

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Tuesday, April 20, 1982 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. PAHL: Mr. Speaker, it's my pleasure to introduce to you, and through you to other members of the Assembly, 20 grade 6 students from Malcolm Tweddle school. They're accompanied by their teacher Gloria Kelly and by student teacher Lindsey Ewanchuk. Mr. Speaker, I would like you to know that I visited their classroom, which was set up in the form of an Assembly, and tried to field some very tough questions. Now they're going to see the real thing. They're seated in the members gallery, and I'd ask them to rise and receive the traditional welcome of the Assembly.

MR. STROMBERG: Mr. Speaker, today we have with us in the members gallery 28 students from the Chester Ronning school in Camrose. I found out that free enterprise is not yet finished in Alberta. By selling popcorn in their school, these students raised \$145 to pay for their trip here. [applause] With them today are their teacher Mr. Robert McClarty, their supervisor Helen Lindroth, and their driver Ken Aldridge.

DR. WEBBER: Mr. Speaker, it's my pleasure to introduce to you, and through you to members of the Assembly, some 33 intelligent and good-looking young people from grade 6 in the R.B. Bennett school in the constituency of Calgary Bow. They are with their group leader Laura King and teachers Bruce Wilson and Carol Glimpel. I would ask them to rise and receive the welcome of the Assembly.

MR. HYNDMAN: Mr. Speaker, present in the public gallery this afternoon are some 40 talented grades 5 and 6 students from Crestwood school in the constituency of Edmonton Glenora. I'd like to note that they are accompanied by their teacher Mr. Samuel and by Mrs. Patterson. I'd like to introduce them to the Assembly, and ask that the Assembly accord them the usual welcome at this time.

MRS. CHICHAK: Mr. Speaker, when we talk about talent, we have it amassed in this particular group from across the city of Edmonton, a special adult development class from Grant MacEwan College, Cromdale Campus. They are 14 in number and are accompanied by their program director, Mr. Don Whalen.

Congratulations are in order, because I think Mr. Whalen takes the opportunity of bringing a class every number of weeks that he has students in his class. He brings them in to ensure that they have the opportunity to observe the Legislature in action. I think Mr. Whalen should be commended for the special efforts and opportunities he gives young people who might not otherwise

take the opportunity to visit this Legislature. Congratulations to him. I would like them all to rise and receive a special welcome.

MR. PAHL: Mr. Speaker, having both the first word and the last word with respect to the introduction of special visitors, I'll resist any temptation to top the previous members in welcoming students, other than to say that 20 grade 8 students are visiting from Edith Rodgers junior high school. Accompanied by their teacher Jerry Bayly and by student teacher Paula Tessaro, they are in the public gallery. I ask that they rise and receive the welcome of the Assembly.

head: **ORAL QUESTION PERIOD****Hog Subsidy Program — MLA Participation**

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Agriculture, with regard to the stop-loss program for hog producers. I'd like to ask the minister whether, to his knowledge, members of the Legislature have participated in that program?

MR. SCHMIDT: Mr. Speaker, the regulations established under the Department of Agriculture Act regulate the stop-loss program for hogs, which ran for approximately one year and was open to all producers within the province. If a member of the Legislature was a producer, he would be covered under that basic legislation. It was available to producers across the province.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the Minister of Agriculture indicate whether he was asked advice as to whether a member of the Legislature should participate in the program? What advice was given to any member who approached the minister?

MR. SCHMIDT: Mr. Speaker, if I remember correctly, a request was made as to whether the stop-loss program had any restrictions on producers. My answer was no, recognizing that the regulation made no stipulation as to those not eligible for the program.

MR. R. SPEAKER: Mr. Speaker, a supplementary question for clarification. Then the minister advised the members that they as hog producers could proceed to take advantage of the stop-loss program, and that there would be no problem in proceeding with acquiring that subsidy?

MR. SCHMIDT: Mr. Speaker, I'm aware of only one request, and it was whether there were restrictions in the regulation as to the discrimination or differential between producers. That reply came back that no separate entities were set aside under the regulation, and that all producers were covered and eligible.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Did the hon. minister indicate to any members of the Legislature that there could possibly be a restriction under the Legislative Assembly Act, and that the member should see whether there was a conflict of interest?

MR. SCHMIDT: Mr. Speaker, the stop-loss program available to all producers also provided the opportunity

for an individual who wished to avail himself or herself of that program to recognize other areas of legislation. The choice would be his or hers, in making an application under the program.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether all members who were eligible producers have taken advantage of the stop-loss program to date?

MR. SCHMIDT: Mr. Speaker, I'm not aware of the total membership involved as registered under the hog marketing plan within the province and, if that were the case, how many of them made application, because it was not an application form *per se*. The program was picked up and paid for, using the tapes that carried out the daily operation of the hog marketing board, which recorded the individual producer, the number of hogs sold, and the price for that date. Of course, the program was 35 per cent over and above the feed cost at that particular time.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether any form was completed by members of the Legislature or the general public, with regard to this stop-loss program? Or was all information acquired from the tape?

MR. SCHMIDT: No forms, Mr. Speaker. Because all hogs sold in this province have to be sold through or with the authority of the hog marketing board, the tape would be the prime record of either the number of producers or the number of hogs sold on a particular date.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. Premier, with regard to the concern of sections 9 and 10 of the Legislative Assembly Act and the actions of the hon. Member for Edmonton Whitemud in accepting some \$14,000 under the stop-loss program. Has the Premier reviewed that matter with regard to this specific member? Has he come to a conclusion as to whether the member is still eligible to sit in the Legislature or whether some further action should be taken by this Legislature, or by other bodies, with regard to the action?

MR. LOUGHEED: Mr. Speaker, if I understand it, the matter the hon. member raises pertains to the provisions of the Legislative Assembly Act. The hon. Member for Edmonton Whitemud is not a member of the Executive Council, so it clearly wouldn't be a matter for the government but for the Assembly.

MR. NOTLEY: Mr. Speaker, a supplementary question. Can the Attorney General advise the Assembly whether, at the time the stop-loss program was announced, that hon. gentleman received any information with respect to legal advice concerning the impact of this program on sections 9 and 10 of the Legislative Assembly Act; specifically, whether or not amendments should be made to Section 10, to provide an exemption for any member who might wish to take advantage of the program?

MR. CRAWFORD: To the best of my memory, Mr. Speaker, in 1980 or 1981 no member asked me whether he should be involved in the hog stop-loss program. No opinion was sought or given, to the best of my recollection.

I'm glad the hon. member raised Section 10 of the

Legislative Assembly Act in his question, though, because that's vital. Members may look at Section 10 and see a long list of exceptions which, in effect, are ways of saying that in spite of the fact that they're members of the Assembly, members may have certain other benefits that other Albertans have — it includes things like the opportunity to contract for medicare — in order that there won't be accidental disqualification of a member. From time to time, no doubt those specifics should be re-examined to see that they're up to date.

But in the case of the hon. Member for Edmonton Whitemud, none of that arises. That's why the raising of Section 10 by the hon. member is important to the question. Section 9 refers only to contracts or agreements. A grant program is clearly not a contract or agreement. I think it's just obvious that a grant program is not a contract or agreement. Therefore, one doesn't go the next step of looking at Section 10, in those circumstances.

MR. NOTLEY: Mr. Speaker, a supplementary question. My question was not with respect to whether members sought advice from the Attorney General but whether the Attorney General received any legal advice, other than from the law officers of the Crown, with respect to the dangers inherent in sections 9 and 10, particularly Section 9, if a specific exclusion wasn't inserted in the Legislative Assembly Act for any member who might wish to take advantage of that program?

MR. CRAWFORD: Mr. Speaker, I can only speak from the best of my memory. I have no recollection of having received advice or, indeed, an inquiry in regard to the hog stop-loss program.

MR. NOTLEY: Mr. Speaker, a supplementary question. The hon. Attorney General has given us a legal opinion. However, my question to the Attorney General is: in view of what would appear at best to be conflicting legal opinions on the application of sections 9 and 10, has the Attorney General's Department commissioned any outside legal advice to evaluate sections 9 and 10 of the Legislative Assembly Act?

MR. CRAWFORD: Mr. Speaker, it may well be that there would be conflicting legal opinions, maybe over and over again, in respect of sections 9 and 10 which, when read together, are inclined to be somewhat complex.

I would like to make two points. One is that I think it's entirely appropriate that a review be made of the provisions, particularly of Section 10, being the long section with all the specifics in it. Section 9 is relatively short and straightforward, and deals with contracts and agreements. It's certainly appropriate that that should be done from time to time and that, in the course of doing it, opinions as to the present legal effect of those sections should also be sought.

Over the last couple of years, I have spent some time looking at that, in the context of whether it might be a good idea to recommend to the Legislature certain amendments for the purpose of clarification, so everyone knows exactly what the law is. Mr. Speaker, that work has not progressed to the point where I've been able to suggest to hon. members that a committee or the like be established in order to begin to look at it in the sense of the whole Assembly, as is often done when major amendments to the Legislative Assembly Act would be made. In the course of that, sometime last year I asked

for at least one legal opinion from outside. I'm not sure whether the Legislative Counsel's office may have done the same thing.

MR. KESLER: A supplementary question, Mr. Speaker. Could the hon. Attorney General expound on what "agreement" means in Section 9? What kinds of terms are related to that terminology?

MR. SPEAKER: With great respect to the hon. member, as I think I have pointed out once or twice in the last three or four weeks, the outright soliciting of legal advice is not a function of the question period. If the hon. member wishes to have any of the laws of the province interpreted, or any other laws or regulations, then, in common with all other hon. members, he would go to whomever he would choose as his legal adviser, but not expect a minister to give legal advice. I realize that occasionally some legal advice slips into an answer . . .

MR. KESLER: He's been giving it to us for five minutes.

MR. SPEAKER: As I was going to say, I realize that occasionally some legal advice slips into an answer, but of course I can't tell ahead of time what's going to be in the answer any more than I can tell ahead of time what's going to be in a question, even though I may be expected to make an instant decision on either one.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Attorney General. In view of the fact that we've had certain concerns about the Legislative Assembly Act and the problems attendant thereto for many years now, what obstacles stand in the way of formulating a sufficient background that an all-party committee of the Legislature could rewrite the Legislative Assembly Act and, particularly, bring up to date the conflict-of-interest aspects of it?

MR. CRAWFORD: Mr. Speaker, I don't think there's any obstacle, and I indicated it's the sort of thing that should no doubt be done. I was speaking only from the point of view of how ready I felt I was, as Government House Leader, after reviewing the matter in some considerable detail, to be positive enough about recommendations that might be made, to say to other hon. members that yes indeed, speaking for myself, I would be ready. I'm not at that point, Mr. Speaker.

MR. NOTLEY: I'd like to ask one supplementary question, if I may, of the hon. Premier. In light of the fact that the Premier has frequently advised the Assembly that this is a government of all government members of the House, why the distinction between Executive Council and backbench members?

MR. LOUGHEED: Mr. Speaker, I think it's absolutely clear that two roles are involved here. One is as a Member of the Legislative Assembly. Would we like the government suggesting that we should do without private members' days? There's a role that members of the government party hold with regard to their positions as members of this Assembly; there are roles they hold with regard to members of the government caucus. This is a matter dealing with the Legislative Assembly Act; hence, clearly a matter that falls within the scope of the Assembly and not of government.

MR. NOTLEY: A supplementary question. As the leader of the majority party in this Legislative Assembly, what initiatives does the hon. Premier foresee as his responsibility?

MR. LOUGHEED: With regard to this matter, Mr. Speaker, I don't see any that involve me. It's a matter for the Assembly. If the Assembly wish to make amendments to the Legislative Assembly Act, they should proceed to do so.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. I think there is some responsibility here as leader of the caucus, as leader of the . . .

MR. SPEAKER: Order please. Let's come to the question.

MR. R. SPEAKER: Mr. Speaker, my supplementary question: has the hon. Premier reviewed the matter with regard to members of the Conservative Party caucus, where some have accepted the stop-loss program benefits and some have not? Has the Premier reviewed those matters? Specifically, has the Premier reviewed the matter with regard to the hon. Member for Edmonton Whitemud, and has the hon. Premier found that member's actions acceptable?

MR. LOUGHEED: Mr. Speaker, the answer is that I have not. As far as I'm concerned, it's a matter for the Legislative Assembly Act, amendments thereto, and for the Assembly.

MR. KESLER: A supplementary question to the hon. Minister of Agriculture. In presenting the stop-loss program, I'm sure certain conditions must be met in order to receive that payment. Under those conditions, is there not an agreement between the government and the individual who receives that payment?

MR. NOTLEY: Exactly.

MR. SCHMIDT: Mr. Speaker, there are conditions. Of course, the one key condition is that in the eyes of the hog marketing board, you have to be a recognized registered producer of hogs. Every hog sold within the province is marketed through that board. With the board, plus the records kept — the tapes which recognize the daily sales — plus the owner of the hogs: those were used for the basic payment. The total handling of the program was through the hog marketing board, recognizing that the payment was through the department, using those tapes.

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

MR. R. SPEAKER: A supplementary question, Mr. Speaker. At this time, will the Premier confirm whether the hon. Member for Edmonton Whitemud will continue to be a member of the Conservative caucus?

MR. LOUGHEED: Mr. Speaker, he is clearly a Member of the Legislative Assembly and, as a Member of the Legislative Assembly, will continue to be a member of our caucus.

MR. NOTLEY: But you're still on your own, Peter. [interjection]

PWA Operations

MR. R. SPEAKER: Mr. Speaker, my second question is to the hon. Minister of Transportation. I'm sure the hon. minister will have some substantial answers to these questions and will take the direct responsibility. It's with regard to the purchase of Swiftair by Pacific Western Airlines. Could the hon. minister indicate whether that has occurred, and whether the transaction has been formalized at this point in time?

MR. KROEGER: Mr. Speaker, there has been negotiation between the management of Pacific Western Airlines and what was formerly Swiftair. As I understand it, although I haven't been involved in the negotiation in any way, PWA has purchased a 40 per cent interest, but I have not been involved in the detail of it.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. From his knowledge, could the minister indicate the main purpose of the purchase? Will it enhance the transportation system of Alberta or western Canada?

MR. KROEGER: Since the transaction occurred, Mr. Speaker, I've had no discussion with the principals involved. I did have one contact with the chairman of the board while it was under discussion, but not because I wanted any detail. We as a government do not involve ourselves in management decisions.

MR. R. SPEAKER: Mr. Speaker, a supplementary question with regard to a policy direction. Could the minister indicate whether the direction given to Pacific Western, in its terms of reference, is to purchase other airlines and continue to expand its holdings in western Canada?

MR. KROEGER: Mr. Speaker, I've issued no policy directives of any kind to the management of Pacific Western Airlines. This wasn't deemed to be a major expansion. Management saw some benefits in having part of this organization, and I didn't question the reasoning behind it, as I haven't in any other cases.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister confirm that the policy of Pacific Western Airlines, for which the minister is partially or wholly responsible, is to take over other airlines and expand its physical holdings?

MR. KROEGER: Mr. Speaker, keeping in mind that this was an express-oriented operation that management apparently deemed complemented the operation as it existed — and again, I haven't asked for any detail and don't possess any inside knowledge — I assume the reasoning behind the purchase was related to the fact that this operation was going out of business. I haven't asked for the detail of that. I'd be pleased to get any direct information of that kind, Mr. Speaker, if someone needs it.

MR. R. SPEAKER: Mr. Speaker, could the hon. minister review the matter and report back to the Legislature, with regard to the details of that purchase?

MR. KROEGER: Yes, Mr. Speaker.

Suncor — Working Conditions

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister responsible for Workers' Health, Safety and Compensation. Will the department undertake any investigation into the concerns of workers employed by Catalytic at the Suncor plant in Fort McMurray, concerning up to 40 men working in an area with asbestos in the environment, without being forewarned of the danger?

MR. DIACHUK: Yes, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question. Can the minister advise the Assembly what specific review will be made by the department, concerning the firing of some of those employees in the company who, concerned as they were about their health and pursuant to Section 27 of the Occupational Health and Safety Act, refused to work on April 15, I believe? What specific steps will the department take to investigate fully those particular events?

MR. DIACHUK: Mr. Speaker, at all times, all accusations and inquiries presented to my officials will be investigated. With regard to the specific firing of the workers, the worker or his union has the opportunity to raise that with the Department of Labour. My colleague the Minister of Labour may wish to supplement that answer.

MR. NOTLEY: Mr. Speaker, a supplementary question. In view of the minister's answers in the House last week with respect to the obligation of the worker not to work if the worker considers the conditions dangerous, what obligation is the government going to undertake, either through the department the minister heads or the Department of Labour, to ensure that people are not wrongfully dismissed, as a consequence of complying with an Act of the Legislature?

MR. YOUNG: Mr. Speaker, if I could just address this specific circumstance and the company and union which would be involved in these cases. There have in fact been a number of instances when, under the program of preventive, mediation and grievance mediation of the Department of Labour, officials of the department have been of significant assistance. I propose that this particular circumstance may well be one of those. Inasmuch as it has very recently come to our attention, it's not a matter on which I could make any extensive comment today, other than to say that the assistance through grievance mediation has been very useful to the parties in question on previous occasions.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister responsible for Workers' Health, Safety and Compensation. Pursuant to Section 29 of the Occupational Health and Safety Act, will the government consider appointing a board to inquire into the incident, both in terms of the allegations concerning working in an area where there is asbestos in the environment as well as the subsequent release or firing by the company of a shift of workers who refused to work under the circumstances?

MR. DIACHUK: Mr. Speaker, for the benefit of members of the Assembly, and particularly the inquiry of the

Member for Spirit River-Fairview, this only came to the attention of my officials last Friday, April 16. My officials immediately undertook to investigate the charges one of the workers raised with them, that he was dismissed when he refused to carry out work in what he considered to be an unsafe place. When that is completed, I will be in a better position to respond as to whether an inquiry will be considered.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to bring the Assembly up to date on what specific steps the department has taken to investigate the particular furnace — I believe it was 6F2 — at the Suncor plant, and whether the asbestos has been recovered or is still threatening the health of workers on other shifts, apart from the shift that was fired for refusing to work — as they have every right not to — subject to Section 27 under an Act of the Legislature . . .

MR. SPEAKER: Order please.

MR. DIACHUK: Mr. Speaker, I hesitate to repeat myself. But I indicated earlier that this is being investigated and, upon completion of the investigation . . . It's coincidental or subsequent to the order that the furnace in question be repaired and the malfunctions remedied. This work has been carried out, and one follows the other. My officials have been in the Fort McMurray area on a continuing basis, particularly with this inquiry, and no doubt some of the earlier findings were delayed because of their involvement in the more recent complaints. When all that is completed, I will be in a better position to respond.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to assure the House that all subsequent shifts working in the area of the furnace were given adequate clothing and equipment to work around those kinds of conditions?

MR. DIACHUK: Mr. Speaker, my response to the question is that my officials are on the scene, and the employer must fulfil requirements. This will be continued as of today. I can only indicate that the accusations that there haven't been any, are being investigated. Until I receive a report, I'm not admitting that proper safety precautions weren't taken.

MR. NOTLEY: Mr. Speaker, a supplementary question. The dismissal took place last Thursday. We've had a number of working days since then. Is the minister in a position to assure the House that the furnace has been repaired and there is no danger, that the other shifts of men working in that area are given proper equipment so there is no danger to their health, and that the regulations of the Act are being totally complied with?

