C. government, and 382,319 acres were sold to the general public. Net proceeds to CPR from the disposition of those lands amounted to \$1,834,498, which ended up being about 50 cents per acre. In comparison to today, when the net subsidy loss to CPR in terms of grain transportation was \$355 million this past year, that is almost insignificant. We have a litany of problems and concerns with the operation of the CPR over the initial land grants to construct the line, and we somehow get those land grants confused with the Crow. I would submit that the people of Canada, particularly agricultural producers in Canada, have really benefited over the term from the construction of the Crowsnest line.

The Crowsnest Pass Coal Company lands which were sold by CPR to Crowsnest Coal Company presently form the basis of those lands held by Kaiser Resources, which were taken over by B.C. Resources and are held by B.C. Coal. Other lands were sold to Shell Canada, which form part of the Lion Creek project developing in southeastern British Columbia today.

Another interesting point about the Crow agreement was that the original rates were to apply to grain and flour moved to one port, the port of Vancouver, by one

railroad, the CPR. This was a question of some significant legal battles in the 1920s, which confirmed it was to apply to grain and produce originating from only 289 points which were to flow from the port of Vancouver over the CPR. Today, by statute, those Crowsnest rates affect a much larger volume of grains and by-products, which are shipped to five ports by three railroads from 1,600 points. So the original Crowsnest agreement has been expanded considerably.

The question before us was raised by the hon. Member for Calgary Buffalo. He wanted to know the government's policy with regard to the Crowsnest freight rates. I think it was fairly adequately covered by a number of hon. members on the last occasion this matter was discussed. But I would just like to review the government policy, so that members who are going to participate in the debate today can look at the summary of the position.

Before doing that, I'd like to say that our hon. Premier, in his opening remarks to the Legislature this fall in the state of the province address, stated that the Crow issue should be "at the forefront of decision-making in Canada" today. That certainly is an appropriate statement for our Premier to make. The question of the Crow rates is a priority of this government and will continue to be in the future.

The five basic policy points or principles our government has been following with regard to the Crow rate in order to meet the needs of western Canadians can probably be summarized as follows. First, the producers are to retain the Crow benefit. The livestock and processing sectors are to be allowed to achieve their full economic potential, recognizing the present loss of natural advantage of local feed grains and grazing capacity because of freight anomalies. Thirdly, any change to the rate formula is to be legislated and regulated. Fourthly, any rate change must be accompanied by clearly defined steps to improve capacity and efficiencies. Fifthly, the railways should receive adequate revenue for moving grain. Those are the five basic principles our government has been putting forward with regard to the Crow rate negotiations and discussions we've been having with other western Canadian governments and the federal government.

As was a subject in the question period yesterday, our approach is one of co-operation. We recognize it's a complex issue. We must get the various farm organizations throughout western Canada, the various provincial governments, the pool organizations, and the federal government together on this complex issue, and bring it to a resolution. It's an issue which must be resolved.

We have heard projections about what is going to happen in the mid-1980s if we don't have increased rail capacity to the west coast. We know that not only our grain transportation will be stifled but also other products which are important to western Canada: coal, sulphur. We recognize the effect the Crow is having on our livestock industry, particularly with regard to the processing end. I certainly have grave concerns about the future of that industry if the Crow issue is not resolved. We must resolve the Crow if we are to see industries like the grain industry and the cattle and livestock industry, which have natural advantages in western Canada, continue.

Mr. Speaker, if we are to have an adequate transportation system to meet the needs not only of our agricultural sector but also other industrial sectors in western Canada, we must have a resolution of this issue. We've stated that if we had a preference, the full Crow benefit should be retained by the producer. But really the whole future

economic development of western Canada depends on a rationalization of our transportation system: increased access to the west coast and improved rail lines to ship our products to that area, plus resolving the bottlenecks developing in the port system on the west coast. I applaud the initiative taken with regard to the Prince Rupert terminal, which is badly needed and will give us another port, another outlet, with regard to grain products, and other products hopefully, in the future.

I might conclude that the question of transportation is really a responsibility of the federal government, and it can't shirk its responsibility in that area. As stated in the question period yesterday, we're willing to take a co-operative approach and encourage movement of governments and farm organizations to resolve this problem. I know our Minister of Agriculture and the Minister of Economic Development have been working hard on this issue, and they should be encouraged to continue their hard work. They have played an important catalyst role. We should support and encourage them in their efforts to resolve this issue.

Thank you, Mr. Speaker.

MR. FJORDBOTEN: Mr. Speaker, it's a privilege for me to join in the debate today. I particularly enjoyed the historical background given to us by the Member for Pincher Creek-Crowsnest. I've heard the Member for Calgary Buffalo talk about the Crow rate issue a number of times. It being such an important issue today, it's great to hear the interest and concern being shown. There's no doubt the Crow rate issue has to be resolved fairly soon, because the Crow rate — and, even more importantly, the capacity of the total system — is really hurting western Canadian economic development. The railways say the Crowsnest rate is responsible for a transportation system that's going to be short of capacity.

This motion requests that we make the government's policy on the Crow rate public. The Minister of Economic Development has stated on many occasions that with the export demand growth out of western Canada and the system capacity and shortfall to the west coast, excluding Prince Rupert, there'll be a projected shortfall by 1990 of 20 million tonnes. The system can't handle our potential, and adding cars to the present system certainly isn't the solution. The minister stated that without change there may be car rationing by 1985. When you consider that one commodity, grain, accounts for 17 to 21 per cent of the system load but only 6 to 8 per cent of the revenue, the Crow certainly must be solved. The minister has emphasized time and again that the Crow and capacity are tied hand in hand.

The Premier stated in the state of the province address:

Where does the responsibility lie in terms of grain transportation? It's a federal responsibility clear and unequivocal. It's so clear at times that they won't let us become involved in ... areas in which we're only trying to play a supportive ... role. But this [province] will continue ... the position it's taken over the last three or four years, of being a catalyst in the whole area of grain transportation.

Our government is really concerned with the grain transportation issue. The whole area of the Crow rate, the issue of getting grain to market, the impact on the livestock industry, are all very, very high priority. Over the next year, we hope to bring all the parties together, including the federal government, to see if it's possible to come to a resolution on this matter.

Enough studies have certainly been done on the Crow

issue and on the capacity of the system. The Department of Economic Development put out a booklet that really didn't take a position; it just tried to combine all the facts from all the different reports. I would encourage every one who has an interest in the Crow rate issue and in really understanding what it's about to get a copy of that book. When you read it, you'll realize we're not in this issue alone. Saskatchewan is on a different side of the issue. Sixty-five per cent of Canada's grain export comes out of Saskatchewan. With that amount of grain export, they're concerned about the Crow rate issue. But if you're not moving your commodities on the system because there's rationing and not enough capacity to carry it, the funding certainly isn't going to make much difference. In 1979 and '80, Saskatchewan farmers had 72,400 delivery permits and Alberta farmers had 48,891. Their concerns are a little different from ours. When you add it all up, you find that in '79-'80, grain export from Saskatchewan was \$2.1 billion and from Alberta \$1.1 billion.

Implementation of our policy with regard to the Crow rate is really handicapped because the federal government said it will only act if there is unanimity among farmers, industry, and the railways. Of course, I realize that both the Minister of Economic Development and the Minister of Agriculture have been interested in change. But when you consider that Saskatchewan ships more grain than we do, and we ship more cattle — in '79 and '80, our livestock sales were \$1.3 billion and Saskatchewan's were only \$0.5 billion. They ship and export more grain, but we ship more cattle. We have to take whatever action we can to capitalize on our natural advantage in Alberta, and we've been trying to do some things with the system: inland terminals, the Prince Rupert terminal, and hopper cars. Those are great and wonderful things, but they really don't solve the problem that Crow debate must solve.

I'm pleased to see that our Alberta MPs are really involved in trying to do something. In his fall report to his constituents, the Lethbridge-Foothills MP, Blaine Thacker, laid out the history of the Crow rate, spelled out all the things about the Crow rate issue and how it affects us. He stated that the Crow rate structure has hurt the very industry it was designed to assist. He goes on to say that without the Crow rate the U.S. has increased exports 500 per cent, but in Canada, with the Crow rate, we have increased ours by a mere 50 per cent. So it certainly spells it out very clearly.

According to the Canadian Cattlemen's Association, every year between 400,000 and 500,000 cattle are shipped from the prairies to Ontario for feeding. That's a lot of cattle. Another 150,000 are exported to the United States. A lot of our packing industry has gone out with all those cattle. In recent years, five packing plants have closed in Alberta. One study calculated the cost of the Crow rate to the cattle-feeding industry to be approximately \$26 million in 1977 and \$104 million over the four-year period of 1974-77. So the debate today is certainly timely.

