

## LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Wednesday, March 24, 1982 2:30 p.m.

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

## PRAYERS

[Mr. Speaker in the Chair]

## head: INTRODUCTION OF VISITORS

MR. SPEAKER: This afternoon, it's an honor for me to introduce to the Assembly His Excellency Ambassador Erich Straetling, on his second visit to Alberta, and his wife, Mrs. Straetling. With them are Consul General Boll and Mrs. Boll.

*Es ist mir ein Vergnuegen und eine Ehre Seine Excellenz Herrn Botschafter und Frau Straetling heute in diesem Hause zu begruessen und willkommen zu heissen. Ich freue mich, zu dem, Herrn General-Konsul und Frau Boll hier bei uns zu sehen. Ich bitte unsre Gaeste die willkommen Bezeichnung des Parlaments stehend entgegen zu nehmen.*

[as submitted]

MR. CRAWFORD: Mr. Speaker, this afternoon I'd like to introduce a visitor to the Assembly, in your gallery as well. I hope all hon. members will forgive me if I do so in only one language. I would like to introduce a visitor to Alberta and, for the first time, to our Legislative Assembly, our colleague the Attorney General of Prince Edward Island, the Hon. George McMahon. I might add that although Mr. McMahon is only recently Attorney General of the province, he is a veteran parliamentarian, having held three previous portfolios in the government of Prince Edward Island. I ask that all hon. members welcome him now.

## head: PRESENTING PETITIONS

MR. KNAAK: Mr. Speaker, I beg leave to present the following petitions that have been received for private Bills:

1. the petition of the Lethbridge Country Club for the Lethbridge Country Club Amendment Act, 1982;
2. the petition of the Holy Cross Hospital for the Holy Cross Hospital of Calgary Amendment Act, 1982;
3. the petition of the Alberta Wheat Pool for the Alberta Wheat Pool Amendment Act, 1982;
4. the petition of the Canadian Lutheran Bible Institute for the Canadian Lutheran Bible Institute Amendment Act, 1982;
5. the petition of Brian Mann, D.G. Sayler, Robert Hladun, Kenneth Burton, and Robert Blakely for the Dunrich Trust Company Act;
6. the petition of the Montreal Trust Company and Montreal Trust Company of Canada for the Montreal Trust Company of Canada Act;
7. the petition of Joseph Spier, Gertrude Cohos, Bruce Libin, Gordon Hoffman, Norman Dvorkin, and Mark Shuler for the Calgary Jewish Centre Act;
8. the petition of the city of Edmonton for the Edmon-

- ton Convention and Tourism Authority Act;
9. the petition of the city of Edmonton for the Edmonton Economic Development Authority Act;
10. the petition of Gerrard McGinley and Douglas Harding Mitchell for the Campbell McLaurin Foundation for Hearing Deficiencies Act.

## head: TABLING RETURNS AND REPORTS

MR. BOGLE: Mr. Speaker, I wish to table with the Legislative Assembly the annual report of the Alberta Alcoholism and Drug Abuse Commission for the fiscal year ended March 31, 1981.

## head: INTRODUCTION OF SPECIAL GUESTS

MR. COOK: Mr. Speaker, I wonder if I could introduce to you 50 very bright grade 8 students from Cardinal Leger junior high school in my constituency. They are seated in the members gallery, accompanied by teachers Tony Durante, Loui Allemano, and Christina Stefanson. I had a chance earlier to discuss with them a bit about the proceedings this afternoon, and they asked some very tough questions. I hope they enjoy their visit to their Legislature, and I ask them to rise and receive the very warm welcome of the House.

MR. APPELBY: Mr. Speaker, I would like to introduce to you and to members of the Assembly a group of grades 6 and 10 students from the Grassland school in the Athabasca constituency. While the Grassland school is in my constituency, a number of these students are also from the Atmore area in the Lac La Biche-McMurray constituency. With them this afternoon are grade 6 teacher Mrs. Heatherington, grade 10 teacher Mr. Gagnon, parents Mrs. Duma and Mrs. Omelchuk, and bus driver Jim Zachkewich. They're in the public gallery, and I'd like them to stand and be welcomed to the Assembly.

## head: MINISTERIAL STATEMENTS

Department of Labour

MR. YOUNG: Mr. Speaker, pursuant to Section 7 of the Health Services Continuation Act, I wish today to announce the appointment of the arbitration tribunal to inquire into the health services dispute and endeavor to bring the parties to a settlement. The tribunal will be chaired by Mr. Justice Gregory R. Forsyth, of the Court of Queen's Bench of Alberta. The other two members will be citizens at large: Mr. Hal L. Spellissey, general manager, Calgary region, Hudson's Bay Company; and Mrs. Colleen M. Wood, of Edmonton, vice-chairman of the Alberta Health Facilities Review Committee.

Mr. Justice Forsyth brings to the tribunal valuable experience both as a judge and as chairman of arbitration boards during his years as a lawyer in Calgary. The tribunal will also benefit from Mr. Spellissey's long career with the Hudson's Bay Company and his many community activities, including his work as a vice-president of the Commonwealth Games in Edmonton. Mrs. Wood can draw on nine years' dedicated service on the Health Facilities Review Committee and its predecessor, the Hospital Visitors Committee, both committed to improving health facilities in the province.

In accordance with the terms of the Act, the parties in the health services dispute will have until April 15, 1982, to reach an agreement. If an agreement is not reached by that date, the arbitration tribunal may make its award, which would be binding on the parties.

#### head: ORAL QUESTION PERIOD

##### Arbitration Tribunal

MR. R. SPEAKER: Mr. Speaker, my first question is to the Minister of Labour, in light of the announcement today. Could the minister indicate whether one of the three persons on the arbitration tribunal was selected by the United Nurses of Alberta? Did they approve of the selection of one of the members so named?

MR. YOUNG: Mr. Speaker, I should indicate that neither party was consulted with respect to the composition of the tribunal. As indicated, the effort was made to identify citizens at large.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate the rationale behind that approach when, during the discussions of the legislation, there was a lot of concern that the United Nurses of Alberta or the Alberta Hospital Association have input to the members of that tribunal?

MR. YOUNG: Mr. Speaker, as I have indicated, the emphasis was to identify citizens at large who could bring to bear good common sense to this particular dispute. It is considered that through the expertise they will bring, through their staff or their direct representation to the tribunal, the parties will be able to make the points they wish in advancing their case.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. The minister indicates that bringing good common sense was the reason for selecting those people. Most likely, I could agree to that. But what prevented the minister from consulting the United Nurses of Alberta or the AHA with regard to the selection? What were the reasons that was not done? Could the minister elaborate on those, because it is very important?

MR. YOUNG: Mr. Speaker, I have already indicated that the parties had the first responsibility to resolve the dispute, and they failed to do that. Inasmuch as they have an umpteenth opportunity — really an opportunity following from today to April 15 — to resolve it between themselves if they are so inclined, that responsibility still rests with them, and they have the opportunity to exercise it. If they fail to do that, then the view is that they should put the case they have to advance before citizens of this province, who should be representatives of the citizens who were deprived of needed hospital services. They should put that case to citizens who reflect the views of the population of the province.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. I think the minister has already put the tribunal at a disadvantage, when he hasn't had input from the organizations involved in the dispute. Tradition and custom point out that the ...

MR. SPEAKER: Order please. If the hon. leader wishes to debate the point, of course he has complete liberty to do so by the usual means. I realize that some debating remarks have already been made on both sides, but I think we should now get back to the proper perspective of the question period.

MR. R. SPEAKER: Mr. Speaker, my supplementary question is: would the minister consider enlarging the committee, under circumstances where the United Nurses of Alberta or the Alberta Hospital Association may wish to make recommendations for persons on the arbitration tribunal?

MR. YOUNG: Mr. Speaker, the answer to that question is no. I should add that both parties have had from the time of the passage of Bill 11 to this date to make representation to me, in terms of appointees they may have wished to have had considered. Neither party did so.

MR. NOTLEY: A supplementary question. At least one of the people has a very distinguished career in management. Can the minister advise the Assembly whether any of the three have a strong background in labor?

MR. YOUNG: Mr. Speaker, I think it's fair to say that the persons we identified have a good knowledge of our society. To achieve that knowledge, they have obviously had experience in various facets of society. I submit that anyone in a management position, as is suggested, in the sense proposed here, also has an understanding of employee situations. I believe that's a fair observation to make.

MR. NOTLEY: Mr. Speaker, a supplementary question. In assessing the selection of people for this very important tribunal, what consideration was given by the minister to following the often-taken practice of having one from management, one from labor, and a neutral chairman? Why was that not followed?

MR. YOUNG: Mr. Speaker, I answered that question earlier. The endeavor was to identify citizens at large who would be representative of Albertans generally. I believe that these three citizens, who are known for their activities in the community, bring that understanding, common sense, and experience to this tribunal.

MR. NOTLEY: A supplementary question. It's not a question of either the ability or integrity of any of the three but the question of whether, in the selection process, the government — that must live with the legislation they introduced and pushed through this House — gave any specific consideration to someone with a strong background in the labor movement as one of the three people on the tribunal.

MR. YOUNG: Mr. Speaker, I can advise that consideration was given to only one person as a tribunal, to a tribunal made up of nominees from both parties, and to variations on these formats. The final decision was taken on the basis that the parties have had a long opportunity to resolve this dispute — they still have an opportunity — and that the nature of the dispute was such that it impacted upon all Albertans. Therefore, three good citizens of this province should be able to exercise the best judgment to render a fair decision.

DR. BUCK: Mr. Speaker, a supplementary question. I think it's very important that the minister and the government make it appear that they are trying to get the resolution in good faith. Mr. Speaker, my specific question is: did the minister or the government consider asking the United Nurses of Alberta and the Alberta Hospital Association to present two or three people from both sides, and the minister choosing from this group? Did the minister give that any consideration?

MR. YOUNG: Mr. Speaker, I have already indicated that that possibility was considered. For reasons already indicated, it was not accepted. Mr. Speaker, I would go further and say that as far as I am concerned, the integrity and experience of these people goes well beyond presenting an appearance of fairness. It is, in fact, a fair and objective tribunal.

MR. NOTLEY: A supplementary question. Can the minister identify for the House who made this decision? The minister indicated that certain options were evaluated. Who made the decision? Was it the minister, was it the Executive Council, or was it the government caucus?

MR. YOUNG: Mr. Speaker, the order is a ministerial order, over my signature.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. One of the major reasons for this unsettled dispute is working conditions in the hospitals. Could the minister indicate whether one of these persons appointed to the tribunal has any competence or expertise in working conditions in hospitals across this province?

MR. YOUNG: Mr. Speaker, it is expected that the parties will bring the competence and expertise of their cases and the substantiation of their cases before three experienced, tried-and-true citizens of this province, who will make a decision on what is fair and reasonable, based upon the evidence put before them. The challenge is clearly to the two parties to put their cases.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. minister with regard to the report, by the Alberta Hospital Association, on working conditions in the hospitals. Can the minister assure us that this tribunal will study that report and that it will be referred to them, as directed by this Legislature?

MR. YOUNG: Mr. Speaker, obviously I can't assure the hon. leader that the tribunal will study the report. I can advise the hon. leader that today copies of that report were delivered to the members of the tribunal.

#### **Oil Sands Production**

MR. R. SPEAKER: Mr. Speaker, my second question is to the Minister of Energy and Natural Resources, with regard to the present status of Alsands. March 31 is quickly approaching, and last weekend we had a cry for another war with Ottawa. Could the hon. minister indicate what effect that thrust from the Alberta government will have on the present consortium, and whether these statements imply that the governments will no longer have a united package for any kind of consortium?

MR. SPEAKER: With great respect, the hon. leader is asking the hon. minister for an outright expression of

opinion. Of course, expressions of opinion are the very essence of debate. In the question, I can't see any seeking after facts.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the Minister of Energy and Natural Resources indicate to us the possibilities at this time for an agreement with regard to Alsands by March 31?