MR. DIACHUK: Mr. Speaker, last week I responded that the co-operation of the joint worksite committee is always sought by my officials. It is quite accurate that the workers sought protection last Thursday. But as I indicated, it didn't come to my officials' attention until last Friday, April 16, when one of the dismissed workers visited the office. We have a staff member in Fort McMurray. He was apparently not advised of the concerns the workers have. We wish the union in question and the workers would raise their concern with the joint worksite committee, because I'm advised that there is one

at that site.

The concluding answer is: yes, we will endeavor to see that the workers carry out all further work in a safe manner, safe to their health and with the proper safety equipment and clothing.

MR. NOTLEY: Mr. Speaker, a final supplementary question. Is the minister in a position to assure the House that after the receipt of this information last Friday, all action was taken to ensure that there was no asbestos in the environment, or that proper equipment was used during the working days subsequent to receipt of the information by the department and the minister's answer in the House today?

MR. DIACHUK: Mr. Speaker, upon receipt of the final report, I'll be in a better position to assure the hon. member that as a result of Friday's complaint, everything was in place on Monday. I can't give that assurance. But I can give the assurance that as of today, when I received the copy of the hon. member's memo, that is in place.

Agricultural Development Corporation

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. When we were dealing with the estimates of the Department of Agriculture, the minister indicated they had a consultant's report with regard to changes being made in ADC, as far as applications and the administration of the Agricultural Development Corporation are concerned. Could the minister indicate whether any changes have been made in this area to date?

MR. SCHMIDT: Mr. Speaker, the recommendations put forward by the consultant have been before the board. There has been a recent replacement of the board chairman of the Ag. Development Corporation. Recognizing that there have been two separate entities as chairman of the board, the recommendations have been held and have had the opportunity of twice being looked at by the board.

Some of the recommendations put forward as to change in the method, and some suggested change in the actual physical operation of handling the applications, are now before us for consideration. As soon as we have completed that review and have chosen those areas for change where we feel some benefit would accrue to the Ag. Development Corporation, I will be happy to report to the House.

MR. MANDEVILLE: Mr. Speaker, a supplementary question. Could the minister indicate if they're giving consideration to streamlining the loans applications? I'm thinking of eliminating the regional offices, in a case where an application is made at the local office, goes to the regional office, then to the head office in Camrose. Has any consideration been given to having some of those small applications approved at the local level, and not have to go through the regional and head offices?

MR. SCHMIDT: Mr. Speaker, some recommendations have been made in that direction, recognizing the chain of command and the time frame involved by moving in that direction. Some suggestions have been made as to the area of responsibility at the local level and to what degree it should be maintained there before it moves on to either the regional level or back to the Camrose office. Those

will be some of the suggested changes we will be looking at.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. With the 88 per cent increase in ADC funds made available, our local offices are going to be understaffed. As a result of the increase in the mortgage money, is there any policy, or is the minister going to provide more staff for our local offices?

MR. SCHMIDT: Mr. Speaker, part of the increase is in the actual physical handling of applications, from a dollar-and-cent point of view. Part of the budget reflects a very healthy increase, recognizing the interest in agriculture and in land itself. You have to recognize that some areas are shorthanded at present. Our goal will be to make sure we have a full complement of staff and, if that is insufficient, then review it to strengthen in those areas where it's necessary, recognizing that we have the opportunity of using a combination of some of the support staff in the regional agricultural offices and the district agricultural offices throughout the province.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. With the large increase in the funds available to ADC, is consideration being given to putting more of the guaranteed loans under the direct loan program?

MR. SCHMIDT: Mr. Speaker, it's rather difficult. Direct loans relate to an interest rate that is covered by those programs that handle direct money; in other words, the beginning farmer loans, the Class A and Class B loans. Guarantees are the easiest to handle, of course, because the basic workload is then handled at a bank of your choice, and the paperwork is done through Camrose. So I can't see a change in that general direction. If there is any area of change one should be looking at, and one that becomes difficult to keep up to, it is the change in the equity point of view, because it changes so dramatically, two and three times a year.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. Premier, with regard to an expanded ADC function. Could the Premier indicate whether the government is giving consideration to expanding ADC to be part of what we could call an agricultural economic resurgence program?

MR. LOUGHEED: Mr. Speaker, there are a number of matters with regard to the Alberta economic resurgence plan which I'd be pleased to deal with over the next six to nine months, but there is nothing specific that I could usefully report to the hon. Leader of the Opposition today.

Farm Foreclosures

MR. KESLER: Mr. Speaker, my question is to the hon. Minister of Agriculture as well. Is the minister monitoring the number of foreclosures on Alberta farmers by the Agricultural Development Corporation and the Treasury Board?

MR. SCHMIDT: Mr. Speaker, foreclosures through the Ag. Development Corporation come to my office before foreclosure has commenced. I am pleased to say that for those farmers who are actively farming — other than a few changes, as I stated in the House earlier, with regard

to beginning farmers who by personal choice changed vocation — the numbers have been very few.

MR. KESLER: Mr. Speaker, a supplementary question. Could the hon. minister indicate how many "very few" are?

MR. SCHMIDT: Mr. Speaker, it would be from memory, but I consider a few in the half-dozen class.

MR. KESLER: A supplementary question, Mr. Speaker. In view of the very serious financial problems being faced by farmers in Alberta, has the minister instructed the Agricultural Development Corporation to place a moratorium on foreclosures on Alberta farmers?

MR. SCHMIDT: Mr. Speaker, the Ag. Development Corporation has always been very favorable to the farming community, recognizing that they came into being to fill a void in the financial end of agriculture. They have always been, and will continue to be, flexible in viewing those who find themselves in a temporary, difficult position with their payments, recognizing that in some cases those who by choice are no longer involved in agriculture and still perhaps have some obligations to ADC have a different approach. But at the present time, leniency is certainly shown in all cases.

MR. KESLER: A supplementary question, Mr. Speaker. Could the hon. minister indicate the percentage of assets or the percentage of equity necessary before a foreclosure is put in place?

MR. SPEAKER: With great respect to the hon. member, we're really getting into detail which is much more adequately dealt with on the Order Paper by means of a written question.

MR. KESLER: A supplementary question, Mr. Speaker. Does the minister sign ADC foreclosure orders?

MR. SCHMIDT: Not in total, Mr. Speaker. Those items of write-off are directed to the minister's office and require my signature. Foreclosures in a normal way are considered through my office. But the Ag. Development Corporation, being a Crown corporation, has the right to foreclose entirely on their own.

MR. KESLER: Mr. Speaker, a supplementary question to the hon. Provincial Treasurer. In view of some very serious information that has crossed my desk in the last week, and in view of the serious nature of the substantial downturn in the economic conditions faced by Alberta farmers, could the Provincial Treasurer assure the House that the treasury branch will place a moratorium on farm foreclosures, as has been done in other western provinces?

MR. HYNDMAN: Mr. Speaker, we will continue to rifle in support, as we have done for farmers, small business men, and others, to ensure that they are shielded in a fair and reasonable way from the hopefully temporary high interest rates we're facing.

MR. KESLER: A supplementary question, Mr. Speaker. The question is: will the Provincial Treasurer put in place a moratorium on foreclosures now, as has been done in other western provinces?

MR. NOTLEY: Yes or no.

MR. HYNDMAN: Mr. Speaker, I'm not sure of the facts of the hon. gentleman. The existing policies of the treasury branches, which I think Albertans and members of the Legislature will concede have been more than fair to Albertans — and, I might add, it was a very useful initiative in the 1930s — will continue. We will continue to keep a close eye out, especially for rural Alberta, which is the main mandate of the treasury branches. [interjections]

Subsidy Programs — MLA Participation

MR. COOK: Mr. Speaker, this question is really supplementary to some posed earlier. Would the Provincial Treasurer indicate whether any members of the opposition have received, or made application for, assistance under the farm fuel allowance? Secondly, have any members of the opposition or the Legislature received assistance under the natural gas price protection plan?

MR. SPEAKER: I realize a series of questions . . .

MR. NOTLEY: Look at your Act, Rollie. Look at Section 10. [interjections]

MR. SPEAKER: Order please. I realize we had a series of questions which somewhat resembled the one that has just been asked, although it seems to me they weren't in quite as much need of detailed research as might be indicated by the one just asked. If the hon. member can rephrase the question in more general terms, perhaps it would be appropriate for the question period.

MR. COOK: Mr. Speaker, since both programs are automatic, would the Provincial Treasurer happen to know the answer? If so, could he enlighten the Assembly?

MR. HYNDMAN: Mr. Speaker, I have not yet made inquiries with respect to the first program. My colleague the Minister of Utilities and Telephones is responsible for the natural gas price protection plan, so I ask him to respond to the second one.

MR. SHABEN: Mr. Speaker, I'm not able to respond, because the benefits of the natural gas price protection plan flow to all those individuals who pay their natural gas bill through their utility. Members in the Assembly who pay that bill would be aware of whether they received the benefits.

Hazardous Waste Disposal

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of the Environment. Does the minister still stand by his position on April 16, with respect to the plebiscite in Beaver county? I quote:

. . . I have left that kind of judgement decision to the local authority. In view of the majority vote, my opinion is that I would recommend that we not proceed.

Mr. Speaker, in light of the fact that the Attorney General's Department has begun legal action to quash the plebiscite, the by-law, and the petition, does the minister still stand by his announced position on April 16?

MR. COOKSON: Mr. Speaker, I'm not fully aware of the procedure the member of the opposition has suggest-

ed, insofar as the legal inquiry is concerned. I think that has a bearing on the eventual decision as to whether another by-law has to be drafted, or perhaps a further plebiscite has to be held. I prefer to hold any further comment on that point until the point the member has raised has been clarified.

MR. CRAWFORD: Before supplementary questions, Mr. Speaker, perhaps I could add something. Legal proceedings in regard to the Beaver county situation do not necessarily relate to the question the hon. member has asked the Minister of the Environment because, as I understand it, the question relates to the policy of the department in regard to location.

As the plaintiff in those proceedings, I don't want to be in the position to discuss, in any full measure, a matter that is already before the courts. But if the hon. member would look at all the matters raised in the proceeding and note that the policy decision is one matter and the legal proceeding is another, I submit that adequate reasons are expressed that would lead any dispassionate person looking at the pleadings to say that the proceedings should be taken.

MR. NOTLEY: Mr. Speaker, a supplementary question, bearing in mind the distinction separating the legal action by the Attorney General's Department from the policy matter. Very simply, is the policy of the Minister of the Environment and the government still to recommend that the government not proceed with a location in Beaver county, as a result of the plebiscite vote?

MR. COOKSON: Mr. Speaker, my problem is that a plebiscite is normally pursued on a very clearly spelled out by-law. The only question I raise is that if through further review there's some question about the by-law itself, then I presume it would be the responsibility of the local authority to review that situation and make their own decision as to whether they would wish to pursue further, on the basis of redraft or rewording, and go through the plebiscite procedure again. I hesitate to give any judgment on that basis.

If it were a clear-cut by-law — if there were no question as to the phraseology and wording — and a plebiscite such as the one in the county of Beaver was carried on, with a substantial number of the electorate rejecting the concept of the waste plant, then I would concur in the decision of the electorate. I'm sure the local authority would, too.

MR. NOTLEY: Mr. Speaker, a supplementary question. Either preceding or subsequent to the minister's answer of April 16, were any meetings held with officials of Beaver county?

MR. COOKSON: Mr. Speaker, I'd have to check on the timing of the events since the preparation of the by-law and the plebiscite itself. I think the events questioned deal with the March 11 meeting. We have always dialogued with anyone who wishes to dialogue with us, providing information. Our information group in Environment provides local input to questions. That has always been in place. As to any specific meetings of the county, I would have to check to determine timings.

MR. NOTLEY: Mr. Speaker, perhaps I could be a little more . . .

MR. SPEAKER: Might this be the last supplementary on this topic. We have exceeded, by a considerable margin, the allotted time for the question period.

MR. NOTLEY: Mr. Speaker, has the minister held any meetings with any official of Beaver county, subsequent to the minister's statement on the 16th, in which he indicates he would recommend not to proceed?

MR. COOKSON: If I recollect my comment at the time, Mr. Speaker, I think I said it would be my personal opinion that in view of the overwhelming vote on the 16th, my approach would not be to proceed with the direction in which we were going. However, I did leave some options open to the local authority, since it really is a local authority responsibility, in terms of piloting a by-law through the system.

ORDERS OF THE DAY

MR. HORSMAN: Mr. Speaker, I move that questions 127 and 128 and motions for returns 120 and 121 stand and retain their places on the Order Paper.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

207. Moved by Dr. Carter:

Be it resolved that the Assembly urge the government to consider giving even greater support and encouragement to Alberta authors, publishers, distributors, and production personnel, through the Department of Culture.

DR. CARTER: First, Mr. Speaker, I have to declare that this motion is not a conflict of interest on my part. Rather, I see it as being a motion of support and encouragement to a considerable number of talented Albertans who often don't believe in themselves and their abilities.

MRS. OSTERMAN: Have you got talent, Dave?

DR. CARTER: Yes, I need that encouragement too.

At that stage, I would also like to comment that I have been working with at least one other of my colleagues in the Assembly, urging him to work on his memoirs. I believe he has a considerable talent, but I also believe it probably applies to a tremendous number of people in this Assembly. You really have to believe in your own ability to create, in terms of poetry or writing. I think one of the difficulties has been that in the educational process which a number of us have been subjected to, or which we have survived, oftentimes there is that feeling that somebody else has the talent, the ability to write. We haven't been supportive enough in terms of each other — the fact that you yourself have a certain degree of creativity, and you should put it to some kind of use.

In the words of another colleague in this Assembly, whom I count as a friend, he regards this as a motion on culture instead of another motion on agriculture. It's quite obvious that man needs to toil the soil, because we do need sustenance for our body. But we also have to have some kind of toil in terms of creativity, especially

with regard to the arts, so we can have some sustenance for the soul as well.

The arts perform a very important function in the development of any society. No matter how primitive a society may be judged by other people, nevertheless images and art forms do take place; for example a petroglyph, beadwork, or some kind of carving. In any culture, you find artistic manifestations which create other kinds of images. They have spinoff effects in terms of carrying with them a shorthand, if you will, as to what real meanings in culture are there. Perhaps they might be evocative of historical episodes which took place. On the other hand, they may lead us in terms of theological principles, in terms of images. But one thing which comes to me with respect to the arts is this: whether the images are painted, written, spoken, or performed, they give added dimension to life; oftentimes they give another quality to the living of life.

There are other interpretations with respect to art. Often in difficult economic and political times, the arts are used to supply patience to endure. The arts perform that very helpful function on behalf of individuals and society collectively. In the art, sometimes there is the commentary that it is escapism, but oftentimes it is much deeper than that. It really gives the ability and patience to endure. It supplies muscle and sinew to individuals and nations to persevere. It may come forth in just a simple line, a rallying cry. Another example, to be found primarily within the cultures of the Russians, Chinese, and Japanese, is with respect to poetry, as but one example of an art form. In Japan many thousands of Japanese write haiku. They see this as a meditative tool. But it's also a quieting form in the sense that it brings a better sense of balance to the individual. That's one of the aspects of the arts in terms of poetry.

A good example is to be found in many cultures, in particular in Russian culture. Poetry is seen as a rallying cry, and not simply for political ends. The rallying cry is for the strength of the nation to be seen in those associated with the land. That takes us back to agriculture again: a whole awareness and sense of importance as to the value of the land, the value of nature in terms of the whole environment. Poetry is a very strong function in a number of societies even today.

A number of these societies regard poets as being reasonably important to the whole warp and woof, to the development of the whole understanding of a culture and of a nation. Oftentimes they bring us back to the nub of the issue, to a shorthand version of what the central issues on a particular topic really are in a nation. Instead of having a great 333-page book on prisoner of war camps in Canada, perhaps you can distil that down in one simple poem, which gets the whole message across. In that sense, poetry can be a shorthand of what the whole historical development issue can be.

Of the people who came to western Canada — I think in particular of Manitoba, Saskatchewan, and Alberta — a tremendous number of the Ukrainian immigrants who came to help build this nation of ours carried in their luggage copies of the works of Taras Shevchenko, which are represented in this volume. One of the statues on the grounds of the Legislature in Manitoba is in his memory. For people who came to this country, he was a rallying cry in terms of emotions, interrelationships, the relationship with the land and, above all, in terms of freedom. So it is that oftentimes poetry, as just one example, can be very evocative not only of one's homeland but of the strength to face the challenges in the new land.

With respect to the development of issues — in particular, in the area of non-fiction — historical works allow us to do our own historical analysis, to be aware of the developments that went on before, to be aware of the people who did the foundation work of our province or our country. It's not just a thing of the past for those people who are old and tired and like to read history, but it allows us to have a better understanding of some of the background issues which helped develop the difficulties and the challenges which you and I must face today. So there's a real value in terms of this kind of encouragement to historical writers. In terms of the process, that allows us to better evaluate where we are and, hopefully, to better meet the challenges which lie ahead.

The elements of Motion 207 cover a broad spectrum. I hope other members of the Assembly, as they comment on the motion, see this as a broad spectrum, the total mosaic of the arts. That would include not only poetry, non-fiction, and fiction, but also plays, film production, television production, and painting, even though that wasn't specifically mentioned in the motion.

The motion relates to encouragement for authors. But it also deals with publishers, distributors, directors, and producers: those people who in the end, hopefully, are willing to take the chance on trying out locals, those who are untried, and people who come from that strange place called western Canada. I'll make some more comments on that in subsequent minutes, because one of the difficulties here is that even with people in our province, we tend to think that if you've got culture, you've come from somewhere other than Alberta. The same thing applies in terms of publishing any kind of production.

First, though, I would like to give thanks to the Minister of Culture for her interest and support and the way she has given encouragement through her administration of the department. A number of valuable things have been carried out within the Department of Culture to encourage those people I have listed in the motion. By way of example, fairly recently an anthology of women's poetry was published in the province. As far as I know, all the authors are from Alberta. The title of the book is *Womansong*. It was published by Sandstone Publishing Limited of Calgary. I use this as an example, because in the last three weeks I delivered some grant money from the Department of Culture to Marie Jakober, who lives in my constituency, and is one of the contributors to this anthology of Alberta women's poetry. I regard this as a very fine example of the positive work being done by the Department of Culture. I also urge members of the Assembly to pick up a copy and read that book. With respect to the department, there's always room to expand and to examine additional avenues of support.

I think a word of thanks should also be given to the Department of Economic Development for their recent program with respect to the development of the film industry in this province. That should have very positive spinoff effects.

For a moment I would like to lead members of the Assembly through some of the difficulties involved in the process of getting either a poem or a book published. First, it's difficult enough to believe in yourself, that you have something to say in a poem, book, or play. It may take many years before you even allow yourself to admit to somebody else that you are doing that kind of project. I know whereof I speak, because I think I was writing poems for about 15 years before I had enough courage to admit I was writing them.

A poem is not an event where you can decide that

today I'm going to sit down and write a poem. More often than not, you have to go as the spirit moves you, and that comes at very strange and interesting times. Having created a poem, its final version isn't necessarily going to be just as you have written it. A number of summers ago, in 1978, I was fortunate enough to be in a writing course at Banff for a number of weeks. One of the persons I studied with was Irving Layton, the Canadian poet. While I don't necessarily like all his poems or his style, nevertheless I do find him to be a very interesting craftsman. For example, he shared with me the fact that he rewrites some of his poems 80 times. I find great difficulty with that, because I think some poems are then likely to have everything completely rewritten right out of them.