As a government, we tried many routes to alleviate the problem. I mentioned the 1,000 hopper cars that cost \$52 million through the Heritage Savings Trust Fund, in addition to \$8 million in inland terminals and, recently, \$195 million to the Prince Rupert terminal. We're fighting the fact that grain capacity in Canada has suffered a net decrease in the 1970s, and we don't want a recurrence in the 1980s.

We can examine the Crow rate on other agricultural sectors. I think my interest focused on the livestock-feeding industry. When local feed is more costly for live-

stock producers, they are direct victims of the Crow rate. In 1978, Gordon MacEachern, an economist, said:

Based on average Alberta cattle marketings over the last four years, '74 to '77, of approximately 13 million head, the direct impact of the Crow gap on the cattle feeding industry of Alberta is an approximate loss of \$26 million per year.

That is very, very significant and certainly should be addressed.

I guess a resolution to the grain transportation problem is not that simple; it's complex. It affects, number one, the railways; two, the federal government; three, the farmers; four, the Wheat Board; and five, the grain commissions. These all have to be taken into consideration when we face trying to alleviate the transportation problems. Along with that, some questions really need to be answered. One, should the cost of transporting grain by rail be paid by the producer, the railway, the government, or a combination of these? Two, should the grain handling and transportation system be guided by market forces or by centralized planning? Three, how can economic distortions in the agriculture and transportation sectors be minimized without placing undue burdens on participants in the grain sector? I think we have to take all those things into consideration.

Therefore, I think we have to act. Since the federal government is waiting for a consensus from the provinces, and we in Alberta are working hard to try to bring about that consensus, we have to act quickly to get agreement among the provinces to protect the cash flow and net income of our producers. I think we're facing an emotional, historic issue. British Columbia and Manitoba are prepared to change the Crow rate, and I'm sure Saskatchewan is going to come around to a full realization that we have to change it. Any solution to this transportation problem, even though it's simple, has to begin now to get this consensus among the western provinces and the federal government, because we need a fast resolution if our agriculture sector in Alberta is to grow and strengthen. We need the right solution to help us today as much as tomorrow.

Thank you.

MR. BATIUK: Mr. Speaker, I too would like to get into this debate. The Crowsnest freight rate is a very important issue. The Crow rate has been the highlight over the last number of years, whether it's farmers, grain companies, governments, or various organizations. I'm not going to go into statistics because I think the member from the Crowsnest constituency brought out the statistics so well. Who could bring them out better? The Crow rates were set in 1897. I think they have served a useful purpose; however, maybe they have already outlived their usefulness. Times are changing, particularly over the last few years. Because of inflation over the last few years, I think it is very important that the Crow rate be attended to.

Some 100 years ago, the federal government in its wisdom saw well the need to develop western Canada. To provide an incentive to people to migrate to western Canada from other areas of the country or from other countries, it offered 160 acres of land for the sum of \$10. My father migrated to this country because of that. He was only in his early 20s. He came to a country where for only \$10 he could get 160 acres of land which would belong to him and he could do on it as he saw fit, with very little government intrusion. There was a different type of government where he came from. He was told



what he must seed on his few hectares and how much he would get if he produced enough.

The need for a railway across the country became very obvious. A lot of pioneers had moved into western Canada and taken up homesteads, but the government of the day saw the need for a railway to western Canada. It also provided incentives for the railway company to provide a railway across the western part of Canada by giving large tracts of land and mineral rights. The Crow rates became part of that. This guaranteed that the farmers would have their grain and farm products hauled at maximum rates, at that time about 22 cents per hundred or 14 cents per bushel of grain. When we see that 20 per cent of the railways' total cartage is grain yet only 8 per cent of their total income comes from the transportation of grain, we must see that grain transportation is profitable to the railway companies and provide some incentive so they too have grain transportation as a priority. At present, it is much more profitable for the railways to haul other commodities, whether coal, lumber, or anything else. When we see that we spend 17 cents for the first three ounces to mail a letter from Edmonton to Ellerslie, yet a bushel of grain could go all the way from Edmonton to Quebec for only 14 cents, I think changes must be sought as alternatives to the Crow.

[Mr. Purdy in the Chair]

The hon. Member for Calgary Buffalo requested that our government tell us its decision on the future of the Crow. The Minister of Agriculture very recently indicated that there must be a change to the Crow rate. In his address to the province, the Premier also mentioned that there must be a change to the Crow rate. I recall just two years ago, the president of Unifarm requested the Premier to abolish the Alberta Grain Commission — and I'm a member of that commission — because the Grain Commission was recommending changes in the Crow rate. This year, the same president is driving through the province saying, we must change the Crow rate because if we don't, within five years grain cars will be rationed. Well, it took a long time, but I'm glad the president of Unifarm has seen fit to change his mind.

The National Farmers Union still strongly supports the Crow rate and that it should stay. I'm sure hon. members remember that earlier this year a National Farmers Union delegation went to Ottawa, that the federal government retain the Crow. The Prime Minister very gladly said, if that's your wish, I'll be just too glad to see that it stays that way. And why shouldn't he? Naturally, if they're not going to do anything, it's not going to cost any money. However, it seems to take the NFU a little longer on these issues. I trust that within the next three, four, or five years, they too will see the light.

I can see the province of Saskatchewan strongly supporting the Crow rate, when we see that the hon. minister in charge of the Canadian Wheat Board was a former leader in Saskatchewan. Even though he may have changed his politics, I still think the same blood is flowing through his veins. I know the leader of our House once said: a sheep in wolf's clothing. Well, I just look at it the other way when you compare it. However, I still think the senator and the minister in charge of the Canadian Wheat Board, coming from Saskatchewan, favors this and takes that view. But Saskatchewan is the only province forcibly asking to retain the Crow rate. Even in the transportation system, I think there must be as little government interference as possible.

This September, I had the opportunity of going on a tour with a Russian group that consisted of four people: the deputy minister of agriculture for the Soviet Union, the Canadian ambassador to the Soviet Union, and two others from the Department of Agriculture. Their visit here was the result of the Premier and a group going on a trade mission in 1977, when they went to Europe. Because of that, the Soviet Union saw Alberta's interest in exports. Surprisingly, they came to Alberta and not to Saskatchewan. However, I must say that their interest was in malt barley and rapeseed. It was surprising, but while they were here they also purchased 15 million larvae cells for honey. When we see that northern Alberta produces 85 per cent of Canada's honey, I think this alone is a good booster for northern Alberta.

On our northern tour we went as far as Rycroft and Fairview, and I found it very interesting that the Soviet group indicated that that area was on the same parallel as Moscow. They also indicated that the topography of the land was similar to that of Moscow, and that the soil and climatic conditions were comparable to Moscow. I assured them that the representation in that part of Alberta was also comparable to that in Moscow.

When we compare Saskatchewan and Alberta — and there is quite a difference, even though we are neighboring provinces — Saskatchewan is opposed to any change in the Crow rate. But we see that in the province of Saskatchewan, whose land is comparable to ours and has almost twice as many hectares of arable land as the province of Alberta, their production is only a little higher than Alberta's. Sometimes I feel if there were just a little more socialism in Saskatchewan and a little less in Alberta, we could very easily outproduce and surpass their production of grain.

Mr. Speaker, I believe there must be a change and an alternative to the present transportation charges. I think it's in our interest that our grain moves and doesn't stand on our farms, because many farmers are continuously operating on borrowed capital. If the grain is going to be standing in the fields, granaries will have to be produced to store that grain. It's another burden on farmers. I think a change to some other rate, regardless of who is going to subsidize it — whether the farmer, the government, the railways, or all three combined — would provide to the railways the incentive that grain be the number one priority.

So, Mr. Speaker, I hope the debate on this very important and timely topic will give the government in Alberta, and many others, a view of what stand they should take. Thank you, Mr. Speaker.

MR. ISLEY: Mr. Speaker, I too would like to participate briefly in the debate on Motion 214, placed before this House by the hon. Member for Calgary Buffalo, basically asking the position of this government with respect to the Crow rate. I note the hon. member is no longer in his seat, so I'm assuming he must now know our position. I think that position has been made very clear, first of all last April 30 by the hon. Member for Cardston. Today at the beginning of this debate, it was reinforced by the hon. Member for Pincher Creek-Crowsnest. I don't think it should be necessary for me to dwell on the five points that outline this government's position.