MR. LEITCH: Mr. Speaker, the Leader of the Opposition is obviously asking me to guess at what might occur in the future. That I can't do. I can only say to the members of the Assembly that we are working hard on the matter. While dates, times, or places haven't been fixed for further meetings with the federal government, I expect those meetings will occur. As soon as we have information in that respect, we will be pleased to provide it to the House.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether there is any new hope of investors in the Alsands plant and partners for the consortium, or are we at the point where the project is really just a dead duck?

MR. LEITCH: Mr. Speaker, I assume the hon. Leader of the Opposition intended to phrase the question as to whether there was any hope of new partners, rather than new hope. Regardless of how it might be phrased, again I don't know that I can add to what I have already reported to the House on a number of occasions. We're having discussions with the members of the Alsands consortium, and we're having discussions with other potential participants. Until those are concluded, we would only be guessing at the result.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate to the Assembly the precise price per barrel of oil the consortium members project that they need, under existing tax and revenue conditions, to guarantee a reasonable rate of return? Has that figure been established, Mr. Minister?

MR. LEITCH: Mr. Speaker, the price forecasts being used by us and by the consortium members were essentially the same. Some differences arose from differences of view as to the inflation rate over the 30 or so years there would be production from the project. But there was no substantial difference between the price forecasts being used by us — that is, the Alberta government — and the participants. Mr. Speaker, on the currently assumed costs of construction — that is, the capital costs and operating costs — those forecasts certainly would have netted, for a taxable entity, a rate of return of approximately 20 per cent.

MR. R. SPEAKER: A final supplementary to the hon. minister, with regard to page 9 of the budget speech:

Given the sharpness of the North America economic downturn and damaging federal economic policies, the key objective of the government's fiscal strategy for the 1982 budget is to assist Albertans through the transition from the boom years of the 70's to the next round of rapid growth in the 80's.

My question to the hon. minister or the Premier: is the boom growth, or this growth in the '80s, dependent on Alsands proceeding?

MR. SPEAKER: Is the hon. member asking for a general economic forecast as to the effect of Alsands on the economy or on a possible boom?

MR. R. SPEAKER: Mr. Speaker, for clarification to the Chair, the hon. minister, and the Premier, the question I'm asking is whether this objective of the government is dependent on the inclusion of Alsands, in terms of their policy.

MR. NOTLEY: Is it basically part of your strategy?

MR. LOUGHEED: Mr. Speaker, the answer is no.

DR. BUCK: Mr. Speaker, a supplementary question. Can the Minister of Energy and Natural Resources indicate if any recent evaluations have been done in the communities of Fort McMurray and Cold Lake as to the impact of the on-again-off-again negotiations and no decision being made? Is there an up-to-date study on the impact on those communities, in light of the fact that we have no agreement?

MR. LEITCH: Mr. Speaker, I can respond to the hon. member by saying that in my view, the Members of the Legislative Assembly from those two constituencies have been doing an excellent job of keeping in contact with their constituents, reviewing the situations with them, and reporting to us.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate if the government is doing any surveys to indicate if any Tory supporters are left in those two communities? [interjections]

AN HON. MEMBER: Wait and see.

MR. KESLER: Mr. Speaker, a supplementary question. Can the hon. minister guarantee this Assembly that there will be no increase in the percentage of involvement by the federal or provincial governments in the Alsands project?

MR. LEITCH: No, Mr. Speaker.

#### **Water Management — Peace River**

MR. BORSTAD: Mr. Speaker, my question is to the Minister of Utilities and Telephones. Last fall, during debate, the minister reported to the Assembly that further geotechnical studies would have to be completed before any decision could be made as to whether there was a go or no go on the Dunvegan dam. At this time, can the minister advise the Assembly whether these studies have been started, will they be completed, and when will they be completed?

MR. SHABEN: Mr. Speaker, I recall responding to questions last fall by the Member for Grande Prairie. I indicated to the member that our earlier preliminary geotechnical studies indicated that there may be a problem with bank stability at the site of the proposed dam on the Peace River, near Dunvegan. In the estimates of the Department of Utilities and Telephones, we have included a request for \$600,000, to be used during the course of this summer, to undertake those studies to determine whether there is a problem with bank stability.

MR. BORSTAD: A supplementary, Mr. Speaker. Are private companies still interested in building the dam, once the studies are complete?

MR. SHABEN: Mr. Speaker, we received two proposals to undertake construction of the project. We continue to work with those utilities involved. Incidentally, the two proposals between them involve four utilities in the province. We believe the determination of level of interest will not be known until the studies are completed later this summer.

MR. STROMBERG: A supplementary, Mr. Speaker. Could the minister inform us if B.C. Hydro has made clear its plans for proposed low-head dams below the Bennett dam? How might they affect the height of the proposed Dunvegan dam?

MR. SHABEN: Mr. Speaker, this may not be the forum to discuss B.C. Hydro's plans. However, Alberta's proposal for development on the Peace River, near Dunvegan, was a low-head dam. That position has not changed.

MR. NOTLEY: A supplementary question to the minister that relates to the last answer with respect to a low-head dam. Has there been any further consideration to the two other options of a medium-level and a high-level dam? Is that related to the question of bank stability in any way, or is the question of bank stability in the study the minister is commissioning this year related solely to the construction of a low-head dam?

MR. SHABEN: Mr. Speaker, the first part of the hon. member's question relates to whether the government would continue to pursue, or again consider, a medium- or a high-head dam. The Minister of the Environment may wish to comment, because I believe he's had discussions with his counterpart in the province of British Columbia. With respect to the type of structure, it's important that the geotechnical studies be undertaken to determine, within some reasonable range, the costs of such a structure. Presently our consideration is for a low-head dam.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Minister of the Environment. What can the minister report to the Assembly at this stage with respect to discussions, held with his counterpart in the government of B.C., on the environmental implications as well as perhaps moving to a higher dam, either the intermediate or the high-level dam?

MR. COOKSON: Mr. Speaker, I don't think I can add too much to what the Minister of Utilities and Telephones said. The most recent discussions dealt with the low-head dam. We have had some discussions on other matters. But at the present time the situation is that the low-head type of dam is preferred, because of the implications on the British Columbia side.

MR. NOTLEY: A supplementary question to the minister. Has there been any further discussion by the government of the observation in the water committee report, which we discussed in the Assembly last fall, concerning the intermediate and high-level dam as it relates to the practicality of water diversion?

MR. COOKSON: No, Mr. Speaker.

MR. BORSTAD: A supplementary, Mr. Speaker. Can the Minister of Utilities and Telephones elaborate further on the time line we're talking about, as far as the geotechnical studies being completed and the possibility of a decision being made on whether the dam is go or no go?

MR. SHABEN: Mr. Speaker, we expect that the work will be undertaken this summer; it's the type of work that has to be undertaken during the summer months. When the information is complete, it will be assessed, along with the original material. I'm sure a decision will be made as soon as possible, as a result of that information. Also, consideration will be given to other information, due at that time, on other potential hydro sites in the province.

#### **Emergency Planning Order**

MR. ZAOZIRNY: Mr. Speaker, my question is to the hon. Minister of Federal and Intergovernmental Affairs. It arises from concerns raised by a number of my constituents with respect to a 1981 federal government cabinet order, the emergency planning order. In his capacity as Minister of Federal and Intergovernmental Affairs, could the minister advise the Assembly whether he has had an opportunity to review that document and assess its implications for Albertans?

MR. JOHNSTON: No, Mr. Speaker, I haven't.

MR. ZAOZIRNY: A supplementary, Mr. Speaker. Could the minister undertake to obtain and review that document and obtain a legal opinion as to the its constitutional validity?

MR. JOHNSTON: Mr. Speaker, together with the Attorney General, I'd be glad to do that and report back to the member.

MR. MOORE: I wonder if I could briefly add to the comments of my colleague the Minister of Federal and Intergovernmental Affairs. Some months ago, in my capacity as minister responsible for disaster services, at a meeting in Ottawa I had the opportunity to be advised of the contents of the emergency planning order by the federal minister, the Hon. Mr. Pinard. At that time, I expressed the very grave reservations of the government of Alberta about the direction they were heading, and later expressed the same comments to him by letter, on behalf of the government of Alberta.

MR. ZAOZIRNY: A supplementary, Mr. Speaker. In light of that answer and given the purported contents of that order, could the Minister of Federal and Intergovernmental Affairs undertake to make further representations as well to the federal government, giving in the strongest possible terms the objections of Albertans to that kind of government action?

MR. JOHNSTON: Mr. Speaker, that's a reasonable request. As the Minister of Municipal Affairs indicated, he personally has done that. I think it's certainly worth considering the legal implications. I don't know if that's been done on behalf of the province, but I'm sure it will

be undertaken. We'll check to see what action is now being done.

#### **Educational Opportunity Fund**

MRS. EMBURY: Mr. Speaker, my question to the Minister of Education is with regard to constituents' concerns about an educational opportunity funding project for a language arts curriculum expansion program, which has been carried out in three elementary schools in my constituency. Could the minister please advise the Assembly why the funding for this program has been cancelled, as of June 1982?

MR. KING: Mr. Speaker, the educational opportunity fund provides a sum of money to which every board in the province has access when they present proposals for learning initiatives, which become funded if approved by the Department of Education. It is the responsibility of the local school board to propose educational initiatives such as the one described by the hon. member. In this case we are dealing with one that was judged to be worth while, so it did receive funding from Alberta Education.

At the end of a cycle, it is the responsibility of the local school board to resubmit that project for funding, if they wish to continue receiving funding from Alberta Education. The alternative is that rather than put that project forward, they withdraw it and put forward another proposal. That is apparently what has happened in this case. At the local level, the school board has decided it wishes to fund some program other than this program. At the same time, it has also made the decision not to fund this program from within its own budget. Because of those two decisions, made locally, the funding terminates at the end of June.

MRS. EMBURY: A supplementary question, Mr. Speaker. I'd just like to clarify one point with the minister. You're saying that if the parents feel this is such a worth-while project for their children in the elementary school programs, it would be up to them to try to have the local school board find the funds in their budget. Would the minister assure the Assembly that sufficient funds are designated to the Calgary school board that this program could continue?

MR. KING: Mr. Speaker, the purpose of the educational opportunity fund is to provide financial support to local school boards, so they can experiment with new ways of doing things. It is quite clear that the term for an EOF program is ordinarily three years. At the end of three years, the expectation is that the value of the program will either have been demonstrated, so the board will find it worth while to fund it out of its budget, or it will not have been demonstrated.

The opportunity exists to the local board to resubmit this project, if that is what they choose to do, locally. If they choose not to resubmit it to the department for funding from us, then the only way it can continue would be for them to fund it from their own budget. But, of course, it's our expectation that they would do that.

#### **Utility Rates**

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Utilities and Telephones. It concerns the widespread frustration with much higher hydro-electric power rates. Has the government of Alber-

ta taken any position with respect to the applications to the Public Utilities Board by both Alberta Power and TransAlta, asking that the method of computing the rate of return be increased to something in excess of 17 per cent on equity?

MR. SHABEN: Mr. Speaker, the Public Utilities Board — which is a quasi-judicial body and well recognized, not just in Canada but across North America, as an outstanding regulatory utility body — undertakes and deals with matters related to utilities: rate increases, rates of return, and those matters. The government does not get involved in matters alluded to by the Member for Spirit River-Fairview.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Given the 42 per cent and 32 per cent respective increases ...

MR. SPEAKER: Order please. Let's come directly to the question. The previous question was also prefaced with remarks which, had the minister decided to take notice of them, could have led to a lengthy debate.

MR. NOTLEY: Mr. Speaker, I certainly want to make sure the minister knows the question I'm asking. The question is: beyond the PUB, has there been any review by the government of these huge increases in profits by both TransAlta and Alberta Power: 42 per cent and 32 per cent? On what basis is this government guaranteeing these kinds of profits to regulated utilities? They don't have to face the challenge of competition in the market place, when business after business in this province is facing lowered returns.