Another thing happens with a poem which is very strange. After you've written it, you can read it and understand what it means to you. But when it is read in public, it takes on a whole other variety of meanings or subtle nuances. Things come out of it you didn't realize were there. In terms of doing a work of non-fiction, this can involve literally years of work to get a project to fruition. Once you've done all that, you still have to do all that extra work of getting it into written form so it's really finally ready to go to print. Even then, you still have to cross the hurdle of whether you will publicly bare yourself to the world and say, hey look, I've written a book. Who do you share that with, let alone go through the whole process of trying to get a book published.

Let me tell you as an Alberta author that you will find yourself in great difficulty getting published, because there aren't that many publishers in the province of Alberta, and there certainly aren't that many who are willing to look at your material. I know it's a standard, hackneyed kind of image of any author that you see the cartoon where he's getting back his 399th rejection slip. So in this province, it's very difficult. It might be that you'd have to go to Toronto, or perhaps to Vancouver. So that whole performance of wait, reject, wait, and reject, is very much a reality.

It's quite obvious that very few authors are going to be able to live on the income they're going to get from sales of any books. For example, if you are published you might be lucky enough to get a \$500 advance on your sales. That's not going to get you too many groceries. Then it might be that you get 12 per cent of all sales. I discovered, again from Irving Layton, that if they sell 800 copies in this country of one of his books of poetry, he really has a best seller on his hands in terms of poetry. So that tells you something about where we are with respect to poetry in this country.

Then you have the difficulties associated with distribution and promotion. It's very difficult because of the United States of America's invasion of the book publishing market in Canada — the kind of competition that is there, the whole matter of trying to sell the pocketbook style and format, and the whole matter of marketing. Again, this is also controlled from eastern Canada. It makes it very, very difficult for anyone in Alberta to try to get into any kind of market.

So, Mr. Speaker, a number of publishing problems are involved. Very quickly, I'd like to run through some of these. One is the whole matter of copyright. That's a legal nightmare for most authors. I use as an example the *Memoirs of Sherlock Holmes*, because most people here would be familiar with at least one Sherlock Holmes story. It's interesting that the copyright has now expired. So if you're passing your local neighborhood bookstore,

you'll now discover that many popular versions of Sherlock Holmes are coming out. But no royalty payments will be going to the author's survivors. There you have one of the difficulties, copyrights.

Then we have the matter of paperback marketing techniques, which I've alluded to. Of course if you look at the title pages, you'll see that most books you pick up on any bookshelf have been printed in the United States, and the publishing house is out of New York. Once in a while, you'll find it's Toronto. So it's very difficult for any author to find any publisher — in Toronto, New York, London, or Paris for that matter — that has any kind of interest in publishing something that comes back as local as *The Temptations of Big Bear*, written by Rudy Wiebe. This of course talks about the Riel Rebellion. That book was published in Toronto, but it took a long time to get that kind of book published. It's not the thing that's going to be attractive to the New York market. Even more difficult to get published would be a Canadian play such as *The Ecstasy of Rita Joe*, which is a very fine stage production, a combination of music as well as the spoken word and action. But to get a Canadian play into print is very close to impossible.

Anthologies, great collections of verse, are supposed to be one way of trying to get a number of regional poets into the publishing market. That's fine, except they really aren't good enough. They don't give enough depth about what the author really is like. If you take one or two poems of Shakespeare even, that isn't really going to give you enough of a spectrum for understanding what he was all about.

I have mentioned the matter of publisher inaccessibility. It's very difficult for Alberta authors, western Canadian authors, to be able to afford to take their manuscript to Toronto, New York, or Vancouver, because it's still going to be a one-on-one situation if you're going to stand even half a chance of having your manuscript read, let alone published. That same kind of thing is involved with distributor attitudes. It's very difficult. For example, you can't do your own distribution of a book and go to, say, Coles bookstore here in Edmonton. They in turn will send you back and say, you have to deal with our office in Toronto, because all our merchandising is done from the head office in Toronto.

Then you have the other thing, which is great if you're a 'bookaholic', like some of us, where you can get books cheap. But it's very difficult for authors suddenly to discover that most of their books are being remaindered or used as loss leaders. That means you're going to get even less.

A real problem today in the whole world publishing venture is the fact that copying machines are just a little too accessible. Oftentimes we have violation of copyright. In addition there is real pirating of books and manuscripts in places like India and behind the Iron Curtain, where numbers of books are just taken, copied, and sold without any kind of return to any of the authors. The development of word processing equipment raises a very interesting spectre on the horizon with respect to the printed word. Of course, TV has had a tremendous impact in terms of our younger generation. A considerable number of them are reading less books. When it comes to video playback, you can spend even more of your time watching your favorite movie or hockey game. All of that has a serious impact on the written word but also in terms of production of plays, for example. Yet it opens up a whole new market with respect to TV and film productions.

The relationship between the Department of Culture and the publishers has both good and bad effects. It's good in the sense that it allows some of the winners of Alberta fiction competitions to be published and to get advances against sales, but in my mind it also calls into question somewhat the matter of having some of the publishers out of Toronto involved in adjudication as to what is saleable on the whole market, rather than what is worthy of publication. Sometimes, of course, both those categories come together.

[Mr. Purdy in the Chair]

There is a department attitude with respect to a thing called vanity press. Vanity press is something I'm guilty of. I think vanity press needs to be re-examined. That's not the name of a new incorporated group in the province, I assure members. [interjection] It's not a conflict. But on one of the documents from the Department of Culture, we have this:

The Department does not provide funding for self-publishing by authors as demonstrated over so many years that this does not enhance the reputation of any author nor does it encourage a sound and responsible publishing industry.

I want to disagree with that — not the part about my reputation as an author. But I mentioned earlier that Irving Layton claimed that if he sold 800 copies of one volume of poetry, that made it a best seller in Canada. But having gone the so-called vanity press route of self-publishing and self-distribution, because I wanted to learn all the things involved in small business, I discovered that I was able to sell 1,500 copies of one book of poetry. And that's not just trying to get rid of it to all my friends, because I haven't that many electors, let alone that many friends.

Another aspect is with respect to music and music publishing. That brings in a whole other series of difficulties. I have some suggestions. The department has carried out a number of workshops, but I think workshops throughout the province should be increased. Here the Department of Tourism and Small Business could be of some assistance, because I think an awful lot of authors and playwrights really have very little idea of their own management of records, invoicing, and the whole matter of business necessities. That's one aspect that needs to be worked on in terms of authors' workshops in this province.

Also with respect to the Department of Culture, I specifically suggest that the museum bookshop be enlarged. First, the Provincial Museum is choking on the volume of historical material at the moment. There needs to be a larger bookshop. This would also be a very good place for the sale of Alberta authors in other areas: poetry and fiction as well as non-fiction. Of course, the museum is an admirable place for the display of works of art in this province. It could be that there are more government facilities where one could have either poetry readings or displays of arts, just so we're able to build up the fact that we have a number of Alberta artists who are worthy of being put on display.

One of the things which is often used in many countries is the whole matter of poetry and play readings, or even readings from non-fiction and fiction. That could take place in coffee houses or, you name it. It could also take place in the libraries of this province. I know some do take place, but more of that should be encouraged. In this respect, I'd like to say a special word of thanks to CBC

Radio for its program *Anthology*, because they have been very supportive in terms of giving broader exposure to authors in this province.

My final suggestion would be to the Department of Education and, I guess, to the Department of Advanced Education and Manpower. In education, in particular, we have the whole matter of school libraries, which really need to concentrate on Alberta material; not to the exclusion of other, but just to make sure we have our material there and in the courses. The authors could be invited to do readings and talk about their art form.

Mr. Speaker, I realize I am about out of time. If I could beg the indulgence of the Assembly to read two brief poems, which have been written in this Assembly, I would like to conclude on that note, if I might, please. The first poem is entitled Stage Setting. When I get to the last line, you have to remember that the first word "Act" is with a capital letter "A" and the second is with a small "a":

Stage Setting

High vaulted ceiling adorned
with German stained glass
and checkerboard tiles of lights
forms the canopy of our
Legislature.
Pseudo-doric columns rise
with graceful strength
wearing Edwardian torches
to light the litter of our mahogany
desks.
This parliamentary meeting place
is wrapped in historical embrace
and in such dramatic a setting
we legislators Act and act.

The last one — oh, we do have a few of the media here — is for the media in part. This one is called Autopsy and goes back to when I worked in a funeral home and watched my first autopsy. This also applies to this place.

Autopsy

Within Legislative Assembly
chamber
the impressive red velvet womb
of Alberta's sandstone capital
building
press and public galleries offer
spectator platforms for
the dissecting of legislative action.
Unrelenting television cameras
monitor our forms
while the written media
disembowel our corpses.

MRS. FYFE: Mr. Speaker, I thought that was going to be a hard act to follow until we got to the corpses; now I'm positive of it.

It's a pleasure to participate in the motion this afternoon. As I was thinking about this motion, I wanted to do just a very brief examination of culture and of what culture is. So I started in the dictionary and looked up the terminology. The dictionary I have at home defined culture as the act of developing by education, discipline, and training; in addition, the enlightenment and refinement of tastes acquired by intellectual and aesthetic train-

ing. A third meaning: a particular stage of advancement in civilization or the characteristic features of such a stage or state.

The development of culture in the world has been in direct proportion to the availability of food. As an example of cultures of aboriginal peoples in North America, a study would demonstrate that the hot and moderate climatic regions of the western hemisphere were where there was significant cultural development. For example, the Incas and the Aztecs developed skills in architecture and in a number of different technological areas. They left a permanent record of the life and type of society they had, primarily because of the availability of food to those cultures. The most significant element in cultural development is that ease of acquiring food.

On the other hand, the Athapascans, Indians who resided in the northern areas of what is now Canada, spent practically all their time hunting and gathering food. As a consequence, they had very little time left to develop any art works, technology, written word, or architectural development that would leave a record of the type of life they had. A cold, harsh climate meant there was little time to develop the cultivation and agricultural techniques developed in more moderate, warm, or hot climates.

As societies become more affluent, so does cultural development. As resources become more disposable, there's more income per capita, more recreation time available, more time for cultural interests. We just have to open any newspaper — yesterday's, today's — and look at the advertisements for stereo equipment. Many consumers must be purchasing this equipment, otherwise there wouldn't be so many businesses advertising. Now I don't suggest that all the noise heard on this equipment is necessarily cultural, but I do suggest that in our society there are many more hours available for recreational and cultural pleasure.

Literary development is one aspect of culture that I believe has had a difficult time competing with the electronic media in particular, television to be specific, but with other forms of communication. A significant amount has been done in the development of the literary arts within the Department of Culture. Under the authority of legislation, the cultural Act and the Libraries Act, the cultural development division has sought to promote and enhance the level of cultural development within this province.

Development of writers' talents is encouraged in Alberta through the film and literary arts branch. Some of the services offered under this branch give advice to writers requesting help, through a bimonthly newsletter entitled the *Alberta Authors Bulletin*. They are a series of publications that assist in how to submit a manuscript — which the mover of the motion spoke about — publications such as poetry outlets, what to do with those creative poems that are written down and need to be shared by others, publications and manuscript rights, copyright, et cetera. Approximately 100 calls a year are handled by two full-time consultants, one an expert in publishing and the other an expert in magazine writing. Other services, such as educational services, are provided through correspondence courses which deal principally with writing. In this present year, about 80 students are partaking of this correspondence program.

In addition, regional workshops are held in cities across this province, where specialists — editors, publishers, writers — share their techniques and ideas with participants. This summer, a regional workshop will be held at

the University of Calgary. In addition to the larger regional workshops, many one-day workshops are held in various districts across this province; day-long seminars where criticism is offered by various experts. There are writers in the schools, designed to bring professional writers in for the assistance of students.

In addition, there are a number of different awards and competitions. For example, there's the search for the new Alberta novelist competition. In this competition, Alberta Culture contributes \$2,500 to the writer and \$1,500 to the publisher. There's the writing for young people competition, the Alberta non-fiction award, and the Alberta regional history award. In addition, financial assistance provides grants up to \$10,000 to advanced authors who have had at least 15,000 words published in periodicals or books published by any publisher with no less than 15 years in the trade. Grants have also been made available through the Provincial Treasurer for guarantees for loans to publishers.

Mr. Speaker, it concerns me that one of the problems we face in our society in Alberta is the use of language and the ability to communicate. It seems to me that this ability to communicate is perhaps shrinking. "Go north, hoser" or "Take off, eh" may earn at least two comedians a very substantial living, but I'm not sure it's too amusing when we stop and listen to communication of not just our younger people but society as a whole. Somewhere we seem to be missing the boat in the educational process.

In order to improve communication, I believe that learning the language must be fun. As we look back on our own educational experiences, I'm not sure it always was too much fun. An example I would like to share with members this afternoon comes from an old copy — and I only have the back cover, so I'm not sure of the date; oh, the stamp on the front says 1974 — of the *Alberta Authors Bulletin*, which sets out inside the cover some assistance in helping with the written word. The first one it writes is "Don't use no double negative." Taking an example such as this and using it in an educational process would probably be a lot more fun for students to stop and look at the use of double negatives. I know I am continually utilizing an example like this with my own family, to get them to think about the use of language.

2. Make each pronoun agree with their antecedent.
 3. Join clauses good, like a conjunction should.
 4. About them sentence fragments.
- And this is my favorite:
5. When dangling watch your participles.
 6. Verbs has to agree with their subjects.
 7. Try to not ever split infinitives.

These are types of lessons that I don't think were necessarily very meaningful during our educational process. When we learn about conjunctions, dangling participles, gerunds, and all those terms in grammar, somehow we have to get them across in a more positive light, to get people expanding their language, to get people excited about the use of language and the tremendous importance of communication. I believe it must be fun. We must develop a system within our educational process — not just during the formative years of language development, not just during public school years, but in postsecondary years — where we concentrate, provide an incentive to develop the skills that the mover of the motion has been talking about this afternoon. If there were more demand for publishing, if a greater number of people were involved, perhaps it wouldn't be so difficult to get support for cultural dollars for the literary arts.

I believe we should encourage Alberta authors and publishers, and I support the motion put forward this afternoon by the hon. member. Thank you.

MR. LITTLE: Mr. Speaker, I also welcome the opportunity to speak to this motion this afternoon. I find it both significant and appropriate that we are debating this particular motion, which is to promote Alberta and Canadian writers, just days after constitution day, which said in effect that we are now our own persons; we have our own rights and privileges, our own identity, and our own culture. But do we really? Do we really have our own identity, our own culture, or are we still suffering from that inferiority complex in the long shadow of Uncle Sam?

Last winter, waiting for the news, I happened to tune into a CBC TV program one Sunday night. I believe it was called *Home Fires*, and it concerned a family living during the Second World War. A particular scene in this segment showed a young man standing on a street corner discussing with his girl friend his intention to join the RCAF, the Royal Canadian Air Force. I was shocked out of my mind when I heard the background music, which was the march of the United States Army Air Corps.

Well, hon. members, I didn't let it go at that. The following morning, I wrote a letter to the Minister of National Defence, the Hon. Gilles Lamontagne. I stated:

Last Sunday evening (November 29th) I was watching a television program called "Home Fires" over the local C.B.C. channel. One scene depicted a young man standing on the street discussing his plans to enlist in the Armed Services — presumably the R.C.A.F. The background music for this scene was the march of the United States Army Air Corps.

Surely we are proud enough of our Air Force to play the March Past of the R.A.F. (the official march of the R.C.A.F.) or some other fitting martial music of Canadian origin. It seems to me that our national radio and television corporation should take a leadership role in developing our national pride and identity.

One month later, I received a reply that the Minister of National Defence was not responsible for what the CBC did.

Possibly the most important contribution to promote Canadian pride and cohesion in this decade was the gallant efforts of that courageous and dedicated young Canadian Terry Fox, whose efforts on behalf of cancer research in this country touched the hearts of all of us. Quite appropriately, we in Canada proclaimed a Terry Fox day. But who did we call in to do the promotion on it? An American TV star.

A generation ago, my good friend — my old fishing friend — Bobby Gimby, went from coast to coast in this country in his pied piper uniform and his ceremonial trumpet, leading bands of bright-eyed young Canadian musicians to the exciting strains of his well-known composition, *Canada*.

MR. HORSMAN: Sing it for us, Andy.

MR. LITTLE: I'm sorry the Member for Edmonton Kingsway isn't here. He could do a better job of singing it than I could.

I was very happy to see that Bobby Gimby was one of the honored guests at the ceremonies last Saturday. But what has all this to do with the constitution? The constitution says we are now an independent country. But I

don't believe we shall be independent until we develop our own culture, our own identity, and who better than the authors, the painters, the musicians, the actors? In previous generations, think of the impact of men such as Burns, Sir Walter Scott, Shakespeare, Byron, Longfellow. But for those who would say that those men made it on their own, that they didn't have government grants or subsidies in those days . . . no, but they had their patrons. My hero Robbie Burns could not have survived without his patrons.

A short time ago, the *Weekend Magazine* published a list of Canadian stars of stage and screen who had left Canada for greener pastures south of the 49th. Apparently they left for bigger rewards and recognition. Who can blame them? There were over 100 on the list. We cannot afford this culture drain. We must make our environment more attractive in Canada so these people will stay here.

Dr. Grant McEwan, that great Canadian and Albertan, is probably the best historic writer on this continent today. But his work just hasn't had the national and international recognition it deserves. Another friend of mine, the late Johnny Hopkins, a columnist for *The Calgary Herald* and, incidentally, a thoroughly good guy, once commented, when Grant released one of his newest books which had just been published: it's a great book, but it will never be a best seller; if Grant could put together a new Peyton Place with a Rocky Mountain background, he'd sell a million of them. A sad but true indictment of public taste in our country.

May I tell you of my own first literary effort? That was to review a book for *The Calgary Herald*. They used to have a weekend book review section, and I was asked to review a book called *The Onion Field*, written by that most prolific writer, Joe Wambaugh, a former member of the Los Angeles police force. He wrote such books as *The Blue Knight*, *The New Centurions*, and *The Choirboys*. I didn't realize I was going to be paid for the job — there was no conflict of interest at the time — but for my efforts, they sent me a \$15 cheque. I wanted to save it as payment for my first literary effort. Approximately a year later, the accountant phoned me and pleaded with me to please negotiate the cheque. So I lost my only cheque for literary work.

My own earliest contact with local artists, however, was the Art Shop in Calgary, a little store on 7th Avenue West that is now the site of the Scotia Centre. The Art Shop sold and framed the paintings of the locals. It was also a gathering for local artists. Almost any summer afternoon if you went into the backroom, past the green curtain, you'd find such people as Roland Gissing, Nick Grandmaison, the Countess de Fores. The young cop on the beat — he was young in those days — used to find this a great haven for good conversation and refreshment.

I well remember one afternoon when the young policeman was in the back. He had hung up his tunic and helmet, and was enjoying some of the best whisky that Jack Booth, the proprietor, could provide. The curtain was pulled back and a great big man in a blue uniform and helmet similar to mine, but wearing three stripes on his arm, stuck his head in and said: boy, what are you doing in there? I like that term "boy". Jack Booth, a most gracious host, said to him: sergeant, leave the boy alone; you've been drinking my whisky for 40 years.

Calgary celebrated its centennial in 1975. Part of the celebration was a history of the city, written by 36 neophyte authors in Calgary, about various stages of early Calgary. It was financed by the provincial government. For many of these people, it was their first ex-

perience in writing. I don't claim they would challenge Hemingway, Maugham, or John Buchan, but their writings gave each of them a rewarding experience and, at the same time, made a valuable and unique contribution to the recording of history in that city. At that time, I presented the complete collection of those books to the Premier. For those hon. members who are interested, they are in our library. As I said, they're not skillfully written, but they form an extremely important part of the history of Calgary and of this province.