Mr. Speaker, when I check the April 30 *Hansard*, I note that after listening to the initial debaters, the hon. Member for Spirit River-Fairview, who is also not in his seat, stated:

I hope the Minister of Agriculture and the Minister

of Economic Development will take the occasion to clearly state the position of the government of Alberta on this matter. The province of Saskatchewan has made its position unequivocally clear. The province of Saskatchewan favors the retention of the Crow rate . . .

I'm disappointed that the hon. Member for Spirit River-Fairview is not present if at that point in time he still did not understand this government's position.

If he wishes our position in more simplistic terms, parallel to the Saskatchewan government position, I would state that we support an enlightening change in the Crow rate, as do all user groups, as near as I can determine, with the exception of the National Farmers Union and the government of Saskatchewan.

Mr. Speaker, before proceeding to the other points I wish to make, I want to make some comments in response to the speech the hon. Member for Spirit River-Fairview made in this House last April. I wish to make these comments because I've heard this speech so often in the last two years that I can almost give it from memory. I think anyone who participated in the Canadian Parliamentary Association conference in St. John's, Newfoundland, heard these same remarks coming from the Saskatchewan delegation. I've heard the same philosophy and the same arguments expounded at port of Churchill development board meetings by representatives of the Saskatchewan government, and I hear it frequently when I visit some of my socialist friends in Saskatchewan, because my constituency borders on the Saskatchewan boundary. I can only conclude that this position on the Crow rate was written by one socialist, distributed across this country, and repeated by a number of socialists, with very little, if any, regard to logic.

When I make that statement, I look at some of the comments made in this House: "it is simply not justifiable to let the railroads off the hook." Note the use of the plural term "railroads". Then the format of the speech goes on to a blistering attack against the Canadian Pacific railway. No mention of the CNR. I have yet to find any evidence that the CNR is doing a better job of serving the people of western Canada than the CPR is. So I have a little difficulty with the logic that says, let's not let the railroads off the hook and then addresses and attacks only one railway. I'm not sure we can continue to put forth an argument based on the past. Sometimes whether a deal in the past was good or bad, we must accept it and move on.

Then they go on to argue the loss to farmers' net income. I believe the hon. Member for Spirit River-Fairview quoted some statistics into *Hansard* last spring saying, here is the amount of loss per farmer; here is the total loss to agricultural net income. Mr. Speaker, I submit that this shows short-sighted thinking by those who support the retention of the Crow rate.

I have difficulty when I listen to this short-sighted argument from my Saskatchewan friends as well — a province which for years existed primarily on an agricultural economy, that for a number of years declined in population and, just in recent years, started to grow again with the injection of the potash industry and other secondary industries, that for years exported its young people, yet a province sitting in a tremendous position to develop its agricultural potential. I'm talking about a development beyond the primary agricultural production level into the secondary agricultural level of processing and packaging.

Mr. Speaker, those who support the retention of the

Crow rate are, in my view, really supporting no growth in western Canada's agricultural industry. They are saying we should only have a primary agricultural industry, that we should produce our raw materials and ship them out of western Canada for processing. When I look at the rates paid for export grain — and I believe wheat will move for about \$4.50 per tonne — then I look at the rate of a processed agricultural product produced in a plant shared by my constituency and that of the hon. Member for St. Paul, where they are facing \$27 per tonne to ship a processed agricultural product, I don't think you have to think very hard to draw your conclusions as to why the Crow rate was established back in the 1890s, why it was amended and adjusted from time to time up to 1925, and why we still have it today.

I submit that its primary purpose was to encourage primary agricultural production in western Canada, the shipping of those products from western Canada to other points for processing, and the shipping back of processed agricultural products. As long as we live with that type of philosophy and that type of subsidized rate, agriculture is not going to grow the way it should.

Mr. Speaker, I'd like to touch briefly on one other problem caused by the Crow rate. That's the use of the port of Churchill, one of our deep-water ocean ports which is functioning at one-quarter to one-third capacity. If you ask yourself why — and I wouldn't hang the old Crow for the total problem — I think it's partially as a result of the Crow rate and partially as a result of decisions made by the Canadian Wheat Board, subject to political pressure, which is putting more grain through uneconomical routes than through economical routes.

If you were to speculate for a moment on what impact moving away from the Crow rate would have on a port like Churchill, first of all you have to realize that the Crow rate applies from the point of shipping to Thunder Bay, to Port Churchill, to Vancouver, or to Prince Rupert. So regardless of distance, the cost of taking that product to that port is the same. If you were to move to a compensatory rate, distance would become a factor. The closer your port was to where you were producing the product would be the logical destination. If you add to that the advantage of off-loading from a railway to a terminal and into an ocean liner, you'd see ports like Churchill start to move in their own right.

Mr. Speaker, I've touched on a number of problems caused by hanging on to the Crow rate. However, I don't think I have touched on the major problem. The debate on the Crow rate may well pass us by and become a non-issue if we do not move quickly. Unless we find a solution to the Crow rate and rail line upgrading in the near future, the problems facing the western farmer will not be what will it cost me to ship my grain, but rather, how can I ship my grain?

Projected demands — and I think the hon. Member for Macleod made this point very well — for railway space for such products as coal, sulphur, and potash could very well exceed railway hauling capacity within the next five years. If at that time we are still caught up in the great Crow debate, one does not have to be very far-sighted to realize which product will be left behind. If you have some products moving at compensatory rates and others at substantially reduced rates, you don't have to be a very good business head to decide what product you're going to haul.

Yes, Mr. Speaker, it is lime to change the Crow rate, to improve our railway system, and enhance our agricultural industry by moving into its secondary component. To

that end, I urge members of this Assembly to work. Thank you.

MR. LYSONS: Mr. Deputy Speaker, I'd like to get into this debate for a few minutes this afternoon. The problem on what has happened with the Crow has been pretty well explained by the other government members. For us in the rural areas, it's going to be a political problem. We know that. We know that a lot of people will not really believe that if we settle with the federal government on a program to shelve this issue for a good long time . . . But we're supposed to be leaders, and we have to make these kinds of decisions. I have a lot of faith in our Minister of Agriculture and others that we will get as good a deal for the farmer as humanly possible.

It's interesting to read some material I received from the CPR about grain freight rates and how they're handling the situation. I never requested this information; I don't know how it came to me. But it's certainly well-documented as far as the railway point of view is concerned. I received it just recently and never really got into it. When you read the history of the Crow rate as they've explained it, it's little wonder that the railway isn't really that serious about hauling grain.

I believe the CPR doesn't do as good a job in handling grain as the CNR. But that doesn't necessarily mean the CNR is doing as good a job as it should be when it comes to handling grain. A friend of mine works at Grand Cache. They load coal and ship it out to the coast. One day I asked him how long it took before he'd see that train back again. He said, five days. With a grain train, you're apt to see it back in 17 days or three weeks. I can't really understand why we have to put up with that kind of system. I'm told that when we are able to ship through Prince Rupert, we should be able to speed up our grain delivery by about four or five days. That alone will make an awful difference to our farming people.

Nothing is sadder than dealing with a farmer when he has granaries full of grain, he's borrowed as much as he can, and he comes into the bank, looks at the bank manager and says, I haven't got any money, I can't sell any grain, and I have to buy some cattle this fall to be able to move my grain. He moves it out through a cow rather than sell it, as is his normal practice. That upsets the cattle industry. Certainly we've had times of strikes and blockages on the railway, when we've had any number of people who have to buy cattle or hogs just to use up their grain.

If this story the CPR is saying is true — and there's no doubt in my mind that it is true — by 1990 we'll be moving 60 per cent more freight on the railways. The railways can hardly handle it now. Sure, there are some improvements, like a tunnel, some new trackage, and so on. But they're certainly not going to get all those things done in 10 years, and they're not going to be able to move that 60 per cent. As the Member for Bonnyville suggested, we should be using the port at Churchill far more. That's true. I believe the port at Churchill could handle three to five times as much grain as it does. But that is not a significant amount in comparison to what is needed. It would be great to be able to move 150 million bushels through there, but when you consider the pressure that's going to come on us with the lack of rail facilities . . .

For example, in the '30s the railways were able to ship to export almost as much grain as they do today. They had the old light rail, the old boxcars, and the old steam engines. They huffed, puffed, ripped, and roared, but they

got the grain out. Now we have the modern locomotives, better tracks — far, far heavier steel — hopper cars, Timken bearings, and any number of electronic gadgets they can use to move the trains and split them faster. But they're not able to haul more grain. There has to be a reason for it. I think the reason is not all in the price of the Crow, but a good part of it is the fact that they just simply don't care. You can't really blame the railway for not caring when they're losing hundreds of millions of dollars every year in that one commodity alone.