MR. SPEAKER: The minister certainly should be allowed to answer, but the question would have been quite an appropriate opening to a motion on the topic, which might come up for debate. I respectfully suggest to the hon. member that he try to ask his questions unencumbered by contrived contradictions, facts, or conclusions which may not be accepted by other members and which other members might welcome having an opportunity to debate if those same statements were made outside the question period, where they ought to be made.

MR. SHABEN: Later on, Mr. Speaker, when the estimates of the Department of Utilities and Telephones are before the Assembly, I look forward to an opportunity to deal at some length with the issues raised by the hon. member.

I'd just like to say that it's pretty difficult to respond in question period to the kinds of comments made. It seems to indicate to me a lack of understanding of what goes into a rate requirement or a rate hearing. A number of factors go into rate applications. Some of the factors we're all faced with today are rapidly increasing interest rates, high rates of inflation, and a new plant going on stream. If one compares plant or a return on equity, that's the important criterion used by the Public Utilities Board, as opposed to percentage figures. I think it's unfair to separate those and point out one area, as opposed to the overall area of utility regulation.

As I indicated earlier, Mr. Speaker, the Alberta Public Utilities Board is recognized, and we in the government recognize the outstanding job they do and the knowledge they bring to this difficult question of utility rates. From my point of view and that of my colleagues in the Legisla-

ture, we recognize that it is difficult for citizens, when they face increasing utility costs. As a result, a number of programs are in place: one, the Electric Energy Marketing Act, which was passed last fall, and a significant subsidy of \$72 million to assist Albertans in the current year was announced in the budget; and the natural gas price protection plan, which provides over \$100 million of price protection to Albertans.

So it's a matter that I believe should be debated during the estimates of the Department of Utilities and Telephones, Mr. Speaker.

MR. NOTLEY: A supplementary question. Is the minister in a position to assure the House that none of these higher power rates causing concern throughout the province are in any way associated with the takeover costs of purchases of the various utility companies that have occurred in the last two years? I won't outline ... The minister well knows the takeover bids that have occurred. Can the minister tell the House that in no way, shape, or form do the consumers of this province have to bear any costs, over and above the regulated rates, for takeover, acquisition costs, and premiums paid for the purchase of these shares?

MR. SHABEN: Mr. Speaker, I'd have to do a little checking on the question, because it has considerable detail. But I'm aware that over a number of years there have been purchases of one utility by another. The practice of the Public Utilities Board has been not to allow any premium paid for the purchase of those shares to go into the rate base. The rate base is based on depreciated plant, and any premium paid in that purchase is not considered.

MR. NOTLEY: A further supplementary question. Can the hon. minister advise the Assembly of the reasons for the decision to begin the new marketing agency — I'm referring to page 47 of the budget — on September 1, 1982? When this legislation was debated in the House last fall, it was my understanding that the start-up date was April 1. What are the reasons for the five-month postponement?

MR. SHABEN: Mr. Speaker, we had targeted April 1. But upon review and work with the various utilities and the cities — and it's been extensive in the past number of months — we wanted to be absolutely certain that the program was implemented in [such] a manner that there was least disruption of citizens, consumers, the cities, and the utilities. So more time was necessary.

There were also budgetary implications, in that beginning September 1 and for the balance of the fiscal year, the cost to the general revenue fund of implementation of the program, as indicated in the budget by the Treasurer, is \$72 million. That was another consideration, although not as important as ensuring that the Act was implemented in the best possible way and with the least possibility of error.

MR. ZAOZIRNY: Mr. Speaker, a supplementary question, if I may. Could the minister advise the Assembly whether any new initiatives are being considered to help soften the blow, or at least allow a phase-in of some of the dramatic increase in the cost of natural gas home heating being experienced by Albertans at this time?

MR. SHABEN: Mr. Speaker, naturally we have been aware of the high home-heating costs throughout this past winter, and earlier in the sittings I responded to some of the reasons. We've had a much colder winter than the two or three previous winters, which indicated that the consumption levels were higher. There was also some increase in the natural gas cost, as well as a considerable increase in the federal taxes. Throughout the months ahead, we will review our natural gas price protection plan, as we always do.

Mr. Speaker, one of the things I would urge consumers to do is work with their utility to average their utility costs. Most of the utilities offer budget plans to consumers. Consumers experience basically two heating seasons: in the summer it's very low, with very little gas consumption, but in the winter considerably more.

MR. SPEAKER: With great respect, I find the minister is switching from an answer to a ministerial announcement.

#### **Hazardous Waste Disposal**

MR. KESLER: Mr. Speaker, my question is to the hon. Minister of the Environment. After visiting the county of Beaver, I again have a question related to the hazardous waste situation there. Has the minister recently visited the county of Beaver, to meet with the people of that area and hear their concerns with regard to the plan to build a hazardous waste plant in their area?

MR. COOKSON: Mr. Speaker, insofar as the site is concerned, we have pretty well left the decision-making process to the local authority. I've occasionally had briefs submitted to me in correspondence, but it's primarily the responsibility of the local authority to negotiate whatever arrangement can be made between it and our own government with regard to siting. We are prepared to do the testing work required to approve the geophysical qualities of the property involved. Of course, any site has to meet the very stringent requirements under the various pieces of legislation: the Clean Air Act, the Clean Water Act, and the land reclamation Act, as well as any legislation for transportation of dangerous goods and that sort of thing.

MR. KESLER: A supplementary question, Mr. Speaker. Given the importance of the decision about the plant to the people of that area, before he moves ahead, will the minister undertake to conduct a plebiscite on the basic principle of the issue: whether or not the people of the community want such a facility in their area?

MR. COOKSON: Again, Mr. Speaker, I think that will be a judgment the local authority will make.

I might comment with regard to a recent event in the county of Beaver, where the elected officials had to operate under some considerable duress. At the present time, that is being investigated. I wouldn't want to comment further on that, except to say that there is a proper procedure for negotiating and working with the local authority, and I hope that procedure is followed in any kind of presentation, as far as the local authority is concerned.

MR. KESLER: A supplementary question, Mr. Speaker. Can the minister assure the House that the county of Beaver is indeed the best location, from the point of view of safety and public accessibility, and not just an easy out

for the minister, who is having difficulty finding a site for such a plant?

SOME HON. MEMBERS: Order.

MR. COOKSON: Mr. Speaker, I might comment in this regard. We have done a very comprehensive review of the province, as far as areas that we consider would meet all the criteria we lay down. And these are very stringent criteria. Generally speaking, the county of Beaver has come up a plus on about three separate sites we think will meet the criteria, including distance from residential, distance of transportation and, hopefully, the geophysical, which we still have to pursue. We are focussing primarily on those three sites at the present time.

MR. NOTLEY: A supplementary question to the minister. It relates to the question of a plebiscite in the county of Beaver. Will the minister give the House unequivocal assurance that the government of Alberta will respect whatever decision is made by the residents of the county of Beaver, in a plebiscite properly conducted by the county?

MR. COOKSON: Mr. Speaker, I might respond to the NDP member in this regard. Plebiscites can often work both ways. First of all, the request of a group which met with the county and suggested the wording for a plebiscite: if one interpreted the wording literally, it indicated that there would be no more funding, in a sense, in the county of Beaver for all sorts of projects, including things such as sewage lagoons, regional sanitary landfills, areas for collection of chemical containers, that sort of thing. That's the dilemma and the problem with the wording of the present request.

In addition to that, the problem with plebiscites is that if there were a plebiscite and it happened to be defeated by the county of Beaver — in other words, rejected; the idea that there shouldn't be a plant there — then the proponents of the plebiscite would obviously be angry. Their argument would then be that we shouldn't have had a plebiscite. That's the dilemma you face with plebiscites. So I can't give you a categorical yes or no to that question.

MR. NOTLEY: Mr. Speaker, a supplementary question. We've had a rather intriguing philosophical dissertation by the minister. Not very informative.

The basic question is whether or not this government is going to respect a properly worded plebiscite by the residents of the county of Beaver, should one be held. Will this government respect the decision of the local residents of that community, or will it foist this project upon them, regardless of the views ...

MR. SPEAKER: Order please. The question is clearly hypothetical in form; however, if the minister wishes to answer, I suppose he could.

MR. COOKSON: I'd like to comment in this regard, Mr. Speaker. It's rather interesting that for the last five or 10 years the NDP has been so anxious to get a place to handle these products, and now obviously they are against getting a place to handle them. [interjections]

MR. NOTLEY: Mr. Speaker, I put the question to the hon. minister. [interjections] The minister knows perfectly well that the issue is whether or not the viewpoints of the

county of Beaver will be respected. I put the question very directly to the minister: if a properly worded plebiscite is put to the residents of that county, will the government of Alberta respect the decision of the residents of the county of Beaver?

MR. SPEAKER: Purely hypothetical, which in that form would have to await the plebiscite and then be asked afterwards.

MR. KESLER: A supplementary question, Mr. Speaker, to the hon. minister. In the category of recommendations for the hazardous waste plant, I wonder if the hon. minister could tell us what weight is given to the factor of public accountability in the choice of the site for such a plant.

MR. COOKSON: Accountability is extremely high, Mr. Speaker. The province and the local authority have to be accountable insofar as ensuring that whatever plant is constructed meets the major requirements of our legislation.

MR. KESLER: Mr. Speaker, a supplementary question. In regard to public accountability being a high priority, then perhaps the hon. minister could state whether or not he would respect a plebiscite on the matter.

MR. SPEAKER: The same question has been asked about four times.

I believe the hon. Minister of Energy and Natural Resources wishes to deal further with something that arose earlier in the question period.

#### **Shut-in Oil Production**

MR. LEITCH: Mr. Speaker, a few days ago I was asked for some details about the level of oil producing capacity in the province that was shut-in during the month of March. I'm now able to advise the Assembly that 53,000 barrels per day of heavy oil producing capacity was shut-in during the month of March, and 57,000 barrels per day of light and medium oil. That, being a total of 110,000 barrels per day, represents a little over 10 per cent of the province's producing capacity.

### **ORDERS OF THE DAY**

#### **head: GOVERNMENT BILLS AND ORDERS (Second Reading)**

##### **Bill 26**

#### **Appropriation (Interim Supply) Act, 1982**

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 26, the Appropriation (Interim Supply) Act, 1982.

This Bill is the traditional interim supply Bill and provides, with some exceptions, approximately a third of the moneys which, until the main estimates are approved, would be necessary to meet obligations under the various programs authorized by the Legislature.

MR. NOTLEY: Since this is interim supply, it gives us an opportunity to debate the question of whether we should be granting interim supply. I want to take this opportuni-

ty to make a few observations about the answers of the Minister of the Environment today on the question of the waste disposal plant in Beaver county.

Mr. Speaker, I'm absolutely appalled that we have a government in this province which is not prepared to recognize the basic right of the residents of a municipality in Alberta to make a decision as important to the future of that municipality as whether or not this waste disposal plant is located in Beaver county. The decision is quite properly one that should be made by the residents of Beaver county. It's an appalling prospect, absolutely appalling, that we have a minister standing in this House and not giving us a commitment that this government would respect the decision, either yea or nay, of the ratepayers or the residents of Beaver county.

The minister tries to tell us in the question period: wouldn't it be a terrible thing for the proponents of the plebiscite if they lost the vote. Too bad. In a democratic society — as the Premier said last fall when he talked about this little cabinet committee meeting where he and the minister lost — sometimes you win some, sometimes you lose some. But, Mr. Speaker, the point that I think has to be made in this Assembly, before we vote yea on interim supply, is whether we have a government in office which is going to respect the decision of local ratepayers. I just don't think it is at all adequate to side-step the question. During the next few days when this matter is debated throughout the county, should a plebiscite be held, in my view there is absolutely no doubt as to what the government should do. It should respect the decision of the ratepayers of that particular community.

Before we pass interim supply, I say to the members of the government that one of the real concerns I encounter as I travel throughout the province, is a feeling that you've got a government in office that is not prepared to listen to the people, that makes its decisions behind closed doors, that foists those decisions on the people without any respect for the democratic process. Mr. Speaker, frankly that isn't good enough at all.