I feel the same way about the many interesting publications of Alberta's 75th year, when all the towns and communities of this province recorded their early histories and family backgrounds of the early settlers. I don't know whether many of you have heard of the Delia Craigmyle Saga, but it forms a special place on the Little's bookshelves. Delia is the hometown of my good wife. Once again, it was not written by experts. But I find it extremely interesting writing and a great experience for these people.

AN HON. MEMBER: It's close to Hanna.

MR. LITTLE: As the hon. member states, it's close to Hanna. Hanna was the nearest city.

The programs of the [Department] of Culture have significantly supported and encouraged the writers of this province. But more can be done if we are going to preserve our valued and unique heritage. I urge all hon. members to support this motion.

MR. KOWALSKI: Mr. Speaker, literature is the heart and soul, as well as the conscience, of any great nation. Both Canada and Alberta have produced outstanding literary talents in the past, are doing so today, and will continue to do so in the future. Because of the importance of the written word and the environment for creativity that exists in our country and province, all members in this Assembly owe a debt of thanks to the Member for Calgary Millican for bringing forth the important motion we are debating today. I've been impressed with the rather personal views put forth by the Member for St. Albert and the Member for Calgary McCall. Undoubtedly Grandad Little is a great story teller, and his grandchildren must be very proud of him.

They undoubtedly share a real empathy for the question at hand and support the need that:

... the Assembly urge the government to consider giving even greater support and encouragement to Alberta authors, publishers, distributors, and production personnel, through the Department of Culture.

It's a motion I support, and one that I want to provide a few comments on this afternoon.

Of particular interest is the background of the Member for Calgary Millican. He's put forth a motion for the Assembly to debate today that basically asks the Legislature to provide a recommendation to the government to provide greater encouragement to the whole industry of authorship in this province. The Member for Calgary Millican is a rather modest fellow. He has quite a collection of books he has written in his past. This afternoon I want to highlight to members of the Assembly just a few of his vast library, because I think they are very diverse in terms of their topics. They indicate and put forward a reflection of the type of individual we have in our province — made mention of by both the Member for St. Albert and the Member for Calgary McCall — who is

writing about local things they greatly believe in, that are a part of them. But they also have an understanding and empathy for what happens outside the communities they are members of, beyond even provincial borders; a worldly issue from time to time.

The Member for Calgary Millican began his literary career with a rather interesting document that I read yesterday. It's called *A History of the Anglican Diocese of Calgary, 1888-1968*, subtitled *Where the Wind Blows*. He wrote a second book shortly thereafter, called *Calgary's Anglican Cathedral*. That was followed by a little more history, in a rather interesting book entitled *Samuel Trivett, Missionary with the Blood Indians*. It was written in 1974. It's rather fascinating, because if you open the front cover, you see the title *Samuel Trivett, Missionary with the Blood Indians or "What's a Nice Boy Like You Doing in a Place Like This?"* It's rather catchy. I think it amplifies and is further reflection of the fact that you don't really look at a book until you get to the second page to find out where the action is.

A fourth book the member has participated in is one that the Member for Calgary McCall has already made mention of, the series of booklets written in Calgary a number of years ago about the history of the city of Calgary. Unfortunately the Member for Calgary McCall referred to all the authors in this series as "neophyte" writers. After reading the book, I have to disagree with my hon. colleague. The people who participated in writing these documents and booklets — particularly *The Anglican Church of Calgary: Church Activities, 1878-1974* — are certainly much more than neophyte authors. In fact there is a very significant degree of professionalism attached to the written word, the style, and the co-ordination of the book.

Another book written by our distinguished member of the Assembly is *prairie profiles*, a book of poetry. When the member talks about one factor that's so important to all authors or all who aspire to be authors, I think self-confidence is perhaps the most important element that an author, existing or one who aspires, must always have. To hear the member talk about a number of years in which he wrote poetry, and the need to find courage actually to take that poetry, have it published, and set aside for the public to read, appreciate, and even to criticize, takes a certain degree of courage that perhaps a lot of people who have never published anything or have never aspired to publish anything, would not empathize with to the degree they should. *Prairie profiles* is an excellent book of poetry.

The member is indeed prolific, because he followed that up with another booklet called *The Anglican Episcopate in Canada*. It's a history of those who have distinguished themselves in that church on a Canada-wide basis. He continued his writing career with another booklet of poems, entitled *reflections*. In this book of poetry, as in the earlier one, he's also co-ordinated his work with a local artist from Calgary by the name of Ted Ranshaw. There are some very interesting drawings of the environment of Alberta in that, and I think they well respect it.

Mr. Speaker, perhaps his greatest work is one entitled *Behind Canadian Barbed Wire*, written very recently and published in 1981. I'm not sure what the sales have been of this particular book he's put forward, but it captures a rather interesting part of the history of Canada and of the world. It deals with those individuals who were found, made prisoners of war, and spent time in prisoner of war camps in various parts of Canada.

I think the member needs considerable commendation

from all members of this Assembly for a rather significant contribution to the history of literature in this province. Mr. Speaker, I can assure you that the hon. member has not become rich because of the royalties he has undoubtedly not received from any of the booklets he's published.

As it's confession time — the Member for Calgary McCall confessed about his initiation into the area of literature; the Member for Calgary Millican, as prolific as he is in terms of writing, I think is very poor in terms of cash flow — I want to share with all members of this Assembly an experience I had nine years ago, when I first got involved in writing in a professional way. Even today I can recall very, very vividly an executive producer working for the Canadian Broadcasting Corporation in the city of Toronto, phoning me one Monday morning in June 1973 and initiating a conversation along the lines of: Ken, we really like your work; it's great stuff, and we want to buy it. I said: tremendous, excellent; here we go. Sitting at the end of this telephone in Barrhead, Alberta, talking to an executive producer of the Canadian Broadcasting Corporation in Toronto, and all of a sudden there are dollar signs in front of my eyes: I've got it made; I've been launched in my career.

Mr. Speaker, in essence, the contract I was verbally getting involved in with this executive producer from Toronto was one in which I sold enough written material to allow the CBC to put on a 13-series show on national television. The series was *Reach for the Top*. My great contribution to the arts as a writer for a national television system demanded that they purchase from me 100 questions for each of these 13 shows: a total of 1,300 written questions, significant research into each, and a lot of sweat and toil attached to it. The gentleman kindly informed me that my work was very good; they were really impressed. In fact they were so impressed, they were going to give me 60 cents per question for each of these 1,300 questions they were going to buy from me. Then the individual went on to tell me: I hope you realize we're paying you 50 per cent more for your questions than we're paying Al Boliska.

I'm not sure members today can remember who Al Boliska was. In the early 1970s, he had a radio series of two or three minutes of what were known as the world's worst jokes. These were absolutely atrocious one-liners. Canned laughter would come in, everybody would go, yuck, and that would be it. The disc jockey in the local radio station would go on to the next program. Boliska received 40 cents for each joke he created.

In 1973, I was very proud to be told I was going to receive 50 per cent more than this nationally well-known figure. I was going to get 60 cents per joke. There was a little catch to it. They bought 1,300 questions from me at 60 cents each. That came to \$780. I calculated that that work probably took me about three months. The catch was that they wanted three times as many questions as they were going to buy from me. So I really had to supply 4,200 questions, and they would select 1,300 of those 4,200. They were not prepared to return the other material to me.

The other interesting catch is that as part of the contract I signed with the CBC to receive \$780, I had to become a member of ACTRA, the Association of Canadian Television Radio Artists. I had to pay a fee. I got my cheque for \$780, less, I think, \$290, which was my fee for becoming a member of this great profession. They even failed to invite me to the Juno awards that year. I quickly decided that a tremendous career was not to be made in

publishing in Canada.

I might add as a footnote, I have approximately 10,000 pages of questions I have written over the last number of years. One day, late in my life, I shall resurrect them, and publish a trilogy of outstanding quiz books for the benefit of all people in this country and province. [interjections] Mr. Speaker, I think it's important to confess, now and then, why at least one individual has never really pursued a glorious career in publishing, and why the motion put forward here today, that we are currently debating, is so important.

Mr. Speaker, I might add that I wrote another book. It's a very fascinating book. I got interested in it in the late 1960s, when there was a great spirit of enthusiasm in our country with respect to the most populous nation in the world, China. If members in this Assembly can recall the events, that was a time during which the Prime Minister of this country said: look, Canada should really recognize Red China — which we did. That was important. That euphoric feeling of the time really prompted me to get involved in a course of studies that led me to write a document of several hundred pages, a fascinating book: *The Canadian West China Mission 1891-1911*.

I have to confess to all members of the Assembly that, while it is well researched and historically very accurate, there really is not much of a market for that kind of publication. [interjections] The total publication of this particular document was 30. As I recall, it cost me \$20 for each of them, so it cost me \$600. I think today, some 13 years later — this was done in 1969 — that I probably know where all copies of those books are. My mother has one, my mother-in-law has one, that sort of thing. It's unfortunate, because I thought I made a contribution. Be that as it may, I think it amplifies once again the disarray that some people who aspire to become professional authors have in finding a market and an environment that allows them to have the encouragement.

[Mr. Speaker in the Chair]

I think it's also very significant — again by coincidence, I suppose — that the Member for Calgary Millikan has brought forward his motion this week, when an announcement was made several days ago with respect to the 1981 non-fiction award winner in the province of Alberta. It's also very significant — as I want to conclude by making a few comments on another subject — that this year's winner of the best non-fiction award in the province of Alberta is a book entitled *The Politics of Racism*. It was written by an Edmonton author, Ann Gomer Sunahara. She follows a tradition of other outstanding Albertans who, since 1973, have also participated in the Alberta non-fiction awards.

I think it's important — we are talking about book publishing — that perhaps I quickly review the winning authors of the Alberta non-fiction award since 1973. In that year, Andy Russell's book, *Horns in the High Country*, received the award. In 1974, Mr. J. G. MacGregor was the recipient of the award with *Paddle Wheels to Bucket Wheels on the Athabasca*, a book about part of the constituency I feel fortunate to represent today. In 1975, *The Best of Bob Edwards*, edited by Hugh Dempsey, received that award; in 1976, *Pen and Plow* by Cliff Faulknor. In 1977, the book of a very well-known Alberta author, Andy Russell — perhaps the most merchandisable author in the history of Alberta — *Andy Russell's Adventures with Wild Animals* was the recipient. In 1978, *Men for the Mountains* by Sid Marty was

the winner; in 1979, *Boomtime* by James H. Gray. In 1980, *Desperate Siege*, written by Ted Ferguson, was the winner of that Alberta non-fiction award.

Mr. Speaker, these awards are very important. They're very significant, because they allow all authors in Alberta to aspire to receive a province-wide award. But when we're talking about what we can do to assist authors and publishing houses in the province of Alberta, I think we have to go beyond one or two awards. I would like to make some recommendations and suggestions that this Assembly might want to look at to provide a greater stimulus to the whole of publishing in the province. In my view, without any doubt, the most important thing we need — and some members may react in the way they always do when we say that we need to create something new. We have to have a new kind of agency, a new kind of arm, and a new kind of direction for the whole question of publishing in Alberta.

I suggest that what we really need is an Alberta book publishing board that will act as a liaison with the book industry — authors, publishers, manufacturers, book sellers, librarians — and of course the provincial government. In essence, that agency would take all the players in the game together, sit them down in a room periodically and continuously, and say: where do we want to go? They would be an advisory board to the minister, to the industry in this province. Their membership could come from those involved in the book industry, in government, in academia, and from the general public: all those who have an interest in the question we're talking about.

Once we have the Alberta book publishing board, that board would then have to develop and administer a program dealing with the titles that are available in the province of Alberta, and those to whom and for which grants could be made available in a series of ways. I think of what we have done with respect to heritage scholarships for people at universities. It's probably time we would want to take a look at creating a heritage trust fund writer's award to highlight the very important contribution a certain number of people have made to the literary culture of our province.

In the debate on this motion, we might also want to look at creating some system of insurance, whereby payment to authors of their earned royalties might be guaranteed, depending on an insurance portfolio they would choose to sign up for. In essence, that would provide them with the most important thing anybody needs in life, a cash flow.

A fourth approach we might want to take is to look at the whole question of intensive training courses in the segment related to the book business and market. That's more than just the creation of books and literature. It deals with the selling and designing of books, the production, the editing; the whole segment taken together — more training courses. I know and appreciate that some of my colleagues talked about the need for more intensive training courses periodically, but I think they were basically restricting themselves to the question of the author and the authorship of the book. My comment in this regard talks about the whole business: point one to the end.

As well, those very successful professional authors we have in our province should be encouraged to make their services available to aspiring authors. If need be, the Alberta book publishing board should be in a position to consult with them, and in fact hire them as consultants to aspiring authors. I think that's a positive new direction we could go.

Mr. Speaker, a sixth area I'd briefly like to suggest we might want to see created in Alberta is an Alberta literary journal that would allow authors to submit articles. But more important — because no literature should be allowed to exist by itself without criticism; it is only through criticism that one really goes to the next level of mental and intellectual development — the Alberta literary journal might become a documented journal of literary criticism in the province, recognizing that we're always talking about constructive criticism.

Our authors in the province, Canadian authors as well, should be encouraged to make tours of Alberta, visiting schools and areas. The Member for Calgary Millican already talked about reading groups and the like; an avenue for them to get around. As well, we might want to look at the excellent lead and precedent of the University endowment fund that's already set up in this province, and encourage the publishing industry and private enterprise to get together and come up with a new kind of Alberta endowment fund for the literary arts, a fund that would be created from private enterprise, from government, through a variety of mechanisms, and would allow aspirant authors to have an opportunity to compete for greater literary prizes.

I think all members will recognize that some newspapers play a very important role in their communities in terms of stimulating literary growth. I would like to congratulate the *Edmonton Journal*. It has a yearly literary awards committee and invites aspirant authors in this province to submit articles. I think other newspapers should be encouraged to do the same. Of course, in terms of the visual and musical arts, the various television and radio stations might also be in a position to have yearly competitions. It's been a long time since we've had *Search for Talent* shows in this province. At least one television station in Edmonton, as long ago as 30-odd years, has been in the business of looking for new, young talent.

Another area I think the Assembly should look at is to see the Alberta Opportunity Company expand its role in terms of provision of guaranteed loans to the publishing houses in this province. I think we all recognize that the publishing of any book is high-risk business. Of course it's only through risk that anyone ever arrives at great accomplishment, but that's another area.

As a provincial government, we might also initiate a book purchase donation program, whereby certain numbers of books of Albertan and Canadian authors are purchased, and then donated to the various institutions in the province: local school libraries, senior citizens' homes, and the like. One's imagination is really the only curtailment of what the level could be for that whole area. I think it's so positive to go around to senior citizens' homes in the province and see the complete set of the history books of Alberta, published under the heritage book program. They're there for our pioneers who've done so much for us.

We might also want to establish an Alberta-based, Canadian-owned, book-of-the-month club. I'm a member of the Book-of-the-Month Club. Unfortunately it comes from the United States. That club, as well respected as it is, periodically contains as its prime feature each month, excellent books by Canadian authors. Why don't we try our own? Certainly the talent is here.

Mr. Speaker, every industry I'm aware of needs more market development. Certainly the market development of books is extremely important. The concept is very difficult to raise; to say, look, there are players in the game who can certainly do more.

I don't know how many people would suggest that we shouldn't also have an apprenticeship program dealing with young literary people who aspire to go on. We have apprenticeship programs for everything. I certainly can't understand why we cannot see an apprenticeship program for aspirant authors. Everybody is attracted to the written word. Certainly the creativity, along with excellent language, is extremely important. It's an idea I would like to leave with my colleagues here.

I strongly suggest that if libraries in Alberta are receiving grants from the province — and of course all of them are — 20, 25, or 30 percent of the budget for the purchase of books might be dedicated to the purchase of books published by authors from Alberta. One might argue that that's a bit chauvinistic. Nevertheless, there is need for encouragement. Our libraries might also wish to look at establishing a system whereby royalties are paid to an author when his book is borrowed. It's a concept that would allow a greater amount of cash flow to very important authors in our province.

The last basic recommendation I'd like to make, with respect to how better to stimulate the literary development in this province, is a concept currently being used in Ontario. It's called the half-back program. People who have lottery tickets in that province and do not win a major cash prize can take that ticket, that has no use anymore, to a bookstore, and get a discount if they buy a Canadian book. That discount, whether it is 50 or 30 cents, is then reshuffled back through the system and eventually gets to the author. Perhaps the author only gets 3 cents of every 50 cents and the administration attached to it gets the remainder, but at least it's an approach whereby it can be further stimulated.

Most of all, Mr. Speaker, if we in Alberta wish to maintain the culture of the province, we have to recognize that it is multicultural; it's not a single culture. If literature is the heart, soul, and conscience of our environment, no matter what we do to stimulate, to provide initiatives for the development of more and greater books in this province, we must assure that more than one language is used in the development of our culture. When you look at the people of Alberta — the Polish, the Ukrainians, the French, the Germans, the Italians, the Romanians — you have to recognize that there's a tremendous culture. We are not a sterile people in the province of Alberta. We are more than those who simply use the English word. I grew up in a family where four languages were spoken. We had English, French, Ukrainian, and Polish. Then I went to university and studied Chinese, because it was a challenge.

I deplore those people who run around the countryside today in this province and say that when they get elected and take us out of Canadian Confederation, they will simply cut off any funding for schooling in French, German, Ukrainian, or any other language. We are not a sterile people. We are a people who have a tremendous culture. We are a multicultural approach. Whatever happens for literary development in this province, we as legislators must ensure that all the various cultures of this province have equal participation, as they do now. In fact, all of us who believe in Canada and in the role of Alberta in Canada must work diligently to ensure that the multicultural approach in our province remains as healthy in the future as it is today.

Mr. Speaker, thank you.

[Mr. Stewart in the Chair]

MRS. CHICHAK: Mr. Speaker, so much of wisdom has been said with regard to this motion before us today that it leaves much else to be added. However, I might take this opportunity to express a few areas which perhaps have been done better by others.

I think we need to underscore certain aspects of support and recognition of the contribution and impact that the culture of writing, art, and communication has in our society today. I believe it is important to recognize that the success or failure of Alberta writers is contributed to in great measure by the prestige with which the authors are recognized by our society. With the degree of prestige goes the degree of success. I say that, Mr. Speaker, because significant recognition of the ability and communication provided in the literary work on the part of our society and readership encourages one to go out and purchase the materials provided to us through the medium of writing. That provides a measure of success because, when there is a demand for the communication, it adds to the number of publications and the encouragement of those who have the ability to communicate in a different medium. It gives them the encouragement to continue to write and provide us with the benefits of the expansion of knowledge through the particular medium chosen, whether it's historical writings, poetry, lyrics, novels, or a composition to be communicated through music.

Over the years I have been a Member of the Legislative Assembly, I have been privileged at times to deliver support grants to writers of different mediums, to encourage people to continue their writing, and to give them the feeling that they have an ability to contribute to our society in a very meaningful way. The matter of communication through authorship contributes to our community in different ways. It brings about a sense of creativity, feeling, and worth. The ability to write poetry, books, or to express one's feelings — where an individual feels they do not have the capability of truly expressing their emotions and feelings — is not only for elitists. It is for every individual to be a contributor in a meaningful kind of society.

It seems to me we have had the expression of the lack of financial support. In that sense, to be an author and a communicator does not pay off so well. We all recognize that we must have a degree of financial independence to enjoy the time and efforts of penmanship. After all, we all have the same desires for advancement and recognition in our society. If the ability to gain in a financial way through our contribution to society is not there, there will not be the encouragement, not only when we reach adulthood but in our schools in our younger years, that that is an avenue we might explore as a career.