Certainly it's not fair that the farmers pick up the whole expense. In Canada we have a federal government that has a cheap food policy. Since I've been farming, our prices for grain haven't changed at all — they're up and down, but not substantially. Yet every time we hear of labor negotiations or of contracts going out for something, everything else is trying to get more and more, but the farmer isn't. The only reason we're not is the federal food policies in Canada and the United States. If we were to sit down with our counterparts in Washington and, rather than fighting with them and being as difficult as the federal government can be with Washington, simply say, look, we cannot afford to sell grain any longer at the price we're selling it. Let's get together, two of the largest exporting countries in the world, and say, we're going to raise our prices 25 per cent, similar to what OPEC has done to us in oil. Who would mind paying the cost of hauling grain if you've got it on the front end, rather than the other side?

Mr. Speaker, I wish I could go a little more into the political issue on the Crow rate. The Member for Bonnyville explained the Saskatchewan situation very, very well. I can understand why they're doing that. I'm not suggesting they're right, but I can understand why they're doing it. With its huge exports and its distance from market, Saskatchewan feels that's the only way it can go. The other thing is that they simply do not trust that the federal government will stay in it if they go into a cost-sharing or subsidy program. We see that all the time, when they start something and then they pull back. But there's just no question that the railways have to be compensated for moving our grain. There's just no other way. I have no idea how the final details will come out on it, but we simply must realize the railways will squeeze us out if they are not compensated in total for their costs.

Those of us who are farming will be left high and dry, and waiting. For instance, in the south end of my constituency which has only one CP line, they had difficulty in their tunnels this year and some problems in the mountains with personnel, so they weren't moving any grain out of our country. Probably 50 farmers phoned me, wrote letters, and so on, saying, for gosh sakes, can't we get some of this grain moving. They had a 2.9 bushel quota, where up in the north end of the constituency we were able to sell nine bushels. A nine bushel quota compared to a 2.9 bushel quota is far more than just three times. It means food on the table and the ability to pay off the bank.

Mr. Speaker, I would like to suggest that the motion brought forward by the hon. member was timely in the fact that we get an opportunity to stand here and sort of be counted. But rural people are going to have to face up to this problem of competition on the railways. We can lean on the railways all we want, but there comes a time when they have to give up.

Thank you, Mr. Speaker.

MRS. CRIPPS: Mr. Speaker, it's apparent that we have to ensure fair freight rates for both eastern and western Canada. This government has to ensure that the grain can move and that we won't be penalized in the future by lack of a freight system because of non-compensatory rates.

With that, Mr. Speaker, I move that we adjourn debate.

MR. DEPUTY SPEAKER: Having heard the motion to adjourn the debate by the hon. Member for Drayton Valley, do you agree?

HON. MEMBERS: Agreed.

205. Moved by Mr. Hyland:

Be it resolved that the Legislative Assembly urge the Alberta government to reject the market assurance plan (MAP) as recommended by the advisory committee to the Canadian Wheat Board.

[Adjourned debate May 5: Mr. L. Clark]

MR. L. CLARK: Mr. Speaker, I spoke on this for some time earlier this spring. MAP is supposedly a dead issue. But the Liberal government has resurrected a lot of things in their day, and I thought I'd say a few words anyway. We hope this isn't one of their resurrections.

When looking at MAP, one would have to say that it is really a supply/management scheme put out by the federal government to control the production of grain in western Canada. Controlling production is fine. But with the control of production, you must also control the price of the product and the cost of production.

I would like to say a little about the cost of production as it relates to farming today. I don't believe that controlling production can be of any great benefit to the western grain farmer. I would like to start out with one of the highest input costs we have today, the cost of land. The cost of land is crucial to the Alberta farmer. I had the opportunity to take what I think is an average section of land in our country that I know very well, which is priced at \$800 an acre. We put it through a computer at 18 per cent interest and amortized it over 25 years. I'd like to show you what really happens to land at \$800 per acre after 25 years at 18 per cent interest. The cost of the land would be \$512,000. We put this into the computer. The 25-year payments would be \$93,654.44 per year. After 25 years, you will have paid \$1,829,360.53 interest. That works out to \$2,858.37 an acre for interest alone. With the prices we're getting today, the price of land is very crucial in farming input costs. On top of that, you still have to pay \$800 an acre of the original cost, which brings the total price of that land to \$2,341,360.53.

I'd like to do a little comparison on the pricing of the product that comes off that section of land. I'm going to be very generous, because I've heard members from over on the other side — I think it was the Member for Vermilion-Viking — talk about an eight- and nine-bushel quota. I'm going to be very generous and give the gentleman who buys this farm a 12-bushel quota right through for 25 years. No hail, no disaster at all. If he gets a 12-bushel quota on 640 acres, he's allowed to sell 7,680 bushels a year. At \$5 per bushel — which is a generous price today, because we're only getting \$4.40 — the price per year would be \$38,400. In 25 years, he would have made \$960,000. That leaves him \$869,360.53 short on paying for his interest. That is after 25 years of work, taking the complete income off that land, without any

living expenses, labor, or anything else. They've put it all back into the land, and it's still that much short.

I know people here today say farming can't go on at \$5 a bushel. I agree with that, when you look at the price of land. There is no way you can continue to raise No. 1 wheat in Alberta — and that's what we raise — for \$5 per bushel. So I did another little figuring. I said, let's give him double that: \$10 per bushel for 25 years on a maximum quota. The figures are still very interesting. As I said before, the total cost of the land would be \$2,341,360. In 25 years, at 10 bushels to the acre, he would make \$1,920,000. He's still \$421,000 short on paying for that land.

Last spring, I made a little presentation in the House about the input costs of farming. I related it to the average wage. I believe I took a teacher's wage. I put 9 per cent on the average teacher's starting wage about the time that I started farming, and came up with approximately the starting wage of a teacher today. I also took that 9 per cent and put it on the basic price of wheat when I started farming, which was \$1.50 per bushel. I came up with the fantastic figure of \$23.65 per bushel for wheat.

MRS. CRIPPS: How would you like to do that for beef?

MR. L. CLARK: I'd like to do that for beef.

That may sound a little out of line, Mr. Speaker, but just for curiosity's sake I took the figures out of this computer and multiplied them by \$23.65 instead of \$10. Surprisingly enough, this is what I came up with. The man would make approximately \$4.5 million in 25 years. His land would cost approximately \$2.3 million, and he would be left with \$2.2 million to run his farm, which is \$90,000 a year. You have about \$80 per acre expenses. That would leave him \$20,000 to \$25,000 a year to live on, which is about what the average worker gets today. So you can see where we've gone with our price of wheat. To me it's really crucial, because we're going to lose our family farm if we don't take a look at the input costs or the price we are getting for our product.

Mr. Speaker, to get back to MAP, I don't believe MAP is going to help this situation in the least. I don't believe that the government telling us what we can grow and how much we can grow is going to bring me \$23 per bushel for grain. The grain market is basically set in the U.S. because it sells the most grain by far. Controlling production in Canada is not going to make any difference to the price of grain on the North American continent. I believe it is a proven fact today that the production of food cannot be successfully carried on under a socialistic state. We've seen that in all Communist states — in Russia, where communal farms don't have the efficiency we have. They don't have the desire to farm, because they no longer have control of their farms. It is under government control. If we in Canada continue to go down the road toward socialism and greater and greater government control, we'll take away the very ingredient that makes our farmer the most efficient in the world. Mr. Speaker, that ingredient is the right to manage and own their land. [interjection] There was never a farmer who had a 40-hour week.

DR. C. ANDERSON: That's because they only work 40 days a year.

MR. L. CLARK: We work 365 days a year and usually about 16 hours a day.

MRS. CRIPPS: That's why they all die when they quit.

MR. L. CLARK: Mr. Speaker, if you take away the dream to be the biggest and the best farmer in their district, that all young farmers have when they start farming, you take away their right to management, to independence, and to own land, you have destroyed the family farm in Alberta and in Western Canada. I think that would be a disaster for this country.

Thank you very much. I beg leave to adjourn debate.

MR. DEPUTY SPEAKER: Having heard the motion by the hon. Member for Drumheller that the debate be adjourned, do you agree?

HON. MEMBERS: Agreed.

216. Moved by Dr. Buck:

Be it resolved that this Assembly urge the government to ensure parent choice in education by establishing a system of vouchers which will enable 100 per cent of the per capita pupil grant to follow a child to the school of his parent's choice, providing that the school operates within the provincial school system.