Talking about interim supply, I'd also like to say — and I'm sorry the Minister of Utilities and Telephones has left his place — it's high time we had a government in office that would do something to help the consumers of this province on the question of high utility rates. Last fall we were promised that this marketing commission would start on April 1, that indeed part of this interim supply Bill would be to cover the start-up costs of this commission. Well, Mr. Speaker, now it's not going to start until September 1, five months later.

What have we found throughout northern Alberta? You don't go to a single community where people aren't raising the issue of power rate increases which are unjustifiably high. Mr. Speaker, we were told last fall that that was all going to be looked after. We were told that this government had everything in hand and that we had this new marketing commission which would even out the power rates in the province of Alberta. Well they're not very even now. Go to a place like Clairmont, Spirit River, High Prairie, or any of the other communities in northern Alberta and ask them about the power rate increases which have occurred in the last few months. Ask the senior citizens who are trying to get by on this \$10 a month increase in the Alberta assured income, which the Provincial Treasurer so generously puts in the budget this year. They've had increases of \$30, \$40, and \$50 a month in power rates. Ask them what they think about the government's new so-called power equalization plan, which isn't going to get off the ground until September 1.



Faced with profit increases by the private utility companies, 42 per cent in one case, 32 per cent in another — and we don't even know for sure whether some of those increases are in fact related to the round of takeover bids which have occurred in the last two or three years as far as the private power companies in the province are concerned.

So, Mr. Speaker, when it comes to voting interim supply — normally it is a routine thing — it seems to me that certain pretty fundamental bread-and-butter issues need to be addressed. Beyond those is the question of the form of government itself, of being willing to respect the judgment of the people of a community.

I close my remarks on this Bill by saying that on the issue of Beaver county — one of the questions this afternoon — and on the issue of power rates, in my judgment we have a performance on bread-and-butter issues which is inadequate; and on the issue of the key question of respecting the decisions made by a county, an appalling lack of commitment by the minister this afternoon. It isn't good enough. It isn't good enough for members to sort of laugh about it and then pass the interim supply Bill and not recognize what we have heard this afternoon from the Minister of the Environment.

Mr. Speaker, if that were Mr. Trudeau making those statements, I could just imagine what the Rt. Hon. Joe Clark and all the Conservative members would be saying in the House of Commons, and properly so. They would be talking about arrogance, lack of respect for people. And they would be right. What makes it different when it's a Conservative minister saying, well, we'll take a reading, or we don't want to make a judgment because plebiscites are difficult to predict or to evaluate.

Mr. Speaker, this is an important issue to the people of Beaver county. In my view, this government should very clearly make a commitment to respect whatever decision the ratepayers of that community render, should a plebiscite be held.

MR. R. SPEAKER: Mr. Speaker, I'd like to say a few remarks about interim supply as well, maybe not so much in terms of detail, but the need of it by this government and the utilization of those funds. Interim supply will allow the government to proceed. That's what it does, while there is adequate discussion on the budget before this Legislature. Adequate discussion on supply. Mr. Speaker, I stand only because of the way this government wants to look at the opposition and the members of the Legislature in discussing supply.

Last evening in the Committee on Privileges and Elections, the government said to the opposition: we are now putting a muzzle on you; in 12 days, or in 12 minutes, you must pass \$12 billion. They also said that \$8.6 billion must be passed in 25 days. Thousands of programs receive money in this budget; hundreds of programs. There are 42,000 civil servants spending money across this province. Government is allowing funds to be spent all over the place without objectives, accountability, or direction. We have a situation where members of the Legislature are being cut in their time to hold the government accountable.

Mr. Speaker, I stand because this item is of concern and should be reviewed often in this Legislature. To be accountable to our electors back home, we as members on this side of the House and on all sides of the House must be able to say to them when we go home: we have spent adequate time on supply.

MR. NOTLEY: Exactly.

MR. R. SPEAKER: If the report that comes back from the committee is accepted by this Legislature, we in this Legislature will be muzzled ...

MR. SPEAKER: Order please. Surely the hon. leader has been in this House long enough to know that when there is very evidently going to be an opportunity before the House for debating the proposed change in the *Standing Orders* or the report of the committee on that topic, that is the proper time to debate that topic. That debate may not be anticipated by debating another topic, which is the second reading of a Bill. That's the topic we're on now. I must ask the hon. leader to make his remarks relevant to what is before the House, which is second reading of a Bill.

While I'm on my feet, I should express my concern about the offering in debate just given by the hon. Member for Spirit River-Fairview. We're debating the second reading of a Bill which has certain specifics in it. While it may well be that there's a principle in the Bill, which is whether interim supply should be voted at the present time, I was unable to detect any difference between what the hon. member was saying and what might have been said on a motion dealing with the fiscal policies of the government or in the rather wide-ranging debate which has followed from the introduction of the budget. Surely if we're going to have a reasonable rule of relevance and practicality in the House, you would assume that you wouldn't have the same kind of debate on two different matters. But that's what we had this afternoon.

In any case, to come back to the original point, I would respectfully suggest to the hon. Leader of the Opposition that we get back to this Bill. We do not anticipate, by means of totally irregular debate which other members will then be able to demand an opportunity to engage in, what may come up in regard to a possible change in the *Standing Orders*.

MR. R. SPEAKER: Mr. Speaker, on the point of order. I'd like to say that the principle I was speaking to is the one you refer to. The principle of interim supply is to provide moneys to the government while discussion and debate on the formal budget is being carried on. I was speaking to that principle and saying, yes, maybe we need interim supply now, and we should pass second reading of this Bill so we can have adequate time to study the total budget presented to us by the Provincial Treasurer last Thursday.

So the conclusion to my debate: after saying, look, it's unfortunate that we grant interim supply today — which I will do — which is to allow for adequate time to study the budget, and all of a sudden the government brings in a rule that says I am cut off after 25 days. [interjection]

MR. SPEAKER: Order please. The hon. leader hasn't added a word which would change the situation. I assume we're going to be debating the rule, and there seems to be ample indication for it now. We're going to be debating that rule on the appropriate occasion, and we are not going to debate it this afternoon.

MR. NOTLEY: Mr. Speaker, on a point of order. It seems to me that while there may be some point to the observation that we should not anticipate a debate which could occur at another point, the same could be made with equal accuracy to observations in the Speech from

the Throne debate. Observations made by hon. members in the Speech from the Throne debate could be debated in the general budget debate. Certainly anything said in the budget debate can be debated in estimates. So I find it very difficult to understand why we have this kind of very restrictive ruling with respect to interim supply.

As I understand interim supply, it has not been a custom in this Legislature for us to debate it. It's fair to say that it has been passed pro forma. But as I understand other jurisdictions, including the Parliament of Canada, there can be very wide-ranging debate on interim supply, as long as it is related to the question of supply and as long as issues — and the two examples I cited, with respect to the planning for the waste disposal plant as well as the power issue and the new marketing board, have start-up costs that would be affected by the interim supply motion.

Mr. Speaker, it seems to me that despite the fact that this Legislature has not, as a normal rule, gone into interim supply debate on any thorough basis, the *Journals* would indicate that other legislatures and other parliaments in our system do allow members to discuss rather extensively on interim supply, matters which in fact may occur again in the formal budget debate and which may occur still again in the discussion of the estimates. That being the case, Mr. Speaker, I would say to you, with great respect, that if there's any doubt, the doubt should rest in the interests of the member's ability to state a case on a Bill which deals with the supply we're going to grant Her Majesty on an interim basis in the short run. I would say that if there's any doubt, that doubt has to rest in the interests of the member.

MR. SPEAKER: No question: if there's a real choice, on a practical basis, between being restrictive and not being restrictive — and I think I've said this more than once in this Assembly, going back for quite a few years — the choice has to be made on the side of being less restrictive. However, as in all good things, there has to be a limit.

The hon. Member for Spirit River-Fairview has already pointed out that it is not customary to debate interim supply in this Assembly. Notwithstanding Standing Order 2, I certainly hesitate to go so far as to say that that would mean we couldn't debate second reading of the Bill. That would be extreme. However, harkening back again to what was said by the hon. member, we have these two wide-ranging debates. We have the debate on the motion for the address in reply to the speech of His Honour, and we have a wide-ranging debate of similar latitude on the motion of the Provincial Treasurer with regard to the budget. But that certainly doesn't mean that we're going to have that same wide-ranging debate on every Bill that comes before the Assembly. Therefore I would respectfully ask the hon. Leader of the Opposition, if he is so inclined, to continue his speech and to deal with the Bill.

MR. R. SPEAKER: Mr. Speaker, if I understand correctly, the principle of this Bill is whether I agree to second reading of providing interim supply. At this point in time, I agree that interim supply must be given to the government. I agree with passing Bill No. 26 in second reading, and we will vote for that. Mr. Speaker, that's my position.

Then I am saying, why am I supporting that? I am supporting it because it should give me time to study the budget. That's my reason. I don't know why else it's coming in as interim supply. It's March 31. If the

government wanted to bring in the actual budget and pass it today — maybe they want to do that, and we wouldn't need interim supply.

MR. NOTLEY: Under the new rules, they almost can.

MR. R. SPEAKER: That's right. Under the new rules, they can do it in 12 days. My point is that to really serve my constituents well, I have to vote for this on second reading.

MR. NOTLEY: And these are the heirs of John Diefenbaker?

MR. R. SPEAKER: Mr. Speaker, my argument is that the government should consider the step they are making today and consider the fact that I am voting for this Bill on second reading to give them time to have money to continue to operate the government — in a very irresponsible way, I may add, but to operate it. We can't stop that, all of a sudden. As the Premier tells us, we will shortly, and that's good. But the tact of the matter is that the government, upon receiving my assent to this Bill, as well should give consent to continuing the rules of this House as they are, so we have an open-ended study of the budget while interim supply is being dispensed in a very frivolous, very erratic — maybe that's a better way of putting it — manner across the province of Alberta. I think that's a fair trade-off. Give them interim supply today and give us the opportunity for full debate on the budget and long, open discussion, like a court, as I indicated in this Legislature last evening. When you have a hearing in a court, it goes on and on until all the information is put before whoever is making judgments, and until you are assured that the right things have happened. That's what I want out of . . .

MR. SPEAKER: Order please. Let's get back to the Bill, and let's not be debating something which is not before the House, and that is an amendment to the *Standing Orders*.

MR. R. SPEAKER: Mr. Speaker, in continuing my debate, what is before the House is the way the government treats the opposition in dealing with the budget.

MR. NOTLEY: Exactly.

MR. R. SPEAKER: If interim supply is to last for the next three months, and they feel that that is adequate time for dealing with the problems and meeting the needs of the people of Alberta, we are saying: you will have three months after we give you interim supply through this Bill; you will have enough to run the government for the next three months. Then allow the budget debate to go for the next three months if necessary. Why should we close it off any earlier? I haven't the slightest idea, Mr. Speaker. So in my benevolent manner, I approve second reading of this Bill today and go along with it for that reason.

I understand that following this, the trade-off from the government will be the same type of open and agreeable attitude so we can talk about government programs, the government can brag about the great things they are doing for themselves and for Alberta, and we will have a good, accountable government, doing the things it is supposed to do. That's really what we want in this Legislature, Mr. Speaker. The government has nothing to hide.

They've told me that lots of times. My colleagues in the opposition must have adequate time to see if that assumption is true. But when we're cut off after 25 days of debate on the . . .

MR. SPEAKER: Order please. Unless the hon. leader wishes to debate Bill No. 26, I must respectfully ask him to retain his seat.

MR. SINDLINGER: Mr. Speaker, I would like to address some comments to Bill 26, the interim supply Act, 1982. It appears that what we have here is a question of relevancy in two regards. The first is with regard to the issue brought up by the Member for Spirit River-Fairview, the waste disposal site. The second is with regard to the rule change.