The hon. Member for Barrhead listed a great number of areas that need consideration in support and expansion: the impact aspiring authors can have on our students to encourage our young people to consider embarking on writing as a career, not only insofar as the writing of books is concerned, but everyday mediums through radio, television, and newspapers.

I was interested in something I observed in a publication put out just a week or two ago. It brought to mind how little we know about the special capabilities of our neighbors, friends, and acquaintances. The matter that brought this thought to mind and made the greatest impact was the fact that I had known a young lady, who has lived in the constituency of Edmonton Norwood for as long as I have been a member in this Legislature, and had many discussions with her. But little was I aware that

she was a published author. Now she provides her contributions in the community newspaper, the *Norwood News*.

An article she had written was very interesting, and it really caught my eye. It had a little bit of history, and a great deal of love and recognition about a family member of hers. If the title had been different, I suppose I might have skipped recognizing the contributor of the article. It was called *Love Wrapped in Fur*. It was a story about her aunt in a little town in Saskatchewan. It has a kind of historical attachment to it, yet the story really isn't intended to be a history. I wonder how many of us would recognize the name of Catherine Stalker, who was employed by the provincial government for a good number of years, being in charge of what we have known as the women's shelter called Hilltop House. I think that was when I first came to know her. Subsequently, I had many meetings and discussions with her. She has never spoken about her literary abilities, and somehow I didn't get to know about that particular talent of hers.

What does that say? I think sometimes the people who have the ability to write and communicate do not communicate that they have this talent. Unless you come upon the particular avenue they put their penmanship to, you really might not learn about them. It seems to me that writers need to be encouraged to let themselves be known more readily in their communities than through an occasional article in a publication. Within the communities where there are various publications, the kind of contribution that can be made can be very significant. If the community had really taken note of the article in the paper, they had amongst them a real jewel in the literary world. I'm not sure that that has been recognized.

Within schools it would certainly assist if sections in the library indicated: Alberta authors section; and not only have the different writings in the libraries to be by-passed by students and teachers, but the teachers in the classroom need to be encouraged to refer to and use the materials. We have many historical books written by a number of Alberta authors. When we teach in the schools about the style of poetry and how to write it, instead of using examples of works of writers from different countries, if we used examples of our own people, someone close to home, I think it might have a greater impact and recognition of the real significance a career in the literary world can have. But most of all, if we don't provide, through our Culture programs, the financial contributions that are necessary and encourage the private sector as well to make their contributions to writing works, I think perhaps we will not make the gains and successes the motion before us indicates there should be. I think we can move a long way in the development of culture in the literary sense, if we recognize a wider medium of abilities to recognize the significance, the contribution, and the real meaning of this form of culture and communication.

These are the remarks I want to underline. Because many of the points have already been raised by speakers before me who, I think, have a greater sense of writing ability, and I will leave that ability to them. Thank you, Mr. Speaker.

MRS. EMBURY: Mr. Speaker, I'm very pleased to have an opportunity this afternoon to participate in Motion 207 presented by my Calgary colleague the Member for Calgary Millican. It was very interesting to hear his introductory comments in proposing this motion and to gain an appreciation for the many facets of his back-

ground that assist him in his contribution to being able to speak so well on such an important topic.

I must admit that I rise to speak on the motion with some degree of hesitation. On looking at the way the motion is proposed, I wondered exactly what was meant by "distributors and production personnel through the Department of Culture". I can appreciate the first part of the motion where he talks about encouraging authors and publishers, but I must admit I didn't quite catch the connection between the distributors and production personnel. Possibly in conversation in the future sometime, I can understand what he meant. I believe I missed the reference in his speech to exactly what he was alluding to in those remarks.

This presents an opportunity for me this afternoon to look back on many of the excellent programs offered through the Department of Culture. It is truly astounding to my mind. Over the last few years, I think we've seen rapid growth in the services offered to the people of Alberta in this Department of Culture. I know there is a wide appreciation for many of the services and grants provided to people from all walks of life in our province.

I found one interesting workshop that occurred in 1980 was a writers' symposium. They made several suggestions to the Minister of Culture, but one was to ask for a substantial increase in funds for the film and literary arts branch. Another recommendation was to create an advisory board of literary artists and publishers. I'm pleased to say that this has been established. They were also looking at the creation of an Alberta publishing development program, which obviously has merit and sounds like a very interesting proposition for the Department of Culture.

I don't believe the Member for Calgary Millican mentioned the fact that Longspoon Press appeared in Alberta in 1980. This publishing company is dedicated solely to publishing poetry, which certainly indicates to me some uniqueness that the Alberta economy, or possibly being located in Alberta, can substantiate that one specific specialty within the writing community.

One other organization I found interesting to read about was the formation of the Writers' Guild of Alberta. This was the first association to be funded by private money. Organized in 1980, this organization has many interesting objectives, which they are probably working very strongly on. One is to create a sense of community among the writers in Alberta. Of course another is to raise the profile of writers in Alberta. Another objective is to create public awareness and also to exert pressure on government and private industries to encourage the development of writers.

I would like to look very briefly at some of the many grants offered by the Department of Culture. First of all, there's the performing arts grant. Another grant is called the participation grant. This permits Albertans to attend and participate in a wide variety of activities, such as festivals, competitions, seminars, and conferences. There is a training and instructions grant, which is self-explanatory by the title. There is a cultural assistance grant. This is primarily to allow individuals to improve their qualifications or skills. There is also a cultural heritage grant, primarily for ethno-cultural organizations, but even though it isn't specific to this motion today, there is opportunity under that grant for people from different ethnic cultural backgrounds to contribute through writing. There are also the art gallery grants, an organization grant, and authors' and publishers' grants. There are senior citizens' organizations capital grants, grants to fes-

tival associations, and finally, there are special purpose grants.

The purpose of listing the titles of such a wide variety of programs offered under our Department of Culture is for all people to gain an insight into how responsive the government of Alberta is to meet such a wide variety of needs of the people across this province. I know I have been very privileged to take an individual cultural grant to a constituent of mine who has been involved in the writing field. It certainly was appreciated. I think many comments have probably been made this afternoon to indicate the problem it is for people who aspire to be writers. It's almost an impossibility for anybody to consider this on a full-time basis.

Another area that I really think should be looked at, and we should appreciate, is the number of grants offered by the Canada Council in just this one area of writing and publication. One of the activities coming up very shortly at the University of Calgary is the 1982 National Book Festival. The organizers of this festival have reported an unprecedented degree of support from a wide variety of sources such as librarians, booksellers, publishers, writers, and teachers from all over the country. The grant from Canada Council for this will be up to \$350,000, and this year it is to promote Canadian books and magazines. Individual groups are encouraged to come up with their own ideas for celebrating Canadian literature. During this particular week, throughout Canada many groups of local writers will be reading and performing from their own works. I think this type of activity certainly does a lot to encourage the writing of many works by individuals across our country.

The Member for Calgary Millican alluded to many of the problems as a writer, also with regard to publishing. I think everybody could identify with his statements when he was talking about how one will write and become interested in writing, and decide whether it's even worthy of mentioning to somebody else. In fact, it is almost a closet activity when you first start out. You are afraid to let anybody know you are even writing, let alone dare to show them what you are writing. However, I think we are fortunate in our educational system, and many fine teachers in our school system encourage children to write and express themselves in this way. I find that most encouraging.

I appreciated the member's explanatory comments regarding the haiku, as it's rather a unique form of expression. I would not really have been familiar with it, except that my son came home from school one day explaining that he had written a haiku, and it was to be published in an English text book for our school system. I thought, the beauty of youth. He had no qualms to show me what he had written, and the fact that it was to be published. I think that needs to be encouraged more and more, so children will feel free to express themselves in those forms, as children express themselves through art and music.

[Mr. Purdy in the Chair]

The member went on to talk about the problems in publishing and, while I certainly am a novice in that area and can make very few comments, I think we have to harness all the resources available. I'm sure the member is familiar with this problem. I'm not sure one should always turn to government in this regard.

I'm thinking about a citizen in Calgary who had a very strong desire not so long ago to speak about a particular

problem she felt Albertans faced in regard to the rest of Canada. This was primarily in regard to the oil industry. Although she was born and raised in the west, she married an easterner, and they have lived for many years in Calgary. But she felt so strongly about what she felt should be said for all Canadians that she chose to express herself through, more or less, an adult cartoon book. Many people have looked at it and chuckled, but there is definitely a subtle message in this small booklet.

The first problem she had when she showed it to other people — and people were so encouraging; it was such a marvellous idea, and that message really should travel the breadth of Canada — was, you must get it published. One of the problems then is, who is going to publish it, and who is going to pay for it. However, she and her husband did this as a joint venture.

She went on to face another problem the member alluded to today; that is, the distribution of such a small publication. It's easy to say that it's going to catch on, and everybody's going to appreciate it and want to buy a copy. Or some people will say, yes, we'd love to have a copy, but they aren't very interested in the nominal price for the book.

Another interesting factor she ran into — and I believe the member referred to this — was when she tried to distribute this in some of the bookstores in Calgary. One premise of the cartoon book regarding the oil industry was the fact that basically we are controlled by the east. This was typified when she went into the bookstores and they said, we can't possibly put your book on display, because we'll have to check with our head offices in Toronto. So again there was some discouragement for her.

However, I think there is still a lot of creativity in Albertans. One outstanding example of what can be done within a group of people was a few years ago at the University of Calgary in the faculty of nursing. As a matter of fact, every year the nursing students need to raise some money for their graduation. One class decided to do this by publishing a cookbook. Today this doesn't sound too unique, because we know of the many cookbooks in the stores. But this was a few years ago when unique cookbooks were not as readily available. The students spent many long hours amidst their academic studies and their clinical work in nursing to produce this cookbook. It was actually hand-printed. They quickly sold the first number they had printed, and made quite a substantial profit through this. The faculty of nursing went on to have another edition printed, and have used the selling of this cookbook as a means of obtaining some funds for nursing research at the university. But considering the amount of time and effort the students put into this cookbook, it was a great success. I think the effort shows that if somebody is truly determined enough, they can succeed in their endeavors.

One other problem I've had presented to me is from an older gentleman constituent of mine who feels very strongly that he would like to write about the particular part of the province he grew up in. No doubt he could present a lot of valuable information. I suspect it's primarily dealing with his life in the small community and the members of his family. But, as I think has come out today, it's very difficult just to take pen in hand and decide whether it's worthy of being published or even writing down the facts.

I think there are many ways of having workshops that would truly encourage people in this endeavor. Of course the other is the type of grant that allows, not a full salary

on a year's basis, but probably a smaller amount for a shorter period, where they could devote a substantial amount of their time to writing.

One other area we shouldn't forget when we're looking at cultural endeavors in our province, particularly in regard to writing skills, is the role the universities play. It's well known that the federal government is completing a cultural policy review to study the national needs and opportunities, and look at future directions on a national basis. I think there is great concern in our universities — it has certainly been stated by one of the deans at the University of Calgary — about what direction the university will play and what funding will be available for them. In their pitch to consider this matter, they use the Alberta Advanced Education and Manpower position paper which states that the arts are an integral part of the lives of all Albertans. It's well known that the arts are very important for all our students who attend university.

[Mr. Speaker in the Chair]

One of the problems which arises is where the money will come from to support these endeavors. It's a never-ending source of concern to different university faculties, particularly today when there is a high demand to increase enrolments in some of our professional schools. It's obvious that this has to come about because of the demand in our province for technically skilled or trained people, like engineers or the business faculties. These are very important. One also has to stop and think how much time is allowed in those curriculums for people to develop an interest in some of the subjects they primarily take as options. That's one way to look at the role of the faculty of Arts or Humanities within a university. But one also has to look not only at option courses generally but that total area of the arts, and what can be done in our universities.

Many problems arise from looking at the motion before us today. The question is: exactly where should the money be directed? Many members have suggested specific programs where the Department of Culture could improve a bit more. But frankly when I review exactly what is going on, I think it's very difficult to know exactly how one would develop a priority system. There seems to be a great concern that our public libraries need more money, so they can stock the bookshelves with more Canadian- and, particularly in our case, more Alberta-published books.

There also seems to be a grave concern for the provision of extended training programs and workshops. This has been well talked about this afternoon, but I think it's of particular interest to people in smaller communities, who probably do not have the resources or the time to attend a workshop that may be held in a larger city. As far as artists are concerned, I realize there have recently been workshops just south of Calgary. In talking to the people who attended that workshop, they were truly grateful to have the opportunity to be there, because it gave them the little extra motivation they needed to carry on and learn more about what is going on in regard to their particular field of endeavor.

One other concern is that we could always use more bursaries and fellowships. I hope the people who have spoken on this issue today will consider the private sector, as well as government, supplying these grants or loans. Another problem is assistance with book distribution and marketing needs. I touched very briefly on that, more or less from personal cases. Another is for the

writers to buy time. I also mentioned that before. Many people feel that the consulting services of the department are also very important. These should be expanded, because this is a means that is open directly to people when they're seeking information and direct assistance.

One of the more popular ways of assisting writers seems to be through competitions. Again it seems that not only government but the private sector also participates in this. I believe the Member for Barrhead referred to the newspapers participating in this area. Competitions can be of value in so many different ways to help and motivate young people. The novelist competition is certainly well known. Another way is competitions targeted to specific groups, such as young people. Another is writing non-fiction. I think we've seen excellent examples of that when we look at the many books published about small towns in Alberta. Another way is to look at supporting historical endeavors, be it of a community or a family history.

I suggest another group that could possibly be encouraged as a target group, if it doesn't already exist, would be targeting money for our senior citizens. They have a terrific wealth of information and experience in life and, hopefully, many of them have some time available to participate in this endeavor.

One other area I would like to note, because I think it's important for recognition at this time, particularly when we're having the debate on the Department of Culture or suggested programs for that department, is the fact that the archives of the poet Alden Nolan were opened at the University of Calgary on March 22. This gentleman is the author of 12 volumes of poetry, two novels, and several works of non-fiction and plays. The acquisition of his papers is certainly a landmark in the growth of the University of Calgary. This gentleman is a New Brunswick-based writer, but it certainly shows the breadth of Canada when his papers will be housed at the University of Calgary instead of in the eastern part of the country.

Mr. Speaker, in closing my remarks on this motion before us today, I would primarily like to say that I am in favor of the motion. I hope the minister will give consideration to types of programs that will encourage more writing by Alberta authors, not only poets but also the cross-spectrum of different people who contribute to our literary art.

I beg leave to adjourn the debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. HORSMAN: Mr. Speaker, by way of indicating the business for the Assembly to consider this evening, the estimates of the Executive Council, Votes 1 to 9 inclusive, will be proposed for the Assembly, excluding Vote 10, being disaster preparedness and emergency response, and Vote 11, public service employee relations, which will be called at a later time.

Mr. Speaker, under the circumstances I move that when the members reassemble tonight at 8 o'clock, they do so in Committee of Supply and that the House stand adjourned until the Committee of Supply rises and reports progress.

MR. SPEAKER: Having heard the motion by the hon. Deputy Government House Leader, do you all agree?

HON. MEMBERS: Agreed.

[The House recessed at 5:29 p.m.]

[The Committee of Supply met at 8 p.m.]

head: COMMITTEE OF SUPPLY

[Mr. Appleby in the Chair]

MR. CHAIRMAN: The Committee of Supply will please come to order.

Executive Council

MR. CHAIRMAN: Vote 1 is Executive Council Administration. Any questions or comments in regard to this vote?

MR. R. SPEAKER: Mr. Chairman, to the Premier. There are some actual percentages I want to look at within the vote. But I want to discuss some general things first of all, with regard to the direction of the government at this time of economic turndown not only here in Alberta but certainly in other places — in Canada, North America, and worldwide too. As we watch television, we see the change in the growth of the national product. Even West Germany is at a hold position. Unemployment is at a higher rate than ever before. I guess we Albertans are part of that global economic problem, and I'm sure we are concerned about it. In our own way, we each look at how we can best shelter ourselves in these economic times. As well, the government must have some type of strategy to look at the broader needs of Albertans. I'd like the Premier to comment as to how he sees the general economic picture in Alberta in 1982, or for the rest of the 1980s, in the best possible way. That's the first part of it, the more general attitude.

The second thing is more specific, with regard to the budgeting of the province. We're in a situation now, with the announcement of last week, that we'll have something like a \$400 million deficit in the province of Alberta. That's only because of part of an economic resurgence program the government will be announcing. Most likely the other components of that program will affect agriculture, housing, and housing development in the province. I see a terrific effect on the Heritage Savings Trust Fund. I see an impact on the borrowing by government that will have to occur and a continuous expansion of actual spending by the government. If, at the same time I observe this picture, the Legislature as a whole does not look at cutbacks in specific places, we could move to a point of no return or just about bankruptcy if we continue to expand without redefining the role of government.

In raising the matter with the Provincial Treasurer the other day in question period, I received the indication that there were no efforts, no strategy in place, no personnel in place who will actually deal with any kind of cutback program in government or a reassessment of the priorities of government. I see that with some alarm or

concern.

I'd very much appreciate the Premier commenting on those two issues. That's the biggest problem on the minds of Albertans at the present time: where is the economy going, what's happening to it, and how will our government deal with it? I'd like to start with those two questions, Mr. Chairman.

MR. LOUGHEED: Mr. Chairman, I'd be happy to attempt to answer that situation in two parts. One has to do with the economic aspects affecting the province today, their cause and effect, and our strategy to deal with them.

In terms of the economy of this province, I think it's clear that we have to recognize, first of all, that we have two base industries in agriculture and the oil and gas sector. We then have a very significant element of the productivity of this province tied into construction. That construction involves both the housing side and other construction which is non-housing. In addition to that, we have a significant service sector, and that brings you into the fields of finance and tourism.

Over the course of the 1970s we've had, without doubt, the strongest economy in Canada. Over the course of the 1970s, we could point, as one of the key reasons why we had the strongest economy in Canada, to the fact that we had by far the highest level of private-sector investment of any part of Canada. It was this government's policy of encouraging private-sector investment that I believe had a great deal to do with the strength of the economy during the 1970s.

It seems to us that the difficulties faced internationally — and we have been saying this on many occasions here in the Legislature — are of a nature that we are no island, and we cannot be immune from them. We should analyze first what those factors are. I think by far the overriding factor is the situation involving interest rates throughout the world; interest rates that stem in part from the policy of the United States' administration and of course their proposals with regard to a budgetary deficit that has been forecast at some \$96 billion.

The impact of those interest rates has been felt throughout the world and has created a very serious recession in that many people, whether they're consumers or involved in the productivity side of the various developed countries, have held back on investment and deferred purchases. That has grown, over the course of the last four months of 1981 and through this period of 1982, to a very serious situation. That situation is reflected, as I believe the hon. Leader of the Opposition mentioned, even in countries as strong as West Germany.

It's apparent that it also has had a very significant effect in terms of reduced demand for crude oil and energy generally. That reduced demand, stemming from much slower industrial activity throughout the world, has created a situation where there has been a marked change from all the forecasts that were generally held on September 1 with regard to the future world oil pricing. So we've had high interest rates and a marked reduction in prices for oil in the market place.

In addition to that, as part of this situation, I think we've exasperated the circumstances here in Canada by following or automatically tracking the United States' interest rates and, in part, having a monetary policy that is sustaining the dollar over and above a position of 80 cents, compared to the United States, as part of our monetary policy. In addition to that, in Canada we have made our situation worse, in my judgment, by very inept

federal policy which has discouraged the risk-taker and the private sector. All this of course has an impact.