[Debate adjourned May 7: Mr. Isley speaking]

MR. ISLEY: Mr. Speaker, when I adjourned debate May 7, we were discussing Motion 216, a rather ridiculous motion put on the Order Paper by the hon. Member for Clover Bar. Just to remind all hon. members what we were talking about . . . I'm sure I have your undivided attention. Being a former school teacher, that's the type of audience I like to speak to. We'll be giving you a test when it's all over to make sure you've been listening.

In recalling the remarks of the hon. member who proposed Motion 216, I believe he implied that 100 per cent of the basic per pupil student grant, plus a designated portion of the supplementary requisition, be put in a voucher and given to the parent. Last May, I suggested a number of impacts this would have on education in Alberta. I'd like to review them quickly.

One, I submitted, was an increase in bureaucracy to issue approximately 420,000 vouchers per year, and the very negative impact on schools in the areas of staff and program planning, for the simple reason that prior to the beginning of a school term they wouldn't be able to determine how many students they were going to have and hence what type of programs they would have to deliver and what type of staff they would need to deliver them. I went further to suggest this would encourage inefficiency at the beginning of the school year, with a lot of time lost in planning activities and staffing programs that could very well be in place the previous June, as they are now.

Another impact is that 100 per cent public funding would start flowing to private schools instead of the upper 80 per cent limit that exists today. I think a very real problem in this area facing Alberta Education and the people of this province is proliferation of independent private schools. Sooner or later we'll have to address that problem as to whether or not that is the direction we wish to go. I submit that if 100 per cent of public funding started going to these schools, you would see an even greater number of them. You would probably see teachers setting up consulting firms, creating schools, and attracting students for the dollars that flowed behind them. I think that could lead to another impact of this motion,

if it were in place; that is, the development of the elitist school, which I believe was discussed rather extensively last May by the hon. Member for Edmonton Gold Bar.

What choice do you have in rural Alberta? There again, unless you're going to reduce many of our small schools . . . Did you wish to leave the room, madam?

MRS. CRIPPS: Would you please explain the term 'elitist'?

MR. ISLEY: With or without an example?

MRS. CRIPPS: You're the teacher.

MR. ISLEY: My dear child, that is where all the upper class would go. The lower class would not be entitled to it.

MRS. FYFE: With or without money?

MR. ISLEY: Normally the ones with money.

The choice in rural Alberta would be very limited compared to urban Alberta unless it is the intent of the hon. Member for Clover Bar to include the transportation moneys paid to rural school jurisdictions, along with 100 per cent funding.

I submit that child transfers would become a problem during the school year. My greatest fear is that we'd develop what I would label as catering schools, schools that were more concerned in keeping students and parents happy and money flowing into their system as opposed to really doing a job in education.

In summary, I submit that the impact would be that it would increase educational costs without increasing educational efficiency, cause disorganization and disruption in what is basically a good educational system, and really serve no useful purposes. I don't believe that is what Albertans want to see happen to their educational system. I submit we have a strong educational system in this province which we should direct our energies to improving and not destroying.

Mr. Speaker and fellow members, I have been critical of education in this Assembly in the past, but at no point have I ever advocated throwing the baby out with the bath water. Our educational system has some deficiencies but the base is solid, and I submit we build on that base. Through two motions and a Bill presented to this Assembly in the past, I have attempted to identify some of what I feel are the deficiencies in education. Some of the deficiencies I have attempted to identify are as follows. Number one is the difficulty in removing deadwood teachers from our schools. I have criticized the ATA, as distinct from professional teachers, as being too unionistic and protective-oriented as opposed to professional-oriented. I think the behavior of the ATA that many of you experienced last March with respect to The Teaching Profession Act should be ample evidence to all hon. members of the point I was trying to make. I ask you one question: tell me whether all those letters and phone calls reminded you of a profession or a union?

A second deficiency I attempted to identify in this House in the past was what I submitted was new and unnecessary bureaucracies created as a result of the 1970 shift under the Social Credit government to locally-appointed superintendents and to Department of Education regional offices. I still submit that's an area that should be looked at. Another deficiency we have at the moment is the uncertainty with respect to student, teach-

er, and school system evaluation. I'm pleased to see this problem is now being addressed.

Mr. Speaker, the only thing the hon. Member for Clover Bar suggests that I can support is that parents should have more control over their children's education and that they should be more involved in that education. However, I submit to hon. members that a number of vehicles are in place at present that parents can take better advantage of to influence education and create the types of schools they wish within the current structure. The first vehicle is school board elections. It's very unfortunate and, I would say, indicative of a lack of parental interest and support for education when you see trustees win by acclamation.

The county system: is it — and I know the hon. Member for Drumheller will disagree with me — a plus to education in Alberta? Or is it a system that slipped in on us by parents being too apathetic with respect to the type of education they wanted and the type of say they want in their schools. I suppose you've all heard two schools of thought. One, it's more efficient to operate all the services, road building, weed control, drainage, education, PSS, et cetera, through one board, being the county board. I suppose the other side of the debate is that too many county councillors are elected for their interest and desire in running budgets and looking after the materialistic things, and have little interest in education. As you're all well aware, we have both systems: the elected school boards, with a corresponding municipal district running the rural areas or town council the urban areas, or the county system where we put them all together. I hate to show my biases, but I think the county system was a negative move for Alberta education.

Another vehicle we have in place that parents could take more advantage of and have more control over their children's education is the home and school association, an organization through which you can bring in parental input, parental support, parental lobbying of school board or county members to improve education or bring about changes. This organization is functioning at a very low level in this province compared to what it could if parents put their full support behind it. Parent/teacher days, which I believe most schools are still running — all you have to do is look at the attendance to evaluate whether or not parents are taking full advantage of this vehicle. Parent advisory committees, which some schools have, others don't, and all are permitted to develop.

In short, I'm saying I agree with the hon. member that we should have more parental support, more parental involvement, but I feel the vehicles are out there. At times, I question whether the shift to voucher thinking or the shift to independent schools is really a desire by parents to become more responsible for their children's education, or is it a desire by parents to become less responsible for their children's education and transfer more of the upbringing of the child to the school?

Mr. Speaker, in closing, please allow me to reiterate. In this province, we have in place an educational system that is basically sound. We have a vast majority of highly professional teachers, although as a result of the actions of their own organization, the ATA, they are not recognized in legislation as professionals. We have some problems and weaknesses in this system, but these should be identified and attacked on a problem-by-problem basis. We currently have a minister who is attempting to do just that.

I urge members of this Assembly to do two things. Number one, support the hon. Minister of Education in

solving our problems in education on a problem-by-problem basis. Number two, vote against Motion 216, as proposed by the wonder boy for Clover Bar.

MRS. FYFE: Mr. Speaker, at a cursory glance, this motion would seem to indicate that a voucher system would increase the choice available to parents to find a school within another jurisdiction, or perhaps even within their own jurisdiction, that would cater to the individual needs of the child. Obviously, that's what education is about: providing the best possible vehicle for the child. You may find schools that specialize in such areas as science education, language arts, or mathematics, or schools that feature a particular philosophy, religious ethic, or moral background; in other words, a school with one particular direction that would specifically cater to the interests of a family or the moral background or the values of that family.

First, I would like to make the assumption that this may be a positive choice. I think no one would disagree that we would all like to have jurisdiction in which our own children, the children we're responsible for within this province, would find the best and most suitable education for their own particular background or interest area.

Now one step further, let's assume that a family makes the choice between two different school districts, the one they live in opposed to the one in the jurisdiction next to them. What about the families that move outside their own jurisdiction? Let's assume there's one family. What happens if there are 10 families? What happens if there are 50 families? What happens if 500 families make the choice to send their children to the jurisdiction outside their own municipality in which they're paying the supplementary requisition? At what point are the two jurisdictions — the one the 500 families live in and the jurisdiction outside that is accepting the children from these 500 families — seriously and adversely affected, perhaps by overcrowding in one, vacancies on the other hand? What about planning? How do you plan for teacher/student ratios? How do you plan for capital structures? What do you do about school closures? At what point can you say the system is workable within our province?

The motion itself says:

Be it resolved that [we] urge the government to ensure parent choice in education by establishing a system of vouchers . . .

What does "parent choice" mean? On the surface, it would seem that at present children can — in fact, children do have a choice as to various jurisdictions they may go to. The provincial foundation grant program, which provides a significant amount of the cost of our basic education, follows the child. In most cases, the parents are required to pay a tuition fee and are responsible for the transportation of that child. But on the other hand, that choice is there. For example, a family living on an acreage who wants to have their children attend a school in an urban jurisdiction, where there may be more choice of courses, are now allowed that latitude. Families wishing to send their children to a school where the fibre is a particular moral ethic — there is now that latitude. The foundation grant program follows those students, so their parents are not responsible for all the costs.