Addressing the waste disposal site, it appears to me that the issue brought up by the member is very relevant to the interim supply Act. The reason is that the Environment Department has an appropriation here for several hundreds of millions of dollars. That is the generic root of everything the government does. What it does not say here about that several hundreds of millions of dollars for the Department of the Environment is the specific use of the money. It identifies broad categories, but we do not know if any of this money would be intended for studies, land purchases, or any other activities required for the waste disposal site. The only way we can find out is by taking the time to ask, which is what I think the Member for Spirit River-Fairview was doing today, among other things. I think that is the only way we can do it. That becomes a very relevant question and should fall under the purview of the debate for this particular Act.

I understand that by custom we have not debated this interim supply Act on second reading to the extent we have today. I can understand that there are very practical reasons for that. However, there are extenuating circumstances when we look at the second issue here, and that's the question of the rule change and the matter of relevancy. I believe this is the opportunity members have to address that question of the rule change, because it is this specific item that will be affected by the rule change. One might argue that we should wait until that matter comes up and not argue it before it does happen. But in some cases, in looking at this in different ways, it's like saying, "Let's close the barn door," after the horses get out.

I don't think the members of the opposition want to make an issue of this at this particular time. But I think they are certainly justified in bringing it to the attention of the Legislative Assembly and arguing counter to the ruling the Chair has just made. I think it does establish a precedent for future situations, when perhaps there might be an occasion for Members of the Legislative Assembly to argue or debate the Bill more thoroughly on second reading. We should bear in mind that although the Legislative Assembly has a very small opposition now, there may be times in the future when the opposition will be larger and more members would like to address the subject. We should not deny them that opportunity by setting a precedent which limits debate on second reading of the appropriation Bill. [interjections]

In conclusion, all I can say is that in my opinion both issues raised by members are relevant to the appropriation Act, and members should not be denied the opportunity to debate if they so desire.

DR. BUCK: Mr. Speaker, I would like to make one or two comments on Bill 26. It seems that this government has absolutely no regard for traditions of the Assembly. It also seems there is a great tendency for a government that is finally starting to believe the polls that indicate they are not listening to people — and they're starting to get some feedback that the action should be returned to the Assembly. So the tokenism of saying we listen to people is there, but the actions are not there.

Mr. Speaker, I have been a member of this Assembly for a few years. Traditionally this Assembly used to start its sessions at the end of January — February 15 at the latest. Why, Mr. Speaker? So we did not need interim supply very often. That way, when the budget was passed, the funds were voted. The people in the municipalities, the cities, and the hospitals, all the people who were funded through this Legislature, knew what funds they were going to get and when they were coming.

This government doesn't care about the traditions of this Assembly. As a matter of fact, this government thinks it's an irritant to even have to show up and go through this exercise. [interjection] Mr. Speaker, that attitude is getting out to the grass roots. Had that Conservative convention more people who were not so busy slapping the government on the back that they would take them aside and tell them what is really going on at the grass roots, we would have seen the government much more humble than it is trying to appear to be at this time. [interjection]

I heard the little quip about Social Credit. I want to give the hon. member a little bit of history. The speeches we are hearing in this Assembly at this time are almost identical to the speeches heard in this Assembly in 1970, before the government changed hands. I never want my Tory friends across the way to forget that, because I would never want to say to them that I hadn't warned them. I would never want to do that to them; mind you, not so badly that I wouldn't want to see them sitting over here.

Mr. Speaker, this government is destroying so many traditions with regard to the parliamentary system in this province. I used to hear, with a great Harvard accent, about the traditions of this Assembly and action in the Assembly. What has happened to that action in the Assembly, Mr. Speaker? We come here in all good faith to do the job the constituents of this province have sent us to do. More and more, under the so-called guise of time management, our rights as parliamentarians are being taken away from us in this Assembly. What in the dickens are we here for?

We are here to do the public business. If it takes 12 months of the year, we take 12 months of the year. [interjections] I feel so badly that it is inconvenient for the government to have to stay here and do the people's business in the Legislature. My heart bleeds for my poor Tory friends across the way, that we are inconveniencing them by having the budget studied at great length.

Mr. Speaker, I've gone through the cycle. I remember how I got into this Assembly. When I won the nomination, they said: look, Walt, it'll be a nice six-week holiday; it'll be a little change of pace. Three months later we were still changing pace. But if it takes that long to do the taxpayers' business, so be it. There's always the option of resigning and not running again, if you think we are inconvenienced by being in this Assembly and doing the people's business.

I can't understand why this government is trying to self-destruct. That's what they are doing when they bring

in closure, when they are not looking at the traditions of this Assembly, when they are not moving the legislative session up earlier in the year so we would not need interim supply. Are we bringing in that much more legislation, Mr. Speaker? No, we are not.

MR. R. SPEAKER: Too much work.

DR. BUCK: Mr. Speaker, it's very interesting that a government House leader who apprenticed under one of the greatest Canadians, who believed so strongly in the parliamentary tradition, is bringing in legislation that restricts debate in this Assembly. It's beyond my comprehension.

MR. COOK: Point of order, Mr. Speaker.

DR. BUCK: Mr. Speaker, I have the floor. If the hon. member has a point of order . . .

MR. COOK: Mr. Speaker, I'd appreciate your direction. Are we discussing Bill 26? I don't seem to find any connection between the comments of the member opposite and the subject material before us. I might be just a little confused.

DR. BUCK: I realize he's a slow learner, Mr. Speaker. What we are talking about . . .

MR. SPEAKER: You know, after about 10 minutes it becomes apparent that we're not talking about Bill 26.

DR. BUCK: We are so.

MR. SPEAKER: We are occasionally referring to the time when interim supply is being brought in. But the question now is whether interim supply is or isn't going to be passed.

DR. BUCK: Mr. Speaker, are you saying that we should just vote *carte blanche* and not debate? We have to look at some of the background of why we're here debating this Bill. Why interim supply? If the hon. rookie wants to learn something, just sit there. I always tell my children that you learn a lot more keeping your mouth shut and your ears open. [interjections] If there is something to be learned, the hon. member should listen.

MR. COOK: Does the hon. member also offer his children the advice: do as I say, not as I do?

DR. BUCK: There was one mistake the people in Edmonton Glengarry made; I hope they don't make a second and third mistake. They reaffirmed the hon. member's nomination.

AN HON. MEMBER: The rodeo starts at 7:30.

DR. BUCK: Mr. Speaker, it's too bad the rodeo starts at 7:30. That is the attitude of this government: to cut off debate because it's inconvenient for them to be here. Tough blow.

MR. R. SPEAKER: They want to go to the rodeo.

DR. BUCK: Tough blow.

MR. R. SPEAKER: To ride horses.

DR. BUCK: Fine. You can listen to your Tory backslappers who tell you everything is great.

Mr. Speaker, we are voting interim supply because the government is not doing its business, because the government is not acting responsibly. It is time for this government to reassess itself, not only in lip service to the people of this province but in the actions they take. When we are voting large funds like this, I have always said to my colleagues — and I have said it to the people of this province — when this government gets into trouble, and it is in trouble at this time, you'll see the purse strings of that Heritage Savings trust Fund opened like you have never seen before. We're talking about funds for the future. There won't be any funds left if this government thinks it's in trouble.

We are being asked to vote interim supply. Of course we have to pass it. The civil service has to be paid. Programs have to go on. Nobody's arguing that. But we are arguing what is happening to the parliamentary traditions and process in this province.

Mr. Speaker, all I want to do is close on this note: the people on that side of the House had better start listening.

MR. KESLER: I hope not.

DR. BUCK: My hon. separatist friend says that he hopes not. If this government doesn't start listening, it just may find itself sitting on this side of the Assembly.

Mr. Speaker, I have made several speeches in this Assembly trying to tell this government that arrogance never wins too many friends, that not listening never wins too many friends, not responding to the people you serve, taking away the right of members of this Assembly to do the taxpayers' business in this Assembly regardless of how long it takes — they are sowing the seeds of their destruction, and they will not be here six years hence.

MR. CRAWFORD: Mr. Speaker, I so enjoy afternoons like this in the Assembly. It brings to mind a saying which I've quoted before, but perhaps it bears some repetition from time to time. It's a saying of Mark Twain: it's not so much the things that people don't know that causes trouble in this world; it's the things they know that ain't so.

Mr. Speaker, I don't know which of the hon. gentlemen who spoke I enjoy listening to more. It's a difficult choice, but it's one that can be made. Without giving out marks for the whole term, maybe I can say that the performance of the resident historian from Clover Bar has been the most enjoyable this afternoon. I want to return to that. He opened the subject by saying a couple of times to what extent speeches in this Assembly are repeated. I wanted to accept the evidence of a witness with such a degree of expertness on that subject.

Mr. Speaker, I won't speak to a point already discussed on a point of order and determined, but reflect only briefly, if I might, about the nature of the debate. Others have already made remarks in debate with reference to interim supply. On the whole, I think I would agree that the issues opened up by interim supply are very broad indeed and provide every opportunity for debate. The tradition that interim supply is normally passed with little debate has nothing to do with the question of whether the matters involved should be debated at length.

I believe that the traditions of relatively short debating

periods are always related to two things in any parliament. One is the point made that there is the need to provide for the payment of the government's regular accounts at the beginning of the fiscal year. Hon. members all understand that, and therefore support a motion for interim supply in ordinary circumstances. The second one is that because the interim supply Bill is drafted the way it is — only a proportionate voting of the funds of each department under each of its various headings — each and every item in the interim supply Bill will be before the Assembly again under the main estimates. I think it is fair to say that if I chose this afternoon to speak with regard to any of the subheadings under any of the departments, that would be a correct presentation. That is only my view in that regard, Mr. Speaker.

One of the things the hon. Member for Clover Bar mentioned which interested me just a little bit — it's hard to describe the intensity of interest in some of the things he said, but I use that word; it certainly interested me when he said it — was the length of sittings and whether members should be willing to be here at all events when public business demands it. I would say, certainly. There's no point in the hon. member setting up straw men to knock down and saying he is willing to be here and others are not.

DR. BUCK: I didn't say that, Neil. I didn't even leave the inference.

MR. CRAWFORD: If the hon. member didn't intend to leave the inference, I certainly retract anything I would attribute to him.

DR. BUCK: I said that if it takes 12 months, we stay 12 months.

MR. CRAWFORD: I say no more about anything I would attribute to him, and accept his statement made just now.

The hon. Leader of the Opposition referred to something by way of argument. He had us up to a billion dollars a minute for a little while. I thought that was a statement which would not bear the light of intense examination. He's using the hypothetical case where 12 days of heritage trust fund debate would be conducted, only one minute per day would be allowed, and that the entire fund would be under consideration on that occasion, when really the amount normally under consideration is the amount being appropriated in one year. I need say no more about mathematics of that type.

Mr. Speaker, the point I want to close on comes back to our resident 'sometime historian'. The Member for Clover Bar harked back to the good old days and said that when all was well in Alberta, the Assembly used to meet around the end of January, or the middle of February at the latest, and rarely needed interim supply. I suppose he meant that the budget had already been brought down, and all the estimates had been dealt with. By when? By March 31.

In April, May, and perhaps June of this year, as we discuss our estimates, I would like to think of the hon. member's remarks in that respect, because they could only mean this: never in his memory was so much as 25 days ever spent on the estimates. That's the only thing they can mean. He said it as plain as you could hear it. Mr. Speaker, it is really in order to say to the hon. member that if he keeps bringing back mathematics of that order, I will become one of his true fans in the sense

of the arguments he wants to make in the Assembly as long as he is here, and I appreciate that type of contribution.

[Motion carried; Bill 26 read a second time]

#### head: COMMITTEE OF SUPPLY

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of Supply will please come to order for consideration of the estimates.

#### Department of Agriculture

MR. DEPUTY CHAIRMAN: Are there any further general comments regarding the departmental total?

MR. SINDLINGER: Yes, Mr. Chairman. When we left these estimates, we were addressing the question of costs for railway services, hauling grains from western Canada and Alberta in particular. How much does it cost the railways to move the grain? What is the shortfall between that and the revenues they receive? We were talking about the ability to get credible, certifiable railway cost information. The minister had indicated that an outside consultant had been engaged to do that type of costing. The next question led to the use being made of the railway unit costs that the government received from the Canadian Transport Commission, which were given on a confidential basis, and how the outside consultant would have access to those confidential costs held by the government. It seems to me that any costing done by an outside consultant would be questionable if that consultant could not have access to those confidential costs. The specific question to the minister would be: to what extent are the railway costs possessed by the government being used to certify the actual railway losses resulting from the statutory grain rates?