On the agricultural side of course, the impact is on the pricing situation. Many countries are not in a position to make the extent of purchases they would like. We have been blessed in this province, but also in other parts of the world, with a very good harvest. We therefore have a high supply situation on the grain side. Therefore we've been faced with forecasts of lower grain prices. As well, we've had the higher input costs that arise in energy, although they're much lower than in other parts of Canada and the United States.

With regard to the oil and gas industry, I can mention a number of factors. Perhaps the hon. Leader of the Opposition or others may wish to get into it. Suffice to say that the major projects such as the oil sands and others are affected by the perception of future world oil pricing. That has affected the industry. In addition to that, we have in our economy, in the oil and gas side in this province, difficulty with regard to marketing our natural gas. I refer the hon. Leader of the Opposition and others to Appendix III of our oil and gas activity plan of April 13.

The general business situation is the troublesome one. I think it stems as a primary problem that relates to interest rates and the factors involved there. It's spread right across Canada. I think we still have, and are forecast to have, the strongest economy of any part of Canada in the year 1982, but it certainly won't be anything like what we've had in the past. I think we've said that as far as unskilled people are concerned, they should not expect the job opportunities in this province that they saw particularly in the latter part of the 1970s.

So overall, we see a situation where international factors, particularly international interest rate factors, are the number one area for us to face. We believe, and we have been strongly supported in this by the other provinces, that it is possible for Canada to develop a made in Canada interest rate policy. If interest rates rise in the United States, if their budget remains in place, and some of the forecasters say that would cause an increase in interest rates, we could have a made-in-Canada interest policy. So one of the first elements of economic strategy for our administration under these current circumstances, is to press for a made in Canada interest rate policy.

The second one has to do with marketing of all our products: marketing of our grain, which involves the transportation issue; marketing of our beef cattle, which involves working with the industry in terms of consumer approaches; marketing of our natural gas; and of course the short-term problem, we hope, of marketing of our oil products. As well, it means marketing generally, and that's why we as a province have put such emphasis, as part of our strategy, on having a minister responsible for foreign trade, and being that involved with it. After a made-in-Canada interest rate policy, the second most important ingredient of our economic strategy in these circumstances is marketing.

The third element of our economic strategy that we believe is important is having a highly stimulative budget at this particular time, using this time to construct capital projects to the benefit of our citizens. I think our budget has been extremely well received by the business community in this province. It's certainly different from the budget of the federal government. It's encouraging to the housing construction industry and to the general construction industry. So the third aspect of our strategy under current circumstances is to have a highly stimula-

tive budget with a very significant capital element involved in it.

A fourth element with regard to our approach is to do everything we can to keep down our levels of taxation; to keep them down in the comparative sense, whereby we encourage the private sector by having the lowest tax levels of any province in Canada. So the fourth element of our strategy in terms of the current circumstances, is to sustain a low level of taxation compared to the rest of Canada.

I believe those are the fundamental aspects. I could go on at length with some others of the present economic strategy in terms of the current circumstance. One, a made-in-Canada interest rate policy; two, a heavy emphasis on marketing, including transportation; three, a highly stimulative budget: these are the fundamental elements, together with low taxation.

The second question the Leader of the Opposition asked me about, if I understand it, had to do with the budget and our budgetary policy. When you look at our position with regard to the Heritage Savings Trust Fund and the absence of debt, our government is so far ahead in terms of financial strength of any of the other provincial governments in Canada, and perhaps of almost any government anywhere. We have the strongest financial position, and we certainly are in a position to deal with the economic storm we're in. It is the view of the government that we should deal with that storm through an Alberta economic resurgence plan.

We're fortunate that we're going to be able to maintain the highest level of public services of any province in Canada, the lowest level of taxation, and still be able to finance an Alberta economic resurgence plan. Of course, one of the most important elements of it was the oil and gas activity plan, a program that was announced April 13. Yes, we'll have to make some adjustments to our overall approach. As the Treasurer mentioned in the question period last Friday, April 16, we're assessing a number of alternatives. We will be reporting to the public and to the Legislature as we reach those conclusions.

I'm sure I didn't quite hear the Leader of the Opposition correctly. To refer to the province of Alberta and its financial position by use of comments such as bankruptcy — I don't believe he meant it in the sense I might have heard it. The people who do the economic analysis, whether they be Standard and Poor's, Moody's, or the other people in New York, would have some difficulty with that, because they consider the financial position of the government of Alberta literally not even triple A, but well above triple A, and able to do these things.

That isn't to say that one shouldn't be careful about ongoing operating expenditures. From a budgetary point of view, I think it's extremely important to divide and carefully look at our budget and at the capital aspects of it, in terms of what we're doing with the capital budget. We're doing that in a very intentional way this year, as a stimulative budget in a year where there's not nearly as significant economic activity as in the past. It seems to me — and as I say it's been very well received as a budgetary decision — there's a lot of jobs dependent upon the decision we made to develop a capital budget of the nature of which we have.

On the operating side, the hon. Leader of the Opposition raises the very valid point that we have to be careful about it. I have some difficulty with the phrase "cutbacks". I've read his address with regard to his participation in the budget speech. I'm not sure — and perhaps he could correct me if I'm wrong — that I was able to

observe where he was going to be proposing these budget cutbacks. What is the nature of our operating budget? Essentially our operating budget deals with public services, primarily health, education, and a multitude of other areas of very important services that we have had this Committee of Supply deal with, and others which we will. It seems to me that it's important to sustain the quality of these services.

I'm sure there always are cases where you can either plateau certain expenditures or maybe even reduce them in certain periods. But in every one of those cases, we have to determine the trade-offs involved. I'm not sure — I don't recall — whether the Leader of Opposition has taken any position on the issue of public-sector wage and salary guidelines. We believe that that is a valid approach. I think we have been able to sustain that over a period of years. One of the most important ways to control your operating expenditure is to develop an effective system that results in assuring that your wage and salary guidelines are reasonable. We have targeted over the average, to have our operating budget not exceed the real increase in the gross provincial product. That's been our policy, and we'll continue to do that.

We'll always welcome suggestions as to where the budget should be cut. But I do believe that in a province such as ours, we should have a budgetary policy where we move stimulatively under these circumstances with a capital budget. We maintain the highest quality of public services; constrain the degree of capital expenditures, both in terms of making sure that we don't have too large an increase in manpower; assure that increases in public-sector wage settlements are not excessive; and sustain those services that the people of this province want.

I could go on to further length, but I think I've essentially dealt with the two preliminary thrusts the Leader of the Opposition may have wanted to make, relative to both our economic strategy in these difficult times and our budgetary position.

MR. R. SPEAKER: Mr. Chairman, two areas the Premier didn't specifically touch on were the future of the Heritage Savings Trust Fund and the potential borrowing that may occur by government. I would say to the Premier that in my use of the word "bankruptcy", I was looking at the matter in terms of the next four or five years, not today. We still have our rating today; that's very accurate. The fact of the matter is that we have a rise of 25.3 per cent in the operating budget. I know that as a farming businessman, I couldn't stand an increase of 25.3 per cent in my operating budget. Many businesses across this province couldn't stand that large an operating increase.

The Governor of the Bank of Canada upset me very much the other day when he said to Canadians that it's time you tightened your belts and learned to discipline yourselves in your spending. I fired off a telegram to him and advised him of that. I received a reply of one or two of his speeches, which still didn't satisfy me that he was even listening to what I was saying as a Canadian, and here he was directing my life.

If that trend continues under the present economic turnaround, which seems to be — my projections and what I hear indicate that the economic upturn isn't just around the corner. I talk about bankruptcy in the context that a private business couldn't stand that kind of expansion. Can the taxpayers of Alberta? Yes, we can at the present time, because of the resource revenue we have in reserve, because of the potential resource revenue that

may be there, and because of the Heritage Savings Trust Fund. But as I see it, now would be the time to set our plan in place to assure ourselves that in this government of Alberta we have our budgeting restrained — that was the word in last year's budget — and that we should lower our expectations. This year's budget didn't do that at all. That concept no longer existed in the budget. So I would like the Premier to talk a little more about the types of things the government is now doing to prepare ourselves for the economic pressures in 1983 and 1984.

MR. LOUGHEED: Mr. Speaker, I have considerable difficulty with the hon. leader's point of view, because we addressed that very carefully in the budget relative to the operating position. Page 12 of the Budget Address has a very important graph, which describes Alberta expenditure as a percentage of Alberta gross domestic product. From a business point of view, I think that's appropriate to do. If you look at the record between 1976 and 1983, in my opinion it shows very sound financial management by the government of Alberta in handling its operating expenditure.

Again, I say it's easy to stand in the Legislature and be critical; I've occupied that particular seat. But I do think that if the hon. Leader of the Opposition has specifics he wishes us to delete from the budget, then it's his responsibility to do so. Yes, we feel that 23 per cent is high this year. It's high partly because of inflationary costs, partly by settlements in the public sector, and partly by sustaining the quality of services. But as mentioned on page 12 of the budget, it is a very balanced position over a number of years. We may — and I think we should — be judged on the overall position of this province in the period we've been in office, and I think it's been sound financial management.

I gathered, though, that the hon. Leader of the Opposition was moving into the broader question of financing. Yes, we're fortunate, we have some options. In due course, or now, perhaps he wants to present his view of those options. The first and most important aspect facing this province is going to be natural gas marketing. If the province of Alberta is successful, working closely with the industry in improving our natural gas sales to the United States and taking advantage of the window of opportunity, our resource revenues are a very attractive future position for us. That is the key and probably the most desirable one, which we intend to spend quite a bit of time working on in close co-operation with the industry over the course of 1982.

The other option involved is of course borrowing, with regard to some of the major Crown corporations. Certainly the financial capacity and back-up is there. That is an option which I believe I did discuss — in checking my notes in preparation for today — when I appeared before the Heritage Savings Trust Fund committee in August of this past year. That's another option available to us.

A third one — and not one I would think the Leader of the Opposition would want us to do — is to cut back dramatically on our capital expenditures. Perhaps they could be levelled off in the years in which there is a strong economy, and let the private sector move in. But in a year such as this, it seems to me appropriate to have large capital expenditures. If you reduce your capital expenditures, there's no question that you can overcome very quickly a significant portion of the deficit that's involved. So that's available to us.

We have a fourth area, and it may be one we have to

fall back on. We have left untapped a multitude of potential with regard to taxation. I think it's going to be a number of years before the government of Alberta is going to be required to move into that field. But the statistics are there in the budget: the citizens in the province have by far the lowest taxation levels. So there is that element of fallback position. I think we are extremely fortunate that we have a financial position that provides that many options. Natural gas marketing to reduce resource revenue is the first and most promising; secondly, some approach with regard to borrowing; thirdly, some reduction in capital expenditure if the economy is strong; and, fourthly, the area of taxation.

I realize the Leader of the Opposition knows I have begged the question with regard to the Heritage Savings Trust Fund. Yes, I have, and intend to tonight, because there are some options involved there. The Heritage Savings Trust Fund was developed as a concept to provide back-up support for us at a time when either resource revenues were declining, or it was needed for economic support. We're in unusual circumstances this year in terms of economic activity. It seems to me that the situation we face today is precisely the sort of forecast we contemplated might occur with regard to the Heritage Savings Trust Fund. We have a number of options there. I don't need to outline those options to the Leader of the Opposition. But over the summer recess, the government will be examining a number of options with regard to the future of the Heritage Savings Trust Fund.

MR. R. SPEAKER: Mr. Chairman, the Premier has specified and zeroed in on where natural gas sales fit into the program of government. Where does the Premier see the oil picture fitting in at the present time, with regard to the opportunity for the province of Alberta? As I understand from earlier conversation, the emphasis was on conventional; the government is placing its priority in terms of development in the conventional industry. Is there any further optimism with regard to tar sands development at this time and the fall-out benefits that come with it?

MR. LOUGHEED: Yes, I would like to make a few comments about the question of oil rather than just gas. There is one point on the operating side that I should have noted, which is perhaps most significant and should have been underlined. One of the reasons we've had such a large increase in our operating expenditure, is because we've had an abnormally large increase in population compared to the rest of Canada. As I mentioned in my first remark, in a period such as 1982 we are going to have a lower increase in population because we're going to have a slowdown in in-migration from other parts of Canada. So if you look at the figures and study them carefully from an operating budget point of view, one of the reasons is what we call volume increases, that come from population increases, in a multitude of departments. As that population increase levels off or even declines, we will find that that will permit us to reduce the degree of increase in our operating budget each year.

With regard to oil, I'm confident we should be able to get by this ridiculous federal policy we're now into, with shut-in production here in western Canada in Alberta and Saskatchewan. Assuming that that is short term, the energy agreement provides a very attractive position for oil exploration. As our conventional fields decline — and certainly as a result of what's been happening in the United States, the reports we're getting — there's very

significant interest in oil exploration in this province. That oil exploration will lead to new conventional reserves. We think there's a significant amount of conventional oil yet to be found in the province of Alberta. Over the course of the years of the energy agreement, we're very optimistic to see significant oil exploration occur. Already there are some good indications with regard to that.

Under the present circumstances there's not much I could point out with regard to the oil sands. It's clear that the situation with regard to international oil prices and oil price forecasts has altered the perception of the major risk developers in a very significant way. As the hon. Leader of the Opposition knows, we're attempting to work out an arrangement with regard to the Alsands project, but I'm in no position today to give any meaningful information to the Legislature on the status of those negotiations.

MR. KESLER: Mr. Chairman, could the hon. Premier indicate what he sees as the indicators pointing toward an upturn in exploration activity in Alberta?

MR. LOUGHEED: First of all, on the oil side it's pretty well established and agreed by most of the people involved, that the agreement of September 1 provides a very attractive position in terms of finding new oil. The indicators, by the seismic work done this winter, are that that will occur. The problem had basically been one of cash flow. We made some very significant moves in terms of the oil and gas activity program of April 13, which we believe flows — as I'm sure the hon. member is aware in studying it — a substantial amount of funds into the hands of the exploration and producing segment of the industry over the course of 1982 and 1983.

I think the second encouraging factor involved is that there is less likelihood of a drain of investment dollars from the oil and gas industry into the United States. They've had a very significant turndown of activity in their major areas of exploration. Now that they've had the boost of the added cash flow from our oil and gas activity program, in our judgment most of the companies here are going to be looking at Alberta and not elsewhere.

I would go so far as to suggest to the hon. member that I don't think many companies are all that excited about exploring under Canada lands because, if they do, they're not sure the rules won't change on them. Secondly, in terms of Saskatchewan and British Columbia, I think it's clear that our royalty position is much more attractive. If you look at an investor's options in the oil and gas industry, it's certainly not nearly in the same degree in the United States, it's not likely to be in the Canada lands, and it's not likely to be to the same degree in Saskatchewan or British Columbia. So we think the prospects for Alberta are pretty good.

They're going to take some time. As we mentioned — I think I answered this; the hon. Member for Clover Bar ask me this question on April 15 — it will take some time, perhaps into next winter or next spring before we get a significant surge in activity. We hope it comes sooner, but it may take that period of time.

The one area we have to accept is that some companies have had a very high debt position, particularly with high interest rates. A certain amount of the increased cash flow will go toward repayment of some of those debts. But that's not all negative, because that will make that entity stronger and more viable, in our judgment. Al-

though they might have a somewhat constrained investment program, it will be one they'll be able to follow through on. We don't in any way suggest our program is a panacea to solve all the problems, and we've said that. But we think it's a very major boost, and it certainly has been extremely well received by the oil and gas industry.

MR. R. SPEAKER: Mr. Chairman, to the Premier. One of the biggest effects on the Alberta economy — on individuals in the oil and gas industry, on the farm, or wherever they're working — was the November budget of Mr. MacEachen. My understanding today is that Mr. MacEachen intends to follow through with the proposals he made in that budget and put the necessary changes into legislation. It's true that that's a federal matter. But the impact on Albertans is very significant. I know the government has made some representations up to this point. The suppression — if I could use the word, socialism — that comes out of that budget as very alarming. The federal government doesn't even recognize what it's doing to us out here at the grass roots of Canada.

From the Premier's perspective, I was wondering if some other steps can be taken to fight against that at this point in time. Are negotiations going on? Is Mr. Olson, the minister of economic development — I believe that's his title — being used as some kind of instrument to convince those in Ottawa or central Canada that they are doing the wrong thing, in terms that at a time when we need incentive, they're giving us disincentive. As a provincial government, I know we often divide our roles between provincial and federal responsibility. But I think the impact being created must be dealt with, and we must deal with it loud and clear from our perspective here in Alberta. I was wondering what the Premier has in mind with regard to that question.

MR. LOUGHEED: Mr. Chairman, I don't know how I could have been louder or clearer than I was at the economic conference we had in early February, first with regard to the issue of interest rates, and secondly with the view that a new budget that is encouraging to the private sector should be brought in. I don't know whether it's possible that the federal government currently will listen to what is coming from all corners of this country, but it is coming at them in a number of different ways. I think it is pointing out to them that their policies simply aren't working, and that their budget was inept and ill-advised. As recently as last weekend, I obviously took advantage of some social occasions to make some non-social remarks to some people, with a view of trying to say to them, look, this is a serious problem all across Canada.

I know the Leader of the Opposition is aware that this problem that stemmed from that federal budget and the discouragement to the private sector wasn't in any sense an Alberta situation. That's spread right across this country. There isn't a corner of it, including those areas represented significantly by the government of Canada and their caucus, that hasn't been affected by it. During the course of our economic conference, I thought it was very significant, although they tried to suppress it — if it had happened in this Legislature, I'm sure the Leader of the Opposition would have made quite a lot out of it — that 12 members of the Quebec wing of the government party came right out and supported the position the government of Alberta had taken on a made in Canada interest rate policy.

I believe one of the most significant ways that could be helpful for us, in addition to a new budget, in addition to

a made in Canada interest rate policy, is some move with regard to natural gas export approvals. That would have an encouraging impact. The negotiated agreement with Nova Scotia is there now. The development of Sable Island gas should be brought in and looked at by the National Energy Board as part of the Canadian energy supply position. So one of the most important things for us to press the federal government on, which is a double benefit, is to have them approve natural gas exports: one, from the resource revenue point of view I mentioned, and the other is to be encouraging to a base industry in this province, in terms of its potential prospects for the future.

Yes, we intend to continue to press the federal government at every opportunity, whether it's at the western premiers' conference coming up in June, or at the premiers' conference this summer in Nova Scotia. At any occasion any minister of this government or myself has to communicate to the federal government, we just say, you made a very, very inept move by coming in after they'd had the statistics that there was a turndown. Maybe you could give them some credit for blundering, if they didn't know. But they knew. On November 5, they had the data that we were in an economic turndown, and brought in their budget on November 12. I said to the Prime Minister, both publicly and privately — perhaps more forcefully privately, I don't know — you've got to bring in a new budget, and you've got to encourage the risk investor in this country.

MR. KESLER: Mr. Chairman, a question to the hon. Premier. As the budget is a disaster for Canada and Alberta, and as the non-renewable resources are guaranteed to the province of Alberta, I wonder if the hon. Premier could indicate the stand the province is taking at this time. Whether it's outright expropriation of those resources by the federal government or confiscation of those same resources through the system of taxation, as is happening now in this country, and as the oil industry is the lifeblood of this province and has been virtually the source of revenue for the carrying on of provincial activities by this government, and basically the overall funding of heritage trust fund operations, my concern is that as the federal government has continued to erode that resource base through continued taxation, thus confiscating that resource that is supposed to belong to Albertans. My question to the hon. Premier is: what specific stand does this government or the Premier have in mind to stop the erosion of that lifeblood of this province?