In a situation where the school jurisdiction does not provide a program that satisfies the specific needs of a student, under a tuition agreement between jurisdictions or boards provision can be made that will allow for the transfer of funds from one board to another, offering

programs in the other jurisdiction that would satisfy those specific concerns and needs. The jurisdiction in which the child resides is also responsible for the transportation of that child.

The arguments in favor of a voucher system — or even an experiment, as the Minister of Education referred to in the debate last spring — would seem to be predicated on the belief that a free enterprise system injected into the educational system will provide a wide variety of choices for parents so their children can benefit from programs geared to those individual interests and needs. Advocates of an individual voucher system suggest that private and public schools are competing for students.

As I mentioned, in our present school system, funding results from two sources, the provincial and local levels. The local requisition is termed the supplementary requisition, and the provincial contribution is the school foundation program, together with a number of other contributions established under our provincial structure to assist small jurisdictions, school districts of low enrolment, specific areas to provide reading material, and so on. Private schools do not receive support from property taxes, which makes a very specific difference, but these schools do receive provincial support, perhaps lower than the public and separate school systems.

What would 100 per cent of the per capita pupil grant mean? That's what the resolution refers to. The voucher system "will enable 100 per cent of the per capita pupil grant to follow a child to the school of his parent's choice . . ." To have a voucher system that would have to be 100 per cent funding of the government contribution as the supplementary requisition or the municipal support would be paying for students who may live outside that jurisdiction. So 100 per cent would have to mean a transfer of the tax moneys collected within a particular municipality to another, which means that that jurisdiction would lose autonomy within its own jurisdiction. It would be collecting taxes and transferring them to another jurisdiction, without any choice or power over how that money would be spent for children residing within the jurisdiction.

Local government has a very long history. It's the oldest form of government we have. The old Greek city-states which were really set out, in our understanding, as the cradle of democracy, set up a system of education, primarily for men albeit, that has centuries and centuries of history. Formal education over those centuries was primarily limited to those students receiving a religious education. It's really within the last few decades that public education or education for all — girls and boys — was allowed. In fact, within recent years it became mandatory that all children attend school.

In Canada, the establishment of a school was often the centre of a settlement. In the history of the development of the west and our province of Alberta, we know the school was most often the centre of a district. Over the last year I'm sure many of us, delivering our gold medals, visited within some of those school districts. Even though no country store or centre of commercial industry is left within the district, those districts are still known by that school district name. So the school was not just a place of formal learning but also a community meeting place and social facility. In fact, I guess we've come full cycle on it as we come to community school designations. That is precisely the basis of the development of our country.

A few generations ago when our land was being settled, our country was primarily agrarian. In 1867 in Canada,

only about 15 per cent of the population lived in urban areas. By 1901, as our society changed, approximately 35 per cent of our population lived in urban areas. In 1971, that figure had mushroomed to 76 per cent. I believe over 80 per cent of our population now resides in urban areas.

Of course, the education system has had to change. The responsibilities between local governments and provincial governments that have provided a significant amount of funding have certainly changed and modified. Our education system has really developed in a partnership between what happened in the local jurisdiction, where at one time the local boards were responsible primarily for raising all the funds for their schooling, to a point where the province contributes a very significant percentage of capital and operating costs of the jurisdictions. The roles of the boards allow, encourage, and are based on democratic principles of residents of that jurisdiction becoming involved in the democratic process. The system allows flexibility. It allows for the adaptation of the needs and backgrounds of the students for which the system operates.

When I attended school — and I admit that was a very long time ago — very few special programs were established for students. In fact I was one of those unfortunate students, if I can say that, who had to attend school where more than one grade was in one classroom. Yet I think there were advantages to multigrade classrooms. There was certainly the advantage of having to develop more responsibility for the other students, those who were younger, of learning material presented to the older grades so when it was presented to you the first time, often it was as a review. So it's not all black and white in the argument between one grade and multigrades, but that's not the topic today.

As we look at our school system today, there certainly has been a tremendous move in the adaptation of the curriculum to the needs of the individual. This September, I had a tremendous opportunity to visit a number of schools in the St. Albert Protestant school district. The Minister of Education visited that jurisdiction. The area I would like to mention was classes that had been established to provide education for the mentally handicapped. I was extremely impressed by the work carried on in those classrooms, even though it was just a few days into the school year when the teachers were still trying to learn the individual characteristics of the children in their room. But I found it extremely revealing to see how well these jurisdictions were coping with new challenges they didn't have in previous years.

The system we have now encourages the jurisdictions that are elected, that are responsible not just for the boys who grew up centuries ago, not just for a few children who went to a few grades but for all children. Except for a very few individuals who cannot be accommodated within their existing structures, the majority of children are now able and are encouraged to attend within their own district, close to their families and able to make friends with children who reside close to their homes.

I believe the motion set forward by the member would discriminate against the involvement of parents and boards. For if a child is attending a school in another jurisdiction, that parent would not be allowed to run as a board member in another public school jurisdiction. Perhaps they could become involved in some school committee, but still not with the same rights and responsibilities they have within their own jurisdiction. I fear for the non-achievers who could be moved from one jurisdiction to the other, or for the slow learners or the children with

handicaps.

It's particularly important that we continue to face those challenges at our local level by encouraging the school boards to carry on the paths they have followed and the challenges that I think they have met well. I believe it's important that they continue to accept the responsibility for all children within their jurisdiction. The previous speaker from Bonnyville said he supported the enrichment of our present system. I could not agree more that it's imperative that we put as many efforts as we can into enriching our present system rather than providing a system where there is proliferation, where there is less than the quality we have now.

In the research I have done on the voucher system, I have read that the voucher system concept is dying. Experiments elsewhere have died, are dead, and that's where I would put this motion. Thank you, Mr. Speaker.

MR. L. CLARK: Mr. Speaker, it's a pleasure to speak on Motion 216 today. The motion really asks the government to allow the school grants which now go to the school boards to follow the student. In other words, if this were implemented, the per pupil allowance to the various school districts would follow the student to any school of his choice within provincial jurisdiction. I take that to mean any school within the province which the province is funding.

[Mr. Speaker in the Chair]

Mr. Speaker, this system is certainly not something new that has just come about. It's not an original idea. It's a system that has been studied many times as a solution to problems in education. In fact, the education system itself has had more studies done to it than any department in government. It has been studied to death over the last few years without, I might say, a great number of positive results. Hundreds of recommendations have been made, and the government is sometimes taken to task, you might say, for not implementing the recommendations. And the government is sometimes condemned when they do implement them. It's kind of like being between a rock and a hard place.

At one time during the Social Credit regime, they had an idea — and they seemed to sell it to a lot of people — that bigger was better, and Alberta went into a tremendous program for centralizing our school systems.

MRS. CRIPPS: They didn't ride in those cold buses then.

MR. L. CLARK: Did you ride a cold bus or were you teaching? Anyone who was on a school board at that time was at the mercy of all those people who wanted to retain their schools. At the same time, you were also at the mercy of a government that very generously, I might add, picked up 100 per cent of the school-busing costs, regardless of the distance and regardless of how many buses were put on.

MRS. CRIPPS: You mean they charged for those things?

MR. L. CLARK: Yes, they charged for them. The government paid. When you were on the school board then, it didn't matter how many buses. You could get a bus just by asking for it. But when it came to funding teachers, that was a different proposition. They demanded a very high pupil/teacher ratio before they would fund a teacher.

I guess the point I'm making is that by changing the funding of a system, you can change the system. That's important. When you change the method of funding, you can completely change the system. If we do change the system of funding in this province, I hope it would be for the better. I believe this has been one of our problems in the past. Probably with very good intentions on everybody's part, when one becomes involved in a real dramatic change in funding, you may find yourself with a system no better and maybe even worse than the one you started with.

Keeping that in mind, I would like to take a look at the changes that could take place if we put this voucher system into effect. First, I would like to look at the benefits of the voucher system — and I will say there are some benefits. It has some good points. Like the county system, I might add for the benefit of the Member for Bonnyville, it has a lot of good points.

MR. ISLEY: Are there some good points in the county system?

MR. L. CLARK: It would allow the parents to choose a school that really represented the standards, religious and moral teachings, in which they want their children to take part. This is one of the things it does. I think it's very important in this day and age, with all our different sets of standards, that the parents have some say in where their children are taught and that they are taught standards they as parents believe are important.