MR. SCHMIDT: Mr. Chairman, the consultant hired to do the work on behalf of Alberta producers has done so under the Minister of Economic Development. The terms of reference under which that consultant is working and the terms and availability of material to him, I suggest, might better be answered by my colleague the Minister of Economic Development when we enter his estimates.

Mr. Chairman, I would like to add that some questions were asked in regard to the percentage of storage available in the Alberta terminals. I would like to provide that information. About 38 per cent of the Edmonton terminal's capacity has stored grain at present, and the majority of that is rapeseed. In Calgary just over 23 per cent of storage capacity is taken up, and that is basically with rapeseed as well. Lethbridge has approximately 30 per cent of its total capacity. That's made up mainly of a collection of rapeseed, mustard seed, and wheat.

I believe the hon. Member for Bow Valley asked about the use of the terminals, the amount of grains, and the priorities. It would appear that if one were to allocate percentages, about 86 per cent of the Edmonton terminal's total handlings were rapeseed. Calgary had a balance of about 39 per cent rapeseed and 33 per cent barley. Lethbridge had the greater mix of 30 per cent wheat, about 22 per cent rapeseed, 14 per cent mustard seed, and 11 per cent allocated to corn. In a very general

way, the commodities handled would give rapeseed as number one in all the terminals. Barley would be number two, and wheat number three.

MR. SINDLINGER: Mr. Chairman, I would like to come back to the utilization rates of the three inland terminals. Prior to that, I don't want to leave this question of the railway costs. Might I ask the minister when the most recent analysis of railway costs for handling grain was done?

MR. SCHMIDT: Mr. Chairman, I don't believe I can give that answer very accurately, but I could certainly get the answer for the hon. member.

MR. SINDLINGER: Mr. Chairman, I'm pursuing this issue because the major cause for concern with the Crow rates is the difference between the revenue they receive for hauling grain and the cost they incur to do so. It's not a new problem. It's been with us for 30 years at least. I would think that in engaging in consultations and discussions with other provinces, specifically the meetings held a week or two ago in Saskatchewan — I don't recall which — it would have been critical to have that type of information at one's fingertips, in order to know what options were available to the various participants in the discussions. I'm a little concerned that the minister does not have that information and is not aware of the most recent costing.

I would like some assurance that over the last 10 years at least, the government has in fact attempted to cost the railway services. I understand that I cannot get an indication of when the most recent one was done. But can the minister give us an assurance that the Alberta government has made an attempt by itself, using the railway cost information it has, to cost out the railway services so it can adequately decide what options are available to it?

MR. SCHMIDT: Mr. Speaker, I believe the question asked by the hon. member was the time of the most recent study. I don't have that time, but further comments have given us the broad base on which the basic question was asked.

Reference was made to the meeting attended a week ago last Monday. All four western provinces and the ministers involved in each province were represented. They vary, but were pretty well tied with transportation ministers, ministers of agriculture, and ministers of economic development. It was a closed meeting, and the topics of discussion ranged the full gamut of the problems that lie ahead for western Canada in transportation of grain and the total transportation package that dealt with other commodities as well.

Cost factors were discussed, but not from a definitive point of view, recognizing that the last update of the Snavelly report produced some figures that have not really been acceptable to any side from the point of view of being the actual cost. On that basis, there has been, and continues to be, some updating of cost values, recognizing that each province has its views in regard to whether figures that have been available over the period of years are high or low.

The province of Alberta has figures and is in the process of updating the basic figures, recognizing the update and the release of figures from the last of the Snavelly report itself. So the answer is basically yes, we are doing some upgrading on the figures we have before us. Regardless of the differences in opinion by the various

provinces and the information we're able to glean, I'm sure the most accurate and hopefully the most recent opportunity for us to get a handle on the cost of transportation will be through Dr. Gilson's opportunity to meet with the two railroads and compare the figures updated at that particular time to the figures that each province hopefully will have. Some semblance of uniformity will be achieved from that goal.

MR. SINDLINGER: Mr. Chairman, to the minister. It's been indicated that the study is being undertaken on behalf of the producers. Could the minister indicate whether the producers were consulted in regard to setting up the terms of reference for the study — I presume it's being done by Dr. Gilson, to whom reference has just been made — and whether they will be responsible for any of the costs for this study?

MR. SCHMIDT: Mr. Chairman, any study, any work done on behalf of, in this particular case, the Department of Economic Development on behalf of the transportation system, is on behalf of the producers in this province. It may be a figure of speech, but really that's why we're here, looking after the interests of producers in this particular case.

Producers were not individually checked to find out what terms of reference they would have liked to have seen. The government set the terms of reference. As I stated, those would be better answered by the Minister of Economic Development, because it falls directly under his purview.

MR. SINDLINGER: Mr. Chairman, could the minister give an undertaking that the costing studies, once completed, will be tabled in the Legislative Assembly for the information of the members?

[Mr. Appleby in the Chair]

MR. SCHMIDT: Mr. Chairman, it would be difficult for me to give an assurance for the tabling of a report that was under the area of responsibility of, and terms of reference established by, the Minister of Economic Development. But I am sure those figures that will pertain directly to those of the total western approach will be available for scrutiny as soon as they're available. In other words, I'm not too sure to what depth and what other areas of costing the consultant is doing, may or may not be an advantage to table.

MR. SINDLINGER: Mr. Chairman, could the minister please give us an indication of the target completion date for that study, so we will have an idea of when we can expect the next steps in regard to the negotiations over the Crow rates and, having gotten that particular time, perhaps identify what would be the next steps towards resolving the issue?

MR. SCHMIDT: Mr. Chairman, it was our intention to have that information as soon as possible, recognizing that the time frame for all producer groups to make presentation to Dr. Gilson would be completed by the end of May. We would like to be in a position before that time to have the results of the study and an opportunity to do some review. We have agreed that collectively the opportunities available to us as a western group — as I stated, the meeting of a week ago last Monday gave us the option of some common ground and some continua-

tion of departmental staffs in all the provinces to continue the work started at that meeting. Hopefully, the information we have will be available before Dr. Gilson closes and comes forward with any interim report he has by the end of May.

MR. SINDLINGER: Mr. Chairman, going to the second item brought up by the minister a few minutes ago, with regard to utilization rates at the inland terminals, I note that they range from 23 to 38 per cent. I would ask the minister if those are spot utilization rates; that is, a one-day utilization rate at a particular point in time, or whether that's a seasonal average over the last fiscal or calendar year.

MR. SCHMIDT: Mr. Chairman, the percentages quoted are of the total capacity they are holding in storage at the present time. All that percentage shows is the grain on hand at this particular time, compared to their capability of storage. I think that if you're referring to the 38, 23, and roughly 30 per cent I gave, it's the percentage of grain in storage on hand at the present time, compared to its capacities.

MR. SINDLINGER: Thank you, Mr. Minister.

Mr. Chairman, the reason I've come back to those numbers is that they appear to be very low utilization rates. I thought it might be an anomaly simply because it's a one-day record, and represents only one particular point in time. But if those are, in fact, representative of the utilization rates over a longer period of time, say on an annual basis, the question might be put: what are we trying to achieve here? Are we trying to achieve full utilization? What is the reason for their not being utilized? Is it a lack of service in or lack of service out? Is our objective to achieve 60 per cent utilization, or 100 per cent utilization? Where is the break-even or crossover point where this project becomes feasible or not feasible? Somewhere a criterion must have been set, which said that over a long period of time we want to achieve this rate of utilization and, if we can do that, then it not only makes economic sense but social sense as well to do that, notwithstanding that it's not set up to return a profit, as one would expect in private enterprise.

I'm trying to get at the criterion for proceeding or not proceeding with the operation of these terminals. Surely it can't be something in the range of 30 per cent, because it's vastly under-utilized. It would probably make more sense to take the resources we're putting into those terminals and apply them somewhere else to get a greater return for the people of the province, and the producers in particular. The question has to be: what level of utilization are we trying to achieve with these inland terminals, and how long do we have to try to achieve that level? I guess the more cogent question is, what steps are being taken to achieve that utilization level?

MR. SCHMIDT: Mr. Chairman, originally the terminals basically provided a collection agency and storage in this province. Eventually those terminals gave the opportunity to meet the export, whenever sales were made. The loss of the terminals, of course, would have taken that opportunity away from producers within the province, and that was the basic reason the province got involved. The goal and use of the terminal system is basically to take it out of a system of total storage; in other words, to achieve what we feel is the greatest service to the producer in this province: an opportunity as a terminal to receive the

commodity and, if it is to be cleaned, an opportunity to clean it and move it to tidewater as soon as possible.

Hopefully, the long-term goal for the terminal system would be a turnaround throughout one crop year that should give us close to five times a total turn. The turnaround for this particular year has been 1.2. If our goal is close to a total turnaround of some five times, grain in and grain out to potential capacity each time should give us a turnaround of five complete fills of a particular terminal. To get an average of 1.2, the greatest turnaround of the three was Calgary with 1.4, followed by Edmonton with 1.1, and Lethbridge with 1.07. The goal is not to be storage orientated, but the opportunity to handle crops in the shortest turnaround time and provide whatever services are necessary to move them to tidewater: cleaning, drying, or a combination of both.

MR. SINDLINGER: Mr. Chairman, if I might make a few observations in regard to the utilization rates of these inland terminals. I guess the criterion now for effective utilization isn't the utilization rate, but the turnaround, almost like inventory turnaround, the objective being five times in one year. But the 1.2 average we've just been given indicates that we're not yet even at 24 per cent of the five turnarounds which, in my mind, not knowing the specifics, is very, very low. It raises the question of the justification for the continuation of the program, notwithstanding the government's desire to provide the greatest service to producers, cleaning the material and getting it to tidewater as quickly as possible.

Some inherent problems are associated with those inland terminals, and getting grain to tidewater in the fastest time. I recall sitting here last week, and some members were talking about unit trains to service the terminals. Unfortunately the product and physical facilities at the terminals do not lend themselves to unit trains. Unit trains are often touted as the solution to all shippers' problems, but in this particular case they are not the solution to those problems. A unit train can be put together when there is a homogeneous product, when everything being shipped is the same, and it doesn't matter what goes into what car, as long as they start at the same point and end at the same point. All those cars can have the same product put into them, are never uncoupled, and the same units haul that train.

When you go to grain terminals, the fact is that the products are not all the same; there's a vast difference between the products. So when the railway loads those cars, it's a question of spotting them and shuttling cars back and forth. And it's the same thing when it gets to tidewater. That train has to be broken up and sent to different terminals, and has to have different products taken out of it. There really aren't any cost savings inherent in running a unit train out of those terminal facilities. The fact of the matter is that a unit train cannot be run out of those facilities. It can serve as a consolidation point, but in serving as a consolidation point it increases the cost, in most cases, for the railways. So it's not correct to hold out the prospect of future operating savings through unit trains at those terminals, and it's not correct to assume that even if there were some savings, the railways would pass them back to the shippers.

The railways are profit orientated, like any other private enterprise. If they can cut costs, it's simply to enhance their profit margin rather than to save costs for the customers. They don't have to be customer orientated, because the customers are at the beck and call of the railways. The railways have a monopoly. If the ship-

pers don't like it, they can't go anywhere else. That's all there is to it.

This raises the question of the efficacy of maintaining those terminals. I would like to know when it is hoped these five times turnaround will be achieved. There must be some projection saying that, given the general circumstances in the province over the last five years, and those which are anticipated for the next five, this five times turnaround can be achieved in 1983, '84, '85, '86, '87, or something. For planning purposes, that point in time has to be identified. If not, the short-term decisions we're making today — that is, the allocation of funds to a yearly operation — may not be consistent and compatible with the long-term goal. That's why it's necessary to know when five times turnaround will be achieved. It's also important to know what steps are being taken to achieve that turnaround. The answer may be to stop spending money on this particular thing, and spend it elsewhere. That other allocation of funds will thereby enhance the service the government intends to provide for the shippers.