MR. LOUGHEED: Mr. Chairman, the hon. Member for Olds-Didsbury is obviously referring to the national energy program. The national energy program comes within the jurisdiction of the federal government in terms of its right to taxation and its right to control pricing of inter-provincial movement of goods.

From our point of view, we developed a position, which I think has paid very significant dividends to the people of this province, by making very major changes and by strong negotiation in the national energy program. Certainly there are elements of taxation of that program which, since September 1, we think conditions are such that should require significant modification to be made by the federal government. But it is within their jurisdiction to levy these taxes. For our part, we were able to relieve the oil and gas industry, particularly the gas industry, of one of the most serious aspects of the national energy program, and that was a tax on the export of natural gas. As I believe I said in the Legisla-

ture on April 15, in our calculations over the period of the agreement, that tax would have come in the aggregate to some \$5 billion. With our negotiations, we were able to eliminate that particular tax.

The importance of that is not just in aggregate revenues. We believe there will be, as I mentioned in an earlier answer, considerable activity with regard to looking for new oil in this province. But we're worried about natural gas. We felt that one of the most disturbing aspects of the natural energy program was that it was literally attempting to write off the natural gas exploration and development industry of western Canada. We felt that our position, which we took and succeeded with, was to eliminate that natural gas export tax, sustain our flowback arrangement, get a commitment by the federal government to natural gas exports and that they were absolutely essential to sustain the natural gas exploration and development industry in our province. In addition to that, we were able, with the September 1 agreement, to increase the prices — and I believe the schedule is Appendix I to the oil and gas activity program of April 13 — in such a significant way that we were able to make the moves we made on April 13 to assist our industry. I believe that in the aggregate — and we're quite prepared to take this case, and intend to take this case, throughout this province from one corner to another — we were able to take a situation in which the federal government attempted to move in under the national energy program, fight back and sustain the jurisdiction of this province, and arrange an agreement that permitted our industry not fully to solve its problems but basically to survive this attack, and with the resources provided in it, if we could get the natural gas marketing, and with the balance of the oil and gas activity program, cause a revival of a basic industry within our province.

DR. BUCK: Mr. Chairman, to the Premier. We spend so much time talking about natural gas and oil. We keep telling our people that we have to put money in the Heritage Savings Trust Fund because the oil is going to run out. We well know that Alberta has one of the largest coal reserves in the world. I'd like to know what the Premier can indicate to the committee, that he sees as the role coal will play in the economic future of this province. We know there are vast reserves, easily recoverable, and I can see the day when we will look upon coal as we look upon oil at this time.

At the same time, I'd like to know from the Premier — we're all so hung up on oil sands; oil sands this, oil sands that. We have two open-pit mines in place at this time. Alsands will be the third. When looking into the crystal ball, the projects going on in the Grand Centre-Cold Lake-Fort Kent area are looking at recovery *in situ*. I have a feeling that even though we've sort of forgotten about Cold Lake and Esso, the future of the recovery of the bitumen in the oil sands lies in *in situ* recovery. I'd like the Premier to enlarge upon what he sees as the role of coal in the economic future in this province, and secondly, what the Premier perceives is the future of the Esso project.

MR. LOUGHEED: Mr. Chairman, I can only deal with that in a general way, and would ask the hon. Member for Clover Bar to perhaps take it up further with the Minister of Energy and Natural Resources in a more specific way during the course of his estimates. We have taken the view that coal is a very important asset. We have encouraged a number of projects that have develop-

ed and were under construction over the course of the '70s, to increase our production of coal for our own internal use here. We've entered into contracts to export small portions of that coal to Ontario. Of course, we've worked very hard to develop our relations with Japan and other countries by way of coal markets. The minister responsible for foreign trade is constantly involved in attempting to improve markets for our coal in various parts of the world. We agree with the hon. Member for Clover Bar that I believe it's a very important intermediate-term asset — I won't say long-term asset — for this province. We are certainly pleased that a number of projects are under way.

I should mention — and I'm sure the hon. Member for Clover Bar is aware — that there are some transportation limitations, that are also facing the province of British Columbia, of which the results of the efforts of the Minister of Economic Development, relative to Roberts Bank and the port of Prince Rupert, are part. Because you may have the contracts and you may have the coal, but you better also have the transportation system. So we have been emphasizing coal as an important intermediate asset of the province, in terms of markets and transportation and, to a significant degree relative to research. But the hon. Member for Clover Bar may like to ask the Minister of Energy and Natural Resources some more detailed questions.

With regard to the deep oil sands, our decision in 1974 to develop the Alberta Oil Sands Technology and Research Authority and then have it funded by the capital projects division of the Heritage Savings Trust Fund was our recognition of the very point the hon. Member for Clover Bar makes. Again I believe that it should probably wait for detailed questioning of the Minister of Energy and Natural Resources. But there is the point of moving from a stage of the pilot plants into a secondary stage of development of the *in situ* oil sands. Whether that is going to come in the next year or so is not an answer I can give the hon. member in committee tonight. But I do believe it should be raised, and I'm sure the Minister of Energy and Natural Resources will respond in more detail on that important question.

MR. KESLER: Mr. Chairman, a supplementary question. The answer just given brought a question to mind. He mentions the significance of a transportation system for coal in northeastern British Columbia and Alberta. I wonder if the hon. Premier, through the Minister of Federal and Intergovernmental Affairs, expressed his displeasure to the federal government for a \$100 million loan to Russia, for a transportation system to their northern coastline for transporting coal.

MR. LOUGHEED: It certainly isn't our approach to respond to moves by the federal government in cases of any particular country. We look at transportation here as very crucial. We have been very actively involved in transportation, primarily on the grain side. In addition, we got involved in financing port facilities in the port of Vancouver. We are constantly working, in a co-operative way, with the western premiers on issues of transportation.

If the hon. Member for Olds-Didsbury checks the record of *Hansard*, he will be aware of the degree to which we have been involved in a multitude of ways with regard to transportation policy in this country. It is the point of view of the government that we should be concentrating our efforts, in terms of transportation, on improving, first

of all, our transportation system for our grain producers, but overall our transportation system for Canada, and shifting away from the user-pay concept, which is a policy that has certainly not served western Canada well.

MR. R. SPEAKER: Mr. Chairman, I'd like to conclude this discussion of economy with this subject. The economic resurgence program of the government is to stimulate a couple of objectives: one, political objectives and, certainly, the economy of Alberta. I wonder if the Premier is able to give any further information with regard to that program. As I observe what must happen, in my very preliminary way, two areas need the attention of government in terms of stimulation. One is agriculture. There's an expectation from agriculture, as they read in the paper that the oil and gas industry received, or is going to receive, a substantial amount of money from government. The other area is in terms of mortgages and housing development in the province. I wonder if the Premier is able to indicate, in a general way, that those would be the two other thrusts in the economic resurgence program of the government, that we could look forward to within the next month or whenever.

MR. LOUGHEED: Mr. Chairman, I'm sorry I'm not in a position to answer that question tonight, although it's certainly a very fair one. We are obviously considering priorities in attempting to assess and forecast economic activity in the province, as affected by interest rates that may evolve in Canada, and also with regard to international economic factors. But I'm not in a position tonight to say specifically or give any degree of precision to the various aspects of the Alberta economic resurgence program that are under consideration tonight, other than obviously the major step which was made on April 13.

MR. R. SPEAKER: Mr. Chairman, on two occasions this week the Premier has made reference — as I understand it, this evening and on a television program out of Calgary on Monday — to having a series of meetings or discussions with the people of Alberta, or literature or whatever prepared for the people of Alberta to understand the present position of the government of Alberta. Will that be done in relation to the economic resurgence program, or is that a program in relation to other activities that may be coming in the next few months?

MR. LOUGHEED: I'm sure there's more to that question than I am able to contemplate. I believe what I was referring to was that I felt somewhat concerned that during the course of 1981 and, to a degree, 1980, I'd been so involved with this constitutional issue that I hadn't had the opportunity I wanted to travel to various parts of the province and listen to some of our citizens' views. If that was the reference the hon. leader was making, it was my intention to try to do more of that during 1982.

We also believe we haven't been as successful as we'd like to have been in communicating some of the programs we've announced. That's our responsibility, and we have to do better with it. I believe I was commenting — if I can recall the particular interview program the hon. Leader of the Opposition was referring to — on the need to improve our communication. I give us high marks in a number of areas, but I believe we could do better in communication.

MR. R. SPEAKER: Mr. Chairman, that was in the Premier's comment tonight, with regard to getting infor-

mation to all four corners of the province. I believe the comment was to that effect. That explanation applies to that comment as well.

MR. KESLER: Mr. Chairman, one last question. We're talking about being more effective in saving and budgeting, and that's the word that goes out to the residents of the province of Alberta.

I have here a letter addressed to the hon. Premier. AADAC changed the logo on their stationery from a rounded "a" to a printed "a". They were advised that they were to dispose of all their old stationery, and were not to use it up before using new stationery. Shortly after, new orders were given that there would be a new issue. Orders were again sent out advising them to dispose of the new stationery, due to the paper being the wrong color of blue.

I'd like to tell you who sent it, Mr. Premier, but you've probably seen the letter as well. I wonder if the hon. Premier could indicate if this is an example of efficient budgeting by the government.

MR. LOUGHEED: I never suggested we were perfect. I will certainly make sure that we find the letter, that it is looked at, and that we try to find an explanation and ensure that if that in fact occurred, it doesn't continue to occur and we don't waste public funds in that way.

MR. R. SPEAKER: Mr. Chairman, on another subject. It's with regard to the future activity with regard to the constitution. We had some debate in the Legislature yesterday. With regard to the two matters on the agenda, property rights and aboriginal rights, does the Premier see those issues receiving attention and potentially being resolved in 1982? I think the aboriginal rights is a commitment that has been given by the nine governments and the Prime Minister. Will that be concluded in 1982 or lapse into 1983?

MR. LOUGHEED: Mr. Chairman, first of all, I won't make my speech on property rights here. I'll make it elsewhere. I think a number of good ones were made yesterday. I do wish that the people who raise that issue would remember that the first Bill I presented here — and the hon. Leader of the Opposition was sitting here — was the Alberta Bill of Rights. The other provinces don't have the Alberta Bill of Rights. It provides for the enjoyment of property. It is the fundamental Bill. We didn't want to see the issue of property rights placed under federal jurisdiction. We want to keep it here in this province. Anyway, I'll save my more full and complete answer on that issue for other occasions.

The question of aboriginal rights is Section 37(2). It refers to a conference which will involve "the identification and definition of the rights" of the aboriginal people. I think the hon. Leader of the Opposition used the phraseology "solving" or "resolving" those issues; I'm not sure which word he used. I believe we should be clear that the constitutional conference he refers to, which is to be convened one year after April 17, would include in its agenda

an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of [their] rights . . .

MR. R. SPEAKER: Mr. Chairman, I'm not going to debate the question of property rights this evening. But in terms of Albertans, there is a concern that all their

property rights are not protected. Is the position the Premier has placed before us at this point in time the final position of the government? Or, in terms of this listening that will go on through the summer, will the government potentially be looking at some other format, such as introduction of property rights in the Canadian constitution, or does the Premier feel very strongly that that introduction would interfere with provincial autonomy?

MR. LOUGHEED: Mr. Chairman, that one is not a matter for listening. I'd be happy to; I've heard the views expressed. That's a matter for communication. As far as I'm concerned, I don't want to see a situation in which we put property rights into a jurisdiction that is different from the jurisdiction that resolves out of this Legislative Assembly of Alberta and under our Alberta Bill of Rights. The best protection we could possibly have for our property rights is what we have today under the constitution, with an Alberta Bill of Rights that takes precedence and a notwithstanding clause that assures that if any other move is made that in any way takes away from those property rights, we're into this Legislature and can pass a notwithstanding clause. That's the best position for us to possibly be in.

We may be making other moves and developing positions with regard to the constitution. Previously in this Legislature, I mentioned one of them; that is, we've been reassessing how we can assure that Albertans and others from western Canada could have a greater say in national affairs. So, as I mentioned at the last constitutional conference, we've been moving to the view that there may be merit in establishing a national institution such as a House of the Provinces, which would have elected people, perhaps from the provinces, and would replace the current Senate. We'll be developing that proposal over the course of the next year, leading up to that constitutional conference.

MR. D. ANDERSON: Mr. Chairman, in furthering the cause of communication with respect to the topic of the constitution, would the Premier possibly consider the establishment of a Premier's advisory committee or some other similar body, which could perform two functions: to inform Albertans as to how their rights are protected and what is included in the constitution as it now exists, and perhaps over the summer also gather the opinions of other Albertans with respect to the important topic, just raised by the Premier, regarding how Albertans might further influence the direction of their national government?

MR. LOUGHEED: Mr. Chairman, that's an interesting suggestion from the Member for Calgary Currie and certainly one I'd like to ponder. The hon. member will recall that we did that, to a degree, in the development of our document *Harmony in Diversity*. We established an advisory committee that was broadly represented. They obtained views from many aspects of Alberta life and then prepared recommendations which led to our document *Harmony in Diversity*. It may be worth pursuing. Important as is that subject, though, I want to assure that in this difficult economic year, we still keep our priority in terms of the Alberta economic resurgence plan.

Agreed to:

1.01 — Office of the Premier
1.02 — Administrative Support

\$499,278
\$1,571,557

1.03 — Office of the Lieutenant-Governor \$90,228 and Safety \$11,165,389

1.04 — Project Management

MR. R. SPEAKER: Mr. Chairman, earlier in my remarks, I referred to 1.04, project management. With the 110 per cent increase, are there to be some new thrusts coming out of that area, new projects that are being taken on through the Premier's office; I believe I'm in the right category.

MR. LOUGHEED: Although the increase looks large in relation to the forecast, it's not in relation to last year's estimates. They vary rather dramatically, as the history shows, because to a large extent they involve consulting contracts. We're looking at a number of matters, such as trying to avoid some duplication in terms of research contracts we're involved in. We've been looking at matters such as a telecommunication planning study. But again, as I believe I've explained to the Leader of the Opposition on a number of other occasions in the House, it is a relatively variable situation. It depends upon tasks of a specific nature which are assigned to project management, working within either the core group or with consultants.

Agreed to:

1.04 — Project Management	\$756,720
1.05 — Protocol	\$423,804
Total Vote 1 — Executive Council Administration	\$3,341,587

2 — Occupational Health and Safety

MR. CHAIRMAN: Are there any questions or comments regarding this vote?

Agreed to:

2.1 — Program Support	980,759
2.2 — Worksite Services	\$4,149,756
2.3 — Occupational Health Services	\$3,251,080
2.4 — Research and Education	2,783,794

[Mr. Purdy in the Chair]

MR. R. SPEAKER: Mr. Chairman, a couple of problems have been brought to my attention with regard to truckers and workers' compensation payments. I understand that some of the truckers who are private owners and are subcontracting to other owners are forced to pay workers' compensation, and it's creating quite a hardship on them. I'm sure this has been brought to the minister's attention some time ago. I wonder if the minister could indicate what has happened with regard to that. That was the first area, and I have another one.

MR. DEPUTY CHAIRMAN: I wonder if the Leader of the Opposition couldn't hold that question until Vote 3, because that is actually the workers' compensation vote.

MR. R. SPEAKER: I'm sorry.

MR. DEPUTY CHAIRMAN: Maybe we could dispose of this one, and then go on to Vote 3.

Agreed to:

Total Vote 2 — Occupational Health

3 — Workers' Compensation

MR. DIACHUK: Mr. Chairman, in response to the question of the Leader of the Opposition. The section under the Workers' Compensation Act, which was changed from the independent operator to proprietor, did encounter a fair amount of criticism. As of February 8, the policy statement released — that I circulated to all members of the Assembly — provided for an opportunity for all heavy equipment operators to continue to purchase coverage and continue as they were prior to January 1, 1982. I have asked the Workers' Compensation Board to look at a further approach with the express purpose of permitting any Albertan who wants to endeavor to go out into a business to be classed a proprietor, be able to purchase coverage; some format that that proprietor would then be able to have an identification card which would provide the name, address, account number, rate of assessment; and some formula that would provide for what portion of a contract would be considered wages. As this proprietor would be working for any employer in a contract arrangement, be it the county, the city, or a road-building company, that principal would not have to phone in at the pay period — even if it's year-round or on a fixed period of so many days — to find out whether that proprietor has an account; and before moneys are paid out, as the Act had always provided prior to January 1, 1982, and now requires that a release be obtained from the WCB that the account is paid in full and there are no arrears, would automatically see a deduction from that cheque forwarded for the rate of assessment to the board. At the end of the year, that proprietor would be able to audit his own account with the board. As there is a maximum amount of coverage anybody can buy in this province, if that maximum coverage is exceeded, the board would then reimburse.

To the hon. Leader of the Opposition and members of the Assembly, I have tried this approach on several associations: Alberta Road Builders Association, Alberta Construction Association, and some others. They think it has some merit. This would cut out so much of the administration that we on the select committee were concerned about, because the administrative cost of the WCB has been rising quite significantly in the last number of years. The purpose of the recommendation was to change from the independent operator. As it stands at present, any heavy equipment operator — and specifically the truckers who the hon. Leader of the Opposition asks about — is able to get his coverage at the regional office. But we're looking at some changes, hoping that for the fall session, I would bring forward to this Assembly any legislation required to amend the present Workers' Compensation Act.

MR. R. SPEAKER: Mr. Chairman, the other area was with regard to farm workers. I understand there is some concern about paying workers' compensation. Could the minister indicate what the problems have been, and if some changes have been made in that area.

MR. DIACHUK: As suggested in the report by the select committee, last summer I circulated a position paper to all farm organizations in the province. Responses were received, and I haven't finalized the review of the recom-

mendations. But almost unanimously, the farm organizations did not want compulsory coverage legislated on agricultural workers. Part of the reason has been that some sectors of the farm industry have some private coverage they believe is what they want, and sufficient for their needs. The other other reason has been that the rate of assessment in Alberta is fairly high. The experience has required an assessment of, I believe, over \$6 a hundred, which is fairly costly. Therefore the responses have been fairly unanimous. Other than one or two small groups that have asked for compulsory coverage, the majority of responses have been opposing compulsory coverage for agricultural workers in this province.

MR. KESLER: Mr. Chairman, a supplementary question. Could the hon. minister indicate at this time whether the department will honor the wishes of the majority of farmers in the province, and in fact not implement the Workers' Compensation Act in relation to their business?

MR. DIACHUK: This was indicated in the select committee report. I honor that and do not have any intent to recommend to Executive Council; we would be able to do that by regulation. But I do not intend to recommend that it be compulsory, but remain on a voluntary basis with some review of how to get better participation. This is ongoing and we're continuously trying to get better participation on a voluntary basis.

MR. R. SPEAKER: Mr. Chairman, to the minister. One of the concerns I have had related to me is with regard to the medical practitioners on the staff of the Workers' Compensation Board; not actually on the board, but the medical examiners. Could the minister indicate whether there is a shortage at present, whether so many people are making application or requiring the services of the Workers' Compensation Board, that there is a problem at the present time?

MR. DIACHUK: Mr. Chairman, I don't have the details to be able to respond fully. I was advised this week that their claims service is to the point that they have about a four-day wait for phone calls when applicants are inquiring about claims. I know they have endeavored to retain a new director of medical services. The chairman of the board has advised me that he is to commence work sometime around May 1. Possibly some of that has held up the recruitment, because when that takes place, Dr. Hull is retiring. That might have been the reason. But I don't have any indication, other than when the select committee toured the facilities in the fall of '79 and spring of '80, we did find a lack of psychologists and other professional people. I have no information that they are in difficulty recruiting staff for their medical division of workers' compensation. I will look into it and see.