The second thing is that it would probably make a certain amount of competition in the school districts, because you could attract students simply by having a good program. If you had a good program, you would have more students and more money to work with. In this way, you could gradually increase your educational opportunity within your school system. So I think competition has really been lacking in our present system in the last few years. I believe that's another thing that would somewhat enhance the system.

I believe it would do one other thing. The voucher system might bring to the forefront what I call quality teachers. It would do this quite simply by attracting students to their class and their school. The same of course would be in reverse to the teachers I always called barely adequate. The Member for Bonnyville had another name for them. I can't remember it. Anyway, quite simply it would be that they couldn't attract the teachers, and I believe it would put them more in the limelight as teachers who weren't fulfilling their duty. So I believe there are some benefits to the voucher system.

What are the negative areas? There are some negative areas too; make no doubt about that. There are lots of them. It could well be said the biggest negative area is that it would do away with the public system as we know it today. I'm sure there are people here and in Alberta who would say that's not a negative area, that's a positive one. It would allow the private schools to bring the sort of education to the people that they desire, and if the public school couldn't compete, they were not meeting the needs of the people. This is one thing that I believe educators and the Department of Education should be careful with. The more you see private schools coming up and more people wanting to put in the voucher system, then there's something wrong with our public education system because the people are dissatisfied with it. It's all well and good to say that you can forget about the public system and let it go down the drain. One must not forget



that at one time we didn't have the public system; we just had the private school system. In those days, a lot of people couldn't receive an education. What is important to remember is that the public school system brought universal education to the general public. Regardless of its faults, I believe the public system has brought education to all. I would hate to see us put something into effect that would harm this system.

You might well say, how will the voucher system harm the public system? I'd like to give you a little example of that. Take a small rural school where they're really fighting to keep their school open. There's a declining population due to the declining rural population itself. With a small school and a low pupil/teacher ratio, it becomes evident that they can't teach all the courses they can in the large urban school. They don't have quite the educational opportunity there. Under the voucher system, the student would simply say, well, I can't get this course here, so I'm going to move into town and receive my education in the other school division. This would make one less student in that area. If a group of people decided that for religious reasons they would like to leave and go into town to a separate system, they would go too. The next thing we know, we would have a small school out there that had become uneconomical, and we would have to do away with it. All the students would have to go into either a large urban school district or private schools away from their home. In the end, I really believe the voucher system would actually do away with the rural school district as we know it today.

It would also do away with one of the goals we set in education in Alberta: the right of equal educational opportunity for all. We know that in theory, equal educational opportunity for all sounds good, but in practice it is very hard to implement, even now with the public system. We all know they have a greater educational opportunity in the large urban schools than we have in the rural schools. But even in the rural areas, with the small school grants, declining pupil enrolment grants, and some other grants we have with the small jurisdictions, we have an adequate system. Although we may not offer all the courses they have in the other urban areas, there are a lot of benefits in going to a small rural school over a city school.

Mr. Speaker, there are other reasons for not wanting to go to the voucher system. Although our public system is not perfect, it is certainly preferable to what was in place before it came. So let's try to reinforce that system. I believe some other members who spoke before me mentioned improving and working together to help the system. That's what I believe should be done. We shouldn't tend to destroy something that is working. I strongly urge members not to support this motion.

Thank you very much.

MR. PENGELLY: Mr. Speaker, in rising to speak on Motion 216, I must state that I have some serious concerns, even though the hon. Member for Clover Bar appears to be very enlightened at times. We are talking about a plan that would cause widespread change in the educational system. In my research, I could find only one instance where a voucher system was tried, and that was in San Jose, California. This modified voucher system did not test two important aspects: one was the free market competition, and the other was student needs. There appears to be a lack of conclusive evidence that such a voucher system will work. As responsible legislators, it is our duty to understand the effects of such a program

before attempting any implementation.

The Minister of Education has taken what appears to be the proper approach to an alternative to the proposed motion. The minister has made it clear that he is interested in investigating this alternative if a school jurisdiction is interested. But I believe to date there have been no volunteers for such an experiment.

I would like to mention some misgivings I have in regard to such a voucher system. Many of these have already been mentioned by my colleagues. A cumbersome bureaucratic system would be necessary to administer this system. Administrative problems could arise in each school because projected school enrolments would be almost impossible to forecast. Particularly in rural areas where there might be only one school, there still wouldn't be any more choice than what is available now. Parents could possibly send their children to other centres, perhaps necessitating a school closure and the addition of schoolrooms to schools chosen for attendance. The voucher system might create an elitist scramble to enrol in what are perceived to be the best schools.

Mr. Speaker, it is clear that we probably just do not understand the effects of such a system. I think it would be ill-advised to introduce a province-wide program at this time. Therefore, I cannot support this motion. Thank you.

MR. KOWALSKI: Mr. Speaker, I'm pleased to participate in the debate on Motion 216 this afternoon. I guess I'm one of the former teachers who have followed other educators getting involved in this particular debate on the voucher system. I've listened with care both today and on the previous occasion when this motion was debated in this Legislature.

The question of a voucher system is rather interesting. How far we go with it, if we should go with it, has arisen and caused considerable debate in recent years. More importantly, the debate goes back a number of decades. It appears that there's really no conclusive proof in anybody's mind that a voucher system, if implemented, would greatly enhance or improve the quality of education in this province or, more specifically, in a particular school jurisdiction.

In looking at some of the research material accumulated for me in this, I think it's rather important that we really take a look at the kinds of educational systems we have in the province of Alberta. Essentially, there are only three types: the public school system, the separate school system, and the private school system. For most practical purposes, the first two systems have an open-door policy, and generally allow students to come into the school pre-registered and participate in that particular educational system. They have been around for a great number of years in our province and are by far the greatest in terms of percentage of majority of school jurisdictions. They certainly attract the largest percentage of students enrolled in our various school systems in the province of Alberta. On the other hand, the private school system, the so-called alternative school system, is by far a very small minority. Nevertheless, it has attracted considerable attention in recent years.

When we look at the whole question of education in the province of Alberta, we should not lose sight of the fact that education is one of our most important dollar expenditure levels in terms of the total budget of the province today. If we look at the 1981 budget, the total amount of money expended on education now amounts to well over \$1 billion. Consider that only one decade

ago, 1971, the total provincial budget just made the \$1 billion mark, and now, one decade later, an equal amount is expended on one facet of our society, education. It's important that we all understand as well that funding for schools in Alberta, dramatic as it is, has to be monitored and watched. We have to give the greatest degree of diligence possible to maintain the greatest efficiencies and effectiveness and ensure that the best possible quality of education is provided to our children.

In looking at the funding parameters, I found it most interesting to take a look at the funding awarded and forwarded to individual children in various grades in the whole school system. If we look at the dollars allocated for children in various grade levels in both the public and private schools, and compare those dollar levels awarded to children who attend private schools, perhaps we can better understand why there is some debate on this question of the voucher system in our province at this time. It's of interest to note that the province currently awards the school jurisdiction for each elementary pupil in both the public and private schools \$1,379 per child per year. If a child is in a junior high system, that dollar figure rises to \$1,445 per child per year. If the young person is in the senior high system, the dollar allocation is \$1,655 per child per year. In addition to that, a reading materials grant of \$2.85 is allocated for each student in each of those three grade levels. The dollar allocations are a few dollars less in the private school systems. For elementary students, they amount to \$965 per pupil per year. At the junior high level, that dollar figure rises a few dollars more to \$1,012 per student per year. If they are in the senior high level, that dollar figure goes to \$1,159 per student per year. Those figures are the most current I've been able to ascertain. They are based on the very interesting document entitled *How Basic Education is Supported* by the Government of Alberta, put out by Alberta Education in January 1981, that I hope all people involved in the voucher system debate will read.

When we look at enrolment in Alberta schools, a little earlier I indicated majority and minority figures. But when you look at the specific percentages of numbers of children who enrol in private schools as compared to public and separate schools, the figures are very, very pronounced in showing the great discrepancy in the types of systems that attract various students. For most school years, from 1973-74 through to the present, only about 15 per cent of all the children enrolled in school systems in Alberta are enrolled in private schools. For those same years, much of the years of the 1970s and through to the first year of the 1980s, approximately 98.5 per cent of all young people enrolled in schools in Alberta are in either public or private schools.

I think those statistics have to be in the back of our mind when we discuss the voucher system, to better understand the implications of movement of young people from one school jurisdiction to another, and certainly the movement of young school children from well-known, well-pronounced, well-functioning school systems into perhaps an area that one looks at and says, well, we're really not sure how it's going to develop, how it's going to be maintained. The proponents in favor of the voucher system would be quick to give you all the basic reasons and point out the importance of the particular situation.