MR. SCHMIDT: Mr. Chairman, I would like to point out that Alberta Terminals Ltd. is a Crown corporation. The vote that has already been received is basically a capital cost figure only. That capital cost goes to Alberta Terminals and, government being the shareholder of the company in this particular case, is recouped in equity. I would suggest that if one wants some of the actual day-to-day operation costs, one should turn to an annual statement of Alberta Terminals Ltd. I have given you the future as we see Alberta Terminals Ltd. They basically provide a service to producers within the province. To date they have done so at a figure that shows a return, recognizing that their main role is not to make a profit but to be sufficiently profit orientated and provide a service so that grain reaches tidewater, and is a benefit to the producer.

In the discussion we've had on unit trains, I suggest that the terminals are capable of handling unit trains, both physically and with sufficient commodity of one kind. The biggest problem of the unit train is at the other end, at tidewater. The question was asked last time we had the opportunity to go into estimates, and the statement was made that, first of all, with the upgrading of Rupert, and when Rupert comes on production as a terminal receiving grain for export, and if there are some upgrading capacities in Vancouver or other areas of tidewater, then perhaps the opportunity to use unit trains may be greater in the future than in the past. I think the physical capability is there. It's just a matter of the combination of the two, from terminal to tidewater.

MR. SINDLINGER: Mr. Chairman, there is a problem in the terminology here. Unit trains, where you have one train with a homogeneous product running continuously from A to B, is not a possibility at the terminals. There is a possibility of consolidated trains, where special trains are run to pick up special loads on a more or less regular basis. Nevertheless, the equipment is continuously required and therefore can't be utilized 100 per cent like a true unit train for, say, coal deliveries. Because of that inherent inadequacy or inability, there is no real cost saving in a situation like that.

The question I'd like to leave with the minister is with regard to studies. Have any studies been done, giving projections for the achievement of the five times turna-

round for the terminals, with subsequent identification of the point in time when the turnaround will be achieved?

MR. SCHMIDT: Mr. Chairman, I would have to deal with Alberta Terminals Ltd. on that subject. Any studies would have been done by them. I could gather the information and, if it provides some answers, I'd be pleased to give it to the hon. member.

MR. SINDLINGER: Just before we leave that one, Mr. Chairman, I would appreciate seeing some information like that, because future investment decisions would be made on that type of information. There is no point in throwing good money after bad if we're not achieving the service we initially set out to do, and if subsequent events have demonstrated that it is impossible ever to achieve those things, the money might be better spent elsewhere. It's a question of cost efficiency, and a very important one, before any more investments are made.

I'd like to go on to a small question, if I might, Mr. Chairman, with regard to the out-of-province promotion program. I'm looking at page 16 of the Budget Address, where it shows that the out-of-province promotion program will be increased by almost 50 per cent to \$130,000. One hundred and thirty thousand dollars is a very small amount; it's almost nothing more than the salaries of an executive and a secretary. I'm not too certain what is hoped to be achieved by spending that amount of money, and what or who is going to effect, implement, or undertake the program. Perhaps the minister might be able to elaborate on that for us, please.

MR. SCHMIDT: I'd just like to touch back on a topic, Mr. Chairman. The hon. member mentioned that one should have some guarantee that the funds to be expended are spent to the best advantage. We all agree. I would just like to point out that the funding in the estimates for Alberta Terminals Ltd. is a capital expenditure for the capping of bins and dust collection, which are part of the responsibilities by the insurance. Without the completion of that type of capital improvement, there is some question whether the terminals would continue to operate. So we're meeting a demand that has been established for ongoing use. I just want to point that out.

The 15 per cent increase for out-of-province is tied basically with the department that spends most of its time and effort in the international marketing scene. We intend to keep up the high standard of international marketing that has been in the Department of Agriculture for some years. We provide that type of marketing, both indirectly and directly, to producer groups in finding markets for various products. Overseas travel and accommodation have increased in actual costs, and that's where the 15 per cent is added. That will allow us to continue, not with an increase in the basic service, but to keep up the standard of service we've had in the past.

MR. SINDLINGER: Mr. Chairman, I'm not questioning the magnitude of the increase for the out-of-province promotional program, which is 47.7 per cent. It seems to me that it would be a worth-while program inasmuch as it promotes the products of the province, and that it should be undertaken with more intensity than indicated here. One hundred and thirty thousand dollars isn't much money. If you go overseas, an airplane ticket costs almost \$2,000. I expect most people would be travelling first-class. You're looking at \$3,000.

So when you look at \$130,000 in total, and each of



those trips averages around \$10,000, you're looking at 13 trips overseas. It doesn't seem that 13 trips overseas would accomplish very much at all. And at \$130,000, we're only talking about travel expenses. We're not talking about salaries for those involved, nor are we talking about the preparation time. So the only representation I would make is that if this is a good program and it's intended to promote our agricultural projects overseas, there ought to be a lot more money in it than just \$130,000.

That's the only point I want to make about that, for the Member for Edmonton Whitemud, whose resignation I heard about the other day. I'm sorry to hear it, because I think he has contributed a great deal to the Legislative Assembly.

MR. KNAACK: On a point of personal privilege. I do appreciate the very kind comments of the Member for Calgary Buffalo, especially since the newspaper report was inaccurate about some of the matters. I'm not resigning; it's merely that I won't seek re-election.

MR. SCHMIDT: Mr. Chairman, I just want to add that if the amount the hon. member was mentioning was the total vote, I would agree that it would leave a very small opportunity for international marketing. But that amount is added to the normal vote, plus the normal increase.

MR. SINDLINGER: Well then, Mr. Chairman, we have a printing or typographical error in the budget speech, because it says: "will be increased by 47.7% to \$130,000". It doesn't say: increased by \$130,000. That seems like a very minor and insignificant detail, but this is a very important document.

Mr. Chairman, if I look in this and find we have an error here, I wonder what other errors might be in here. Certainly, given the credibility our Provincial Treasurer has taken great pains to establish over the years, and the prestige and status inherent in his office, I would hate to see that there are little errors like this, and that there might be even larger errors. When you're talking about billions of dollars, maybe we ought to go through all these other numbers and see how many other billions of dollars of errors there are.

MR. NOTLEY: They're not percentages.

Agreed to:	
Department Total	\$168,034,696

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

[Motion carried]

#### Department of Advanced Education and Manpower

MR. CHAIRMAN: Does the minister wish to make some opening comments?

MR. HORSMAN: Yes, Mr. Chairman. I appreciate this opportunity to introduce the 1982-83 estimates of the Department of Advanced Education and Manpower. The responsibilities of this department are outlined in four votes. Vote 1 covers general support services; Vote 2 deals with operating and/or capital grants to 27 postsecondary institutions and 83 further education councils throughout

the province; Vote 3 covers apprenticeship, employment, development, career development, and special manpower programs; and Vote 4 deals with financial aid to students, and includes the administration of the Alberta Heritage Scholarship Fund.

The major portion of our budget estimates have been designated to support our advanced education system. Our estimates are responsive to the overall enrolment increases experienced at our postsecondary institutions during the current academic year. As well, they reflect this government's continued support for the concept of regional expansion, including the establishment of five educational consortia introduced in 1980-81, and for extensive new program initiatives introduced in the current fiscal year.

The budget estimates you have before you anticipate a 17 per cent increase over forecast expenditures for 1981-82, to a total of \$753 million in operating and capital grants to our postsecondary institutions. This includes, amongst other items, an additional projected \$8 million in matching grants from the 1980s advanced education endowment fund. As well, the estimates of Alberta Housing and Public Works will provide \$26 million for construction and furnishings of new facilities at provincially administered institutions.

Prior to elaborating further on the estimates, I would like to comment briefly on the matter of federal cutbacks in the funding of postsecondary education under the established programs financing agreement. These cutbacks are not addressed directly in the estimates because, in fact, they relate to provincial revenues rather than to departmental revenues. At the same time, I reiterate the commitment our Premier and I made on March 11 to the Assembly, that the impact of these cutbacks will not be passed on to our postsecondary institutions.

You will note from the proposed increases in grants to postsecondary institutions, that clearly there is no intention on our part to reduce the level of support to institutions or to students in this province as a result of the federal decision to reduce their level of contribution. I emphasize once again, Mr. Chairman, that the role of negotiating the established programs financing arrangements between the federal government and the provinces remains that of the provincial treasurers and ministers of finance.

Mr. Chairman, I would like to highlight some specific areas of support, which are indicative of the scope and level of our commitment to providing higher education to Albertans. First, nursing education will be recognized through the allocation of \$7.2 million to implement programs at the Grande Prairie Regional College and Keyano College, and to expand existing programs at other colleges and hospital-based schools for which the Department of Advanced Education and Manpower will assume responsibility on April 1, 1982. Funds will be provided for enhancement of specific professional faculties, through the professional faculties enhancement grants introduced two years ago and now carried forward for the third time. They will be for social welfare training programs by the University of Calgary, and to enhance the instruction of business and commerce, rehabilitation medicine, and dentistry at the University of Alberta.

Regional expansion projects for the colleges system, announced in 1980, will continue with an expenditure of \$13 million. Capital allocations to our public colleges total nearly \$75 million, and include replacement of the students' residence and the mechanics' building at the Vermilion campus of Lakeland College. As well, I should

point out that that new building will include the learning resource centre or library which is, I must say, badly in need of replacement. In this current budget year, \$13.8 million will be provided towards the total cost of \$28.7 million. Secondly, the phase two expansion at Mount Royal College will be able to proceed, with a cash flow of \$12 million in the forthcoming fiscal year. The projected total cost for the completion of phase two of Mount Royal is \$63 million.

Capital funding for the four universities and the Banff Centre totals \$68 million, and provides for the commencement of construction of a new business administration and commerce building at the University of Alberta. The total cost of that project will amount to \$17 million. In the approaching fiscal year of '82-83, the cash flow will be \$5.078 million. As well, the significant expansion of trades and technologies to the public colleges in Fairview, Fort McMurray, Grande Prairie, Medicine Hat, and Red Deer will require an allocation of \$24 million.

Two significant projects are included in the capital allocations from Alberta Housing and Public Works. First, the commencement of phase one of the new trades and technology institute at Stony Plain which, when completed, will house 1,300 full-time students, but will of course accommodate more than that during the course of the year, because of the trades aspect. This budget provides for a total of \$16.8 million, and the projected total cost of \$102 million. Finally, in terms of new construction, \$4.350 million will be provided in 1982-83 for the construction of a permanent campus and additional student housing at the Alberta Vocational Centre at Lac La Biche, for a total projected cost to completion of \$45.1 million. In addition, the estimates contain some \$3.6 million in operating grants for three private colleges: Concordia in Edmonton, Canadian Union College near Lacombe, and Camrose Lutheran College.

The budget estimates recognize our responsibility for providing career development opportunities to Albertans, with a 22 per cent increase over the 1981-82 forecast. In particular, I want to mention that native and northern Albertans will benefit from more than \$4 million being provided for opportunity core projects which will be transferred from the Department of Social Services and Community Health on April 1 this year, and for Native Outreach programs which are now wholly funded by the province of Alberta as a result of the withdrawal of funding in this area by the government of Canada last year, which we recall. As well, assistance in excess of \$10 million will be allocated for vocational and rehabilitation training for persons with special needs.

As previously mentioned, the departmental budget estimates include the allocation requested for the Students Finance Board. The board continues to respond to an increasing number of applications for financial assistance. The overall increase of 14.1 per cent includes \$10.5 million for fellowships, bursaries, grants, and scholarships; \$3.8 million — unfortunately, up 49 per cent — for interest payments; and \$5 million for loan remissions.