MR. R. SPEAKER: Mr. Chairman, could the hon. minister indicate the weight placed on the medical examiner's report in determining whether the person receives workers' compensation. Is it heavily weighted, or do you see at present that the weight of the medical examiner's report is being diminished in the decision-making as to providing or not providing benefits?

MR. DIACHUK: The legislation now in place, effective January 1, 1982, does not even require a medical report for a claim to be accepted. The worker's application and the employer's report only are sufficient. As the hon.

Leader of the Opposition will be aware, they don't have to automatically send medical reports now. Reports will only be requested. At that time a fee, called a reporting fee, will be paid to the doctor. Traditionally three reports were sent: the worker's report, the employer's report, and the medical report. A medical report is not now required, nor is a doctor required to send a report every two weeks. Only as the claims department wishes to bring information on the medical condition of the disabled worker up to date, will they request an updated report. Then the doctor gets paid a special reporting fee.

MR. KESLER: A supplementary question, Mr. Chairman. Since foregoing the procedure of medical reports, could the hon. minister indicate the percentage increase, if any, over the period when you did have the medical report process?

MR. DIACHUK: Mr. Chairman, it's too early to know. This only became a practice as of January 1, 1982. I really have no way of knowing, other than comparing January and February from the previous year. My indication is that the cost of medical services is down from the previous year. But we had other circumstances, such as the nurses' strike, that don't give us a good enough picture, and I can't indicate. As far as the percentage of claims, we don't get a report till the first quarter is over, and I don't have those indications yet.

MR. KESLER: A supplementary question, Mr. Chairman. Would the hon. minister indicate if they're prepared to monitor the situation to see if there is a change in the number of claims since that policy has been put in place?

MR. DIACHUK: Yes, that's an ongoing thing the Workers' Compensation Board do for their own benefit. They advise me of it.

MR. R. SPEAKER: Mr. Chairman, to the minister. I know the statistics are public, but does the minister table those quarterly reports in the Legislature, particularly this one? I'd appreciate very much if the minister would take on a commitment to either direct it to my office or table it in the Legislature for information.

MR. DIACHUK: The only requirement has been the annual report. But once the information is released, I will make note of it. When the first quarterly report is received, I will forward it to the Leader of the Opposition.

Agreed to:

Total Vote 3 — Workers' Compensation	\$16,698,400
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Total Vote 4 — Support to Native Organizations	\$4,188,010
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DR. McCRIMMON: Mr. Chairman, I'd like to make a few remarks with respect to this department. As the committee will note, the estimates for 1982-83 are \$4,188,010. This represents an increase of 25.2 per cent over the forecast for last year. I believe this increase reflects our government's continued commitment in assisting native Albertans to share in the economic and social opportunities of the province.

One function of my portfolio, Mr. Chairman, is to provide support for the many worth-while projects which are undertaken by voluntary native organizations throughout Alberta. In this regard, I draw members'

attention to the grants portion of the budget, which will increase to nearly \$2.8 million in the next year. Included in these estimates for this year are some additional support to the Metis Association of Alberta and the Federation of Metis Settlements, to assist these two organizations in preparation for their participation in the upcoming first ministers' conference on the constitution.

Additional grants will also be made to the Canadian native friendship centres, to support these important institutions in their capital fund raising projects. As well, Mr. Chairman, seed operating funds will again be made available to BANAC, the Business Assistance for Native Albertans Corporation, which began operations last June. These are just few of the uses to which the project funding of Native Affairs will be put. The value of these contributions cannot be measured in dollars alone. I suggest, Mr. Chairman, that these grants, whether large or small, be viewed as investments which will realize significant and long-lasting returns for native Albertans.

A second role of my department is to serve as a liaison between native organizations and individuals in the provincial government. As members will recall, last year I came before this committee with a proposal to develop my department's ability to make contact with individual residents on reserves and settlements in isolated communities. I am pleased to report that this field capability is now in place. In the next year, some additional resources will be applied to further improve communications between our native people and the provincial government. Two new field positions will be created, and moderate increases in travel allotments and the communications budget will provide the field staff with the resources necessary to do their jobs.

Mr. Chairman, the budget of Native Affairs is really only the tip of the iceberg in terms of the overall support the province provides for native Albertans. As the committee reviews the estimates of other departments, I'm sure it will be apparent that the level of commitment to meeting the needs of native people is very high indeed. The extension of family and community support services to Indian reserves has been very well received by the chiefs of most bands in Alberta. During the next year, Alberta Transportation will again undertake significant roadway projects on reserves and in Metis settlements in the province, at an estimated cost of \$10 million.

As mentioned in the Budget Address, a five-year development program will be started in the eight Metis settlements in the province, including industrial, recreational, and water and sewer projects. The first year cost is \$2 million. In addition, the 42 per cent increase in the northern supplementary fund, for provision of water and sewer facilities through Alberta Environment, will greatly improve the quality of these services in isolated and northern communities. The contribution of the Department of Advanced Education and Manpower to Native Outreach will increase to \$830,000.

As the committee will note, last year my department received \$500,500 to participate with the private sector in the joint capitalization of the native venture capital corporation. For a number of reasons, difficulty was experienced in attracting the private-sector subscriptions necessary to successfully capitalize the company. I am sure members are well aware of the uncertainty facing Alberta's resource industry as a result of the federal national energy program and the slowdown in the Canadian economy. It is my strong belief that the native venture capital corporation has considerable merit. Officials in my department are currently investigating new

marketing strategies and other means of raising the necessary capital. I hope to be in a position to announce the launching of the company within the next few months.

I could go on, Mr. Chairman, to list the initiatives which our government has taken and is taking on behalf of native people in the areas of housing, recreation, education, social services, and many others. I would like to acknowledge the contribution and high level of commitment to the development of social and economic opportunities for our native people, made by my colleagues in the cabinet and their officials. I'd also like to thank my staff and the Native Secretariat for their dedication.

If members have any questions on the estimates of Native Affairs, I would be happy to try to answer them.

MR. DEPUTY CHAIRMAN: We've already had the vote on Vote 4, but since the minister has opened the debate, we'll take any questions then.

MR. R. SPEAKER: Mr. Chairman, to the minister, one area that is an ongoing question is with regard to the land claims and land ownership by some of our Metis and native people who aren't living on reserves. I wonder if the hon. minister could indicate the status of that, and what actions have been taken in the past year.

DR. McCRIMMON: Mr. Chairman, there is a reasonable list of outstanding land claims. One land entitlement claim, which is probably the outstanding one in Alberta, is the Chip Cree claim in northern Alberta. It is moving along. Basically what has to happen is that a reasonable settlement has to be made between the band and the federal government. Once a settlement has been made between those two, the allotment of the land has to pass through the provincial government if it's land in Wood Buffalo park. Compensation has to be made to the province if it's Crown land. It has to pass from the federal to the provincial to the treaty band, if it's in Wood Buffalo park. Now that is the process. It is moving along, but it hasn't come beyond that. But there's considerable activity, and I'm hopeful that there may be some settlement in that respect in the next year.

One other is the Redwood Meadows settlement, the Sarcee land development in Calgary. We've been working very hard on this for the past two years. I'm happy to say I'll be meeting tomorrow with the federal Minister of Indian Affairs and Northern Development. Alberta has its end together, as far as the provincial government is concerned, and the band, as far as the residents on that development are concerned. Hopefully we can turn it in to the federal government, and they can develop the legislation.

There's quite a list of other claims. I don't know if you want me to go through the whole list, but those are the two basic outstanding ones. There's Lubicon Lake, a small claim which has basically been to the province. The federal government has validated this claim, and preliminary discussions are being held over the next month or two. I have quite a list of them, if you'd like me to carry on, and I can.

The Enoch development, on the edge of Edmonton, is not so much a land claim but a land change, to perhaps incorporate it into Edmonton proper as a band development, as I understand it, in conjunction with developers. This is under discussion. There was a meeting the other day between the band and the Minister of Municipal Affairs. There was some concern that perhaps their ideas

were a little on the large side. The first I heard was it was considering about 60,000 to 80,000 people. That has been scaled down, so they're now considering somewhere in the area of 15,000 or 18,000. So probably over the next period of time, that will be developed. I see no reason why that shouldn't develop in a reasonable and normal way. If we can get the pattern of Redwood Meadows, which appears that it may probably go through, if the federal government will move along with the legislation.

There are others. There's the Blackfoot coal project. There's several sitting in the courts, and have been for several years. One is out west of Olds. The Stony Reserve is quite an important one, but it's in limbo at the present time, in the courts. There are several other minor ones in the province. That's the basic situation as far as the land claims in Alberta are concerned.

MR. KESLER: Mr. Chairman, a question to the hon. minister. Perhaps it's out of the minister's area, but he may be familiar as to whether there's been any move in the direction I'm concerned with. Could the hon. minister indicate whether there has been any discussion in committees or within government within the department of Indian affairs, whereby special native electoral regions could be set up so that the native people have an opportunity to have elected representatives sitting in the Legislature, so that they can represent their cultural and economical needs and the needs they have in their society? In my dealings with many of the natives, I think they have the feeling that we view them as being white men in dark skins, and don't relate to their culture, and certainly have a difficult time relating to their needs. Could the hon. minister indicate whether any type of policy in that direction has been considered?

DR. McCRIMMON: Mr. Chairman, I'm aware of this of course. It has been brought to my attention many times. It's a subject which both the Metis and native Indian people in the province have been promulgating and considering for a number of years. One basic problem with giving representation by number, as far as an ethnic group is concerned is, where would you stop? Would German people require so many people in the province? Would the Ukrainian people require so many? The Scots, the Irish, the English? In a province such as ours, if you start going by ethnic origin, it's a very difficult problem. I know they're feeling is that there are nearly 40,000 native Indian people and roughly 60,000 Metis people in the province, and that that represents roughly 5 per cent of the population of the province, [so] they should have 5 per cent of the seats in the Assembly. But there hasn't been that much consideration given to that thought, although it has been brought to our attention. As I mentioned before, if you do it for one, where do you begin and where do you stop? It's a very difficult situation. It is being brought out across various other regions of Canada with the native people. I realize that.

Agreed to:

Total Vote 5 — Personnel Administration \$17,674,489

Total Vote 6 — Natural Sciences and Engineering Research \$19,148,000

Total Vote 7 — Energy Resources Conservation \$20,755,000

Total Vote 8 — Women's Information \$195,800

9.1 — Program Support \$2,967,190

9.2 — Development and Production \$5,758,050

9.3 — Media Utilization \$6,107,760

Total Vote 9 — Multi-Media Education Services

MR. R. SPEAKER: Mr. Chairman, could the minister responsible for this indicate the basic objective of some of the programs, in terms of what kinds of things are now being done in the private sector that we are doing here in terms of ACCESS? I think that's one of the biggest concerns. I recall talking to some of the employees one year ago, and there was a lot of confusion about the real objectives of ACCESS, and the internal co-ordination needed to put forward some of the programs. Different people were working on different projects, without any concerted effort or policy direction. Could the minister indicate whether some of that has been clarified, whether some new policy objectives have been established, whether there's better co-ordination within the organization, and whether the minister in his own observations feels that this area is infringing on some of the private companies at the present time in our economy?

DR. WEBBER: Mr. Chairman, in terms of policy direction, the overall policy for ACCESS is determined by the Alberta Educational Communications Authority, which consists of the Minister of Education, the Minister of Advanced Education, and myself. As the hon. Leader of the Opposition knows, we do have in place the board of ACCESS, which has representation from different government departments as well public representatives. That is the policy-making body for ACCESS. Of course, the president administers the policy determined by the board and by the authority.

The overall objective of ACCESS is well outlined in the annual report — which the hon. Leader of the Opposition can certainly read, if he hasn't done so already — which outlines the program production and the distribution for early education, basic education, higher education, and further education. The budget and the allocation of that budget to the private sector are also outlined in the annual report. I think something like 54 per cent of the budget last year was spent in the so-called private sector. So there certainly is an attempt on the part of ACCESS to spend money in that particular area. Where media companies and program companies can do the job, they will certainly have them do that.

Mr. Chairman, I'm satisfied that ACCESS is doing an excellent job. The board of ACCESS has just completed a five-year futuristic study, a five-year plan. That particular plan takes into account the latest technologies in existence and applies that technology to their production and distribution. In fact they are involved right now in a project called Project Outreach, whereby they are using ANIK "B", a satellite, to put up programming to come down to some centres in Alberta. So satellite technology is being used as well as other technology. Those are some of the general things that are happening.

I believe I've answered the specific question related to private-sector involvement. If the hon. member has any other questions, I'd be happy to try to do so.

Total Vote 9 — Multi-Media Education Services \$14,833,000

MR. HORSMAN: Mr. Chairman, as indicated, Votes 10 and 11 will be held. I guess Vote 12 is to be dealt with.

MR. DEPUTY CHAIRMAN: Twelve can't be dealt with, because there is no amount of money in it. It's not shown in the front page of the book either. So we'll move on to the next department.

Utilities and Telephones

MR. DEPUTY CHAIRMAN: Has the minister any opening comments? Are there any questions regarding Utilities and Telephones?

DR. BUCK: Mr. Chairman, I think it behooves the minister . . . Are we going to get to the associate minister, or could we do them both in one fell swoop? In light of the fact that the Assembly has passed a resolution that we look at extended flat rate service to the people in this province, I would like to know what stage we're at and why we're dragging our feet. If I were the Premier of this province or the responsible minister of the Crown, within five minutes we'd have a flat rate dialing system of 50 miles. I've heard so much about what "now" used to mean when this government first came to power. I think they've forgotten about that. Is the minister going to make that change now to extend it to 50 miles? That's all I want to know.

DR. WEBBER: Mr. Chairman, I've always been impressed with the hon. Member for Clover Bar, in terms of how he would act if he were in the particular position. He took me out recently to his constituency and introduced me to some of the residents of Ministik, some very fine people out there with . . .

DR. BUCK: Impatient fine people.

DR. WEBBER: The hon. member knows the problems related to the flat rate calling as well as anybody in this House. I think he knows that it's impossible to say that today we can turn around and extend the limit to 50 miles. As I mentioned in the debate, we, together with utilities committee of caucus, had a look at a number of alternatives for improving phoning services throughout Alberta. It was our view that if this optional calling program, which is in field trial starting June 1 in six centres in Alberta, is successful, that will certainly resolve a number of the problems related to flat rate calling that exist in Alberta, and hopefully will resolve the problems he and many other MLAs in this House have brought to my attention. At this time, the decision to extend it to 50 miles will not be made. However, we do have it under consideration and will continue to have it under consideration throughout the time this optional calling program is in its trial stage.

DR. BUCK: Mr. Chairman, to the minister. I just cannot and will not accept that. This government pays lip service to the fact that its listening to its people. I am trying to indicate to the government as clearly as I can that it's the solving of people problems that gets governments put back into power or gets their butts kicked out. Now I can't put it any plainer than that.

How can anybody in this Assembly justify to people who live 17 miles out of the city of Edmonton that they have to pay long-distance charges? Nobody in his right mind is going to accept that. This has been going on

through the previous government, it's been going on through this government, and it's bloody near time somebody resolved it. I can't put it any plainer than that. I'm sick and tired of getting these bureaucratic answers from the bureaucrats, because it's inconvenient for them. People services keep governments in, and lack of people services gets governments out.

That strategy committee of that Tory caucus had better get their heads together and start providing the people of this province with some people solutions. You can spend \$5 billion on priming the pump for economic development. That doesn't mean a hill of beans for the guy who's 17 miles out of Edmonton and has to pay long-distance phone calls. That's the trouble with you people. The Premier stood here tonight and told us all the great things with his optimistic face on. Well, the polls don't tell him that. The Ukrainians don't tell him that either. [laughter]

Basically there are about 28 problem areas in the province. Two or three of those are opposition members' and the other 26 are government members'. If you want to get yourselves re-elected, fellows, I'd be listening to what the people are saying out there. [interjection] It's unisex; you call men and women the same thing. It's fellows. It doesn't matter any more. [interjections]

What I'm trying to tell this government is wake up. You can solve that problem with the stroke of a pen. The lines are already in place. The hon. Leader of the Opposition, Ray Speaker, has a little area of about 25 people. I would be ashamed to tell somebody that we have to wait 18 months for some kind of pilot project to tell those 25 people they can get flat rate dialing into Lethbridge. My god, I could hire a girl at \$3.85 an hour to pull out those 25 bills and say, look, you're on flat rate dialing; it will cost you \$7.12 a month. You don't need a bloody computer to do that.

I'm upset. I hope you notice that I'm upset. I get sick and tired of: we're going to do studies; we're going to do surveys. The only survey you have to worry about is that you're going to get kicked out if you don't start reacting. That's the only survey that really counts. The others are insignificant. What I'm trying to do is indicate to the government as plainly as I can that it's the solution of people problems that keeps you in power, and it's the lack of those solutions that gets you kicked out.

I am telling the government once again, I want to see the Ministik telephone situation solved. If the minister goes to flat rate dialing for a 50-mile radius, he's going to solve 85 to 92 per cent of the problems. Anybody who can solve that many problems with the stroke of the pen is a super politician. If the minister wants to be a hero to the people in the affected areas, do it. Never mind the surveys and studies, just get it done, even if you have to give the hon. Member for Edmonton Glengarry an additional job of pulling those things out to get the bills sorted out, so they're flat rate dialing. Do it.

MR. COOK: Mr. Chairman, may I ask a question of the hon. member?

DR. BUCK: Does he need another job. Sit down, Cook.

MR. COOK: Could I ask a question? Mr. Chairman, the question I want to ask is very simple.

DR. BUCK: I have the floor, Mr. Chairman, and if I want a question, I'll ask for a question. I'm giving the government some advice.

MR. DEPUTY CHAIRMAN: Order please. The hon. Member for Clover Bar does not want to entertain a question at this time. He may want to after he resumes his seat.

DR. BUCK: You don't have to worry about electing a Tory in Clover Bar, Cook. It won't happen. But the guy will get a good government job. That's why they run, so they get good government jobs after I whip them. [interjections] That's said in all humility and modesty, I might add.

Mr. Chairman, I am bringing this to the government as forcefully as I can. The people want some action. Basically there are 28 constituencies in this province that want some action. That's all I'm going to say to the minister at this time.

MR. HYLAND: Mr. Chairman, my comments are to the Minister of Utilities and Telephones, relating to the impact the federal tax has on sprinkling and greenhouse operations. I would like the minister to report to the Assembly if he or the government has written to the federal government, requesting that agricultural uses be dropped from the federal gas tax.

Just so one realizes how important it is, let me give you an illustration of the cost of running a greenhouse. The total cost for gas in January this year was \$9,570 for one fairly large greenhouse in Redcliff. Because of an old contract and a high volume, their gas cost was approximately \$1,700. There was approximately \$7,869 in taxes in this operation. With the figuring I did on it, we're looking at a per MCF cost of between 12 and 14 cents and, in January, a federal tax of somewhere around 60 cents. Assume that last month the amount of gas burnt was roughly the same as in January, add the extra increase in federal tax, and you're looking at about a \$1,670 to \$1,700 cost of gas and \$10,400 plus in tax. That's just one greenhouse. I know there are a number of others, some larger than this one, some smaller. It's an important industry in Redcliff and in Medicine Hat. They are having problems with these costs.

One of the operators who raises cucumbers told me that, assuming a cucumber will cost a dollar, when the federal excise gas tax, or whatever it's called, reaches its maximum, about 40 cents of that dollar, or 40 per cent, will be just to pay for the tax on the gas — nothing to do with the operation of the greenhouse, construction costs, et cetera