I don't want to become repetitious, but I think it is important for us to look back and see what really happened. While the idea of the voucher system originated in the 1950s, to date this voucher system has never been implemented in any jurisdiction in Canada to

the best of my knowledge. In the mid-1970s, an experiment took place in California. As I recall, one school jurisdiction in the city of San Jose ran a voucher experimental system for a period of years, 1970 through 1978. From reading some of the documentation on the experiment, my understanding is that the experiment failed. I don't want to say failed miserably or anything else, but I understand it just wasn't as successful as the proponents of the system believed it would be.

Essentially, it failed for two general reasons. One is that it caused enormous administrative difficulties. Certainly when I talk about education, I'm not one to ever suggest that poor administration should be a reason for not attempting an innovative approach. But if the system only allows us to work with the administrators we have, and if they are incapable or unimaginative enough to develop a new system, I think we have to recognize the problem those people have. Secondly, in the analysis and evaluation of that voucher system experiment in San Jose, the consensus seemed to be that in fact that system did not provide any more choices than were already available in other school systems in the city in question. In the fall of 1979, the educational voucher plan failed to qualify for a vote in California to see whether the state legislators and the people — because the people were in favor of a new system — should debate it in their state legislature and move on the system. The organizers behind the voucher system in 1979 found themselves nearly half a million names short of getting the appropriate question placed on the ballot for review in that particular jurisdiction.

My understanding is that in 1972, a motion was placed in this Legislature to take a look at the voucher system. While there was debate on it, the system and the debate ended there.

The people in favor of the voucher system and the people against the voucher system raise a large number of different issues that have to be focused on to best understand the whole situation. Of course it leads to debate. My colleagues in this Assembly have been doing that for a period of time. I've been very diligently and attentively listening to all the arguments, both for and against, and have come to see that a number of arguments have to be considered. They have to be considered outside this Assembly as well. I simply do not understand or appreciate how at this time we could really establish a new type of educational system without complete assurance from the people — the parents and children — that they are in favor of such a system. My understanding is that to date there is no ground swell initiative on behalf of the people of Alberta that would suggest they are in favor of and want to see a voucher system implemented without delay.

In looking at some of the arguments, we should not lose sight of the fact that all the people who speak on it are well-meaning and very serious. They believe that ultimately education must be improved. I'm one who believes that the educational system in the province of Alberta is second to none in any jurisdiction in Canada at the moment.

All too often a lot of us provide peripheral views and in fact very subjective views about education which would suggest that our system is less than should be acceptable. Perhaps every person in this room is a product of the Alberta educational system. I look around and see very successful men and women, and they're here today because they got an education in this province. I think the 450,000 young people in this province are being well

trained and very well taken care of on a day to day basis by the outstanding men and women who function today as professional educators and teachers. So I'm a little leery at times, when new arguments are put forward about the need to improve this so-called quality system of education, that we are using that element of our society as a scapegoat. I think we should be consistently leery.

When I was a member of the Alberta Teachers' Association, on several occasions I had the fortune of being asked to be a guest speaker at conventions that occur in various divisions in the teaching profession in the province of Alberta. Year in and year out, I used to be adamantly angry about the philosophy displayed by a number of my colleagues, particularly those who organized the conventions. Invariably and inevitably they would bring in some fellow from, say, Sioux Falls, Iowa, or Orlando, Florida, or New York city. Because they had a geographic location behind their name, somehow that individual was worth a speaking fee of \$5,000, \$6,000, or \$7,000. They would get up and lambaste all the good teachers in the room who had worked daily for seven, eight, nine, or 10 months in the front lines in our environment in our province and understood completely what our education was all about. But somehow, because this person was brought in from the outside, he was worth this enormous speaking fee. After he levelled, humiliated, and downgraded everybody, and told us how backward we really were in this province, we of course all got up, clapped with great euphoria, and jumped out of the room with a great challenge to devise a new system.

We were consistently reinventing the wheel. What we seldom ever did was take a look at the educational system we have in this province today, at the strengths of it, and find counterbalancing arguments to the weaknesses in the system. To a very great degree, the voucher system raises that kind of emotion. Of course, those in favor say parents should be given the opportunity for active involvement in their children's education, including the freedom to choose precisely how their children will be educated. The belief is that the voucher system deserves implementation because it encourages total community involvement. Mr. Speaker, the fact of the matter is that, unfortunately, very few parents actively seek involvement in their children's education. Polls taken by educators in this country consistently point out that the general public, while it maintains it doesn't have enough to say about the educational system, unfortunately — and I really want to stress the word "unfortunately" — very few people want to get involved. If very few people want to get involved, it's very difficult for me to ascertain and understand how we can have a public debate which would clearly show that the greatest motivating force in this province is to move 98.5 per cent of the children currently enrolled in public and private school systems in this province into so-called alternative or private school systems simply because the voucher system would be in place to allow that transition to take place with a greater degree of ease.

Of course other arguments also surface. Those in favor of the voucher system say that, in essence, you're going to be creating free competition among students that will in fact improve the educational quality of the school. Those who are against it argue that your basic standard of education will drop. I don't know how many of my colleagues in this room have had an opportunity recently to take a look at the proliferation of courses we currently have in the educational system in this province. Some would say that we have such a tremendous proliferation of courses that in essence we're teaching too many so-

called Mickey Mouse courses. I certainly am not one who can stand up and become a judge, an arbitrator, of what is or is not a Mickey Mouse course. But it would seem to me that when all of us talk about standards and quality of education, we have a basic view that conforms essentially with the kind of educational system we were brought up and trained in. Certainly that educational system did not allow us to choose from 120, 130, or 140 courses that are available today. We may have had the choice of choosing either Latin or French as a second language; at least that was the option I had when I was in school.

Another argument oftentimes put forward by those in favor of the voucher system is that not only would the system provide diversity within the school for students but it would allow diversity within the school for administrators and teachers to mould the kind of school the community wanted and needed. The negative in terms of that kind of debate is that, unfortunately, you might see the system become hopelessly fragmented because so many small groups of people will say, we need this or that course. So no consensus of view could ever be attained, and in essence the school system itself would be undermined. Of course, that certainly is not the basic argument put forward by those people who are in favor of the voucher system.

Mr. Speaker, another argument put forward by those in favor of the voucher system is that the system would provide each student, regardless of socio-economic origin, an equal educational opportunity by bringing the private school into a sphere. Other speakers on this motion have already pointed out the unfortunate problem that might exist in the sense that we might see the development of an elitist-inspired school system. We live in a democracy, and one of the principles of democracy is that people should have an equal and fair opportunity to the finest quality and standard of life that we all must have in this province. It indeed would be very, very negative if the voucher system would see the creation of an elitist system that immediately started putting up roadblocks to people who might not be part of a particular social-economic group and would say, I'm sorry, but you cannot come. Now it's true that the Alberta Bill of Rights would protect those individuals, but we all know that from time to time there are loopholes in every kind of system.

It also concerns me, being a representative from rural Alberta where there might be only one school system, if in fact people who lived in another part of Alberta had an opportunity for a different type of education not available in terms of what is available for my constituents. Then of course those people would come and say, look, we're being inadequately served by the province, which is to ensure there is to be a fair, equal, high-quality standard of education for all people in the province.

Mr. Speaker, I'm getting very interested in the debate on this motion. In view of the time, I'd like to beg leave to adjourn debate and hope I'll have an opportunity later to get back into it. I've a number of additional points I'd like to make.

MR. SPEAKER: Does the Assembly agree with the motion for adjournment of the debate?

HON. MEMBERS: Agreed.

MR. MANDEVILLE: Mr. Speaker, on a point of privilege, I would like to announce to members of the Public Accounts Committee that we have cancelled our meeting

for tomorrow, and give credit to the lady who has the Canadian champion cowboy in her constituency, the hon. Member for Drayton Valley. The reason for cancelling the meeting is that some members want to go to the dinner tomorrow at the municipal convention. I've talked to the Minister of Education, and he has agreed to attend our meeting on November 25, providing we're still in session.

MR. CRAWFORD: Mr. Speaker, I indicated earlier that the House would not sit this evening. As to tomorrow's business, third reading on the Order Paper will be called

first, followed by Supply, the Department of Advanced Education and Manpower. Although forecasting a further day of government business isn't necessarily customary at this point, I will convey to all Members of the Assembly, because I conveyed it to the Leader of the Opposition today, that we intend that the House sit on Thursday evening to deal with committee study of Bill No. 69.

[At 5:27 p.m., on motion, the House adjourned to Wednesday at 2:30 p.m.]