Members will be pleased to know that among the several changes proposed is an increase in funding available under the Alberta educational opportunity equalization grants program, primarily to rural students in recognition of the strong growth in their participation. I would like to point out — and I think this is of great significance, Mr. Chairman — that in 1980-81, 2,450 rural students obtained grants under this program. We estimate that in the current year, '81-82, 3,250 rural students will have received assistance. This budget provides for an

increase to 3,500 rural students receiving grants. I underline the word "grants", which are of course non-repayable. It also provides for an increase of 10 per cent in the value of graduate fellowships and scholarships. I would point out that two new awards are included in the estimates: a teacher of the handicapped bursary, 16 awards of up to \$10,000 each; and film industry bursaries, two awards of up to \$13,000 each, and 15 awards of up to \$1,000 each.

Finally, Mr. Chairman, you will note that the estimates request only 10 new positions for this department. Three of those are in provincially administered institutions, one in students finance, and six in manpower services. This is a rather modest increase to the department's current staff complement of 1,070. As the estimates books indicate, I would point out that my departmental staff will be reduced by in excess of 2,000 employees this year, by the conversion of NAIT and SAIT into provincially board governed institutions. Those new positions are more than balanced by a decrease in excess of 2,000 in the number of full-time public employees, something in the neighbourhood of 2,400.

Mr. Chairman, I would be pleased to respond to any questions as we proceed through these estimates.

MRS. CRIPPS: Mr. Chairman, I would like to indicate to the minister that I feel the grant and loan programs are excellent. I have had many compliments from students residing in rural Alberta, who feel that accessibility to continued education is available to them because of the programs offered by the provincial government.

I would like the minister to provide — not necessarily in these estimates — figures comparing tuition fees in 1931, 1951, 1971, and 1981. In relation to today's available dollar, I don't believe they are high. I believe that in comparison to earned income, tuition fees are reducing rather than increasing.

I welcome the continued support of the consortia in providing advanced educational opportunities throughout the province. I would like the minister to comment on the possibility of encouraging more involvement of the apprenticeship board in providing training in co-operation with the consortia. Some of the courses provided in my area lend themselves to this kind of co-operation, thus making the course far more practical and meaningful. I understand that there is some reluctance on the part of the apprenticeship board to allow apprentices to work within this context.

Thank you.

MR. LYSONS: Mr. Chairman, I'd also like to thank and congratulate the minister for the new facilities for Lakeland College announced in the budget. Lakeland College is serving a large area in Alberta. It's a regional college that takes programs out into the community, with a base of operations, as far as dorm and so on, at Vermilion in my constituency.

I'd like the minister to respond to one little question on the amount of funding for operating and new programs. A lot of that funding would be for some of the outlying areas. There is some concern that perhaps it wouldn't be large enough. I'd like his response.

MR. NOTLEY: I'd like to make a few general observations, and then in process put some questions to the minister.

I agree with the concern expressed in terms of the established programs financing Act, the revision by the

federal government. I hope that matter is resolved, and that the federal government continues to play a fair and ongoing role in this field. It's one thing for the province of Alberta to be able to pick up the slack; the difficulty of course is not in Alberta, but in some of the provinces where the fiscal capacity of the provincial government isn't comparable at all. I think of the impact this decision will have on universities, colleges, and advanced education generally. In other provinces — the Atlantic provinces are a good case in point — it could be very adverse. As much as I don't normally agree with positions taken by ministers in this government, I think that regardless of their political vantage point, people can work together on supporting the position taken at the all-party committee of the House of Commons that reviewed this question, and basically said to Mr. MacEachen: back off the vacating of federal responsibility in this role; recognize your responsibility to the country as a whole.

Mr. Chairman, I'd like to deal with several specific questions. The minister can suggest that there aren't going to be any cutbacks. But we have the president of the University of Alberta indicating that there will be rather serious problems, perhaps not quite as severe as last year, but serious problems at that institution notwithstanding. The question of fees is brought to the fore. I put to the minister, and perhaps when he summarizes and adjourns debate — because I have no doubt that these estimates will carry on for several days — he could outline to the committee the position of the government on the question of student fees this year. Is it the view of the minister, and has that been communicated to boards of governors, that fees should remain as they are? Is it the view of the minister that fees should be increased and, if so, by how much?

When one considers the accessibility of students to our advanced education program, I would say that we have to move in the direction of reducing and even eliminating fees. Because the fact of the matter is that 90 per cent or thereabouts of the costs of universities comes from all the taxpayers of this province. It seems to me that anything that acts as a barrier to universal accessibility to postsecondary education is really unfair. Everybody is helping to pay the 90 per cent, and if the 10 per cent keeps young people from lower income families from going on through the system ... Members can say we have our finance package, but in my judgment the grants and loans system has many deficiencies and doesn't guarantee accessibility to the system, which really ought to be a right of young people when public dollars are being used to finance 90 per cent of the system.

Mr. Chairman, I'd like to ask the minister several specific questions with respect to the estimates. We might as well do this under the general heading. For example, under public colleges, I see on page 6 of the elements book that we have estimates ranging from about \$600,000 to a little over \$1 million. But Grande Prairie college has an extremely small increase of about \$132,000 over the forecast, approximately 2.5 per cent. I know there are real problems with Grande Prairie college at the moment. I'm sure all the Peace members have been made aware of it by various staff members, board members, et cetera. Very specifically, my question to the minister is: why is the Grande Prairie college increase so small in comparison to the increase of other estimates?

Mr. Chairman, other colleges in the system range from 7 or 8 per cent to — and I'm pleased to see Fairview here — probably 16 or 17 per cent. Grande Prairie is stuck at 2.5 per cent. What is the reason for that? Has there been

that serious a decline in enrolment? What are the reasons?

Similarly, I'd like to ask the minister to be fairly detailed in his response to the generally low increase in the estimates of the provincially administered institutions. I refer him to page 6 of the elements books. The vocational centre in Calgary: last year we had a forecast of \$5.1 million; this year, an actual drop of \$200,000, about 4 per cent, to \$4.9 million. The vocational centre in Edmonton, another drop of about 2 per cent; the vocational centre in Grouard, a slight increase, but again certainly not comparable to the rate of inflation; the vocational centre in Lac La Biche, just a little bit less than the rate of inflation; the community vocational centres, the CVCs, almost exactly the same amount as was estimated in the forecast last year.

With the costs of operation rising by the rate of inflation, I would put to the minister, what are the reasons in this particular area? It seems to me that as a consequence of the recession, we may well find that these institutions need more funds, that there will be a need for upgrading our unskilled people through the vocational centres; indeed, rather than cutting back, perhaps we might be expanding. It could be that one way to meet some of the problems people are facing with growing unemployment is to upgrade their skills. Mr. Chairman, it would be useful if the minister took some time outlining the reasons for what is a very modest overall increase. That modest increase in the provincially administered institutions is almost totally in the service element. The increase is a little over \$1 million, and about \$900,000 of that increase is in the service element, as opposed to the amount going to the centres themselves.

Another question deals with the technical institutes. Again, when one looks at the slowdown in the economy, it seems relevant to me that these are institutions where there should be some picking up, if you like, of activity. In SAIT we have a very small increase of about \$1 million, from \$47 million to \$48 million; an increase of approximately 2.5 per cent, again not keeping pace with the rate of inflation. I find it difficult to come to the conclusion that there aren't significantly more demands on the Southern Alberta Institute of Technology than would be indicated by a 2.5 per cent increase in the estimates over the forecast. I make it clear that I'm talking about estimates and forecasts, because the forecast is what we actually spent, unless we're going to end up with overages and have to come back with special warrants to make up the difference. Similarly, NAIT has about a 10 per cent increase, a little bit less than the rate of inflation.

I'd like to say I'm pleased with the work that has progressed at Fairview College. In the last several years, we've seen the completion of the new administration building. It's a very beautiful facility and certainly augments the college. The residences seem to be moving ahead. I think there's a good deal of well-placed pride in the community generally with the enhanced role of Fairview College, and certainly with the very much improved physical setting. I remember that 10 years ago, we had the Worth report. At that time it was a pretty bleak outlook for Fairview College. Mr. Worth had suggested there really wasn't much point in retaining an institution of that kind in the north Peace, and suggested that perhaps it might be turned into an alcoholic rehabilitation centre. Fortunately, due to some pulling together on the part of the staff, some good policies on the part of the government too — I think that should be said in fairness — and some excellent administrative back-up by the two princi-

pals and the current president, we've seen a turnabout in Fairview College which, in my view, is remarkable. We now have a very healthy institution, serving not only the north Peace but, in terms of its mandate, the region as a whole very well.

Mr. Chairman, I'd like to come back a little later in the debate and discuss some of the situations at the universities in more detail, but the final point I would like to make in my initial comments is to ask the minister where things now stand on the students' residence at Grande Prairie college. I see the estimate for capital spending for Grande Prairie is very modest. Exactly what are we looking at in terms of construction and completion date for the students' residence at Grande Prairie college?

MR. BORSTAD: Mr. Chairman, I appreciate the concerns of the Member for Spirit River-Fairview on the Grande Prairie Regional College, but I'd like to get in a few comments about it myself. The comments pertain more to Vote 2, but as we're being specific in talking about my particular area, I'd like to say a few things.

A matter of 18 months ago, things were considerably different in the Peace country, particularly because of the oil boom and things that were going on in general. At that time, I believe student enrolment was down, for one reason: students were finding they could make \$10, \$15, \$20 an hour out in the oil field or on a job.

That has had a complete turnaround in the last few months because of a federal budget and a national energy program that pretty well put the skids on everything in northern Alberta, and I suppose you might say all of Canada. Today, because of those discriminatory policies, we see unemployment increasing. Those who have a job are feeling pretty lucky to have one. I believe those who cannot find jobs are going back to get further education and improve themselves, so that they can. Therefore I think we must continue to provide sufficient funding for our colleges to handle the enrolment of persons furthering their education, for their first and second year university degree course, so they can go on to get a job in the future.

I realize the Grande Prairie college has a problem with a deficit, by providing regional courses not approved by the department. I hope that programs in this budget that deal particularly with first and second year entrance to university, and those courses a person needs in order to make a livelihood, will not have to be cut.

The college is a fine facility. The students, faculty, and residents of the north are very proud of it. They have probably one of the finest auditoriums in the province. In reviewing funding, it's my understanding that other colleges receive operating funds for auditoriums, and that Grande Prairie Regional College does not. I would like some explanation for that. There must be one.

The students' residence has been started. It's my understanding that when the residence is complete, there will be no funds for furniture and fixtures. I was wondering how other colleges cover that; whether it should have been taken out of the total budget when the college was allowed those funds, or how that was handled. My con-

cern is that this could possibly increase the deficit for the college. I imagine you're looking at 10 per cent to put in furniture and fixtures, so you're looking at at least \$350,000, if you have to take that out of some other area of your budget. If not, the only other place they can get it is in the rent to students. It would seem to me that if you put it into the rent to the students, and that is for the operational end of it, you're going to out-price yourself as far as the student is concerned.

I'd like to thank the minister for the nursing program which will be operational this fall at the Grande Prairie Regional College. It's very much appreciated, and we all look forward to colleges across the province helping with our nursing shortage. I very much appreciate the minister's response in filling a void left by the federal government in funding for our native population, mentioned during his opening remarks.

MR. HORSMAN: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, and reports as follows:

Resolved that for the fiscal year ending March 31, 1983, sums not exceeding the following be granted to Her Majesty for the department and purposes indicated.

Department of Agriculture: \$16,155,920 for departmental support services, \$40,528,784 for production assistance, \$20,020,290 for marketing assistance, \$23,121,538 for rural development assistance, \$58,655,000 for agricultural development lending assistance, \$5,945,000 for hail and crop insurance assistance, \$3,608,164 for financing of Alberta grain terminals.

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

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, by way of advising the Assembly as to the business for tomorrow evening, it is proposed that we first deal with Committee of the Whole study of Bill 26, which received second reading today, then proceed with continuation of debate on the budget.

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

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

[At 5:28 p.m., pursuant to Standing Order 5, the House adjourned to Thursday at 2:30 p.m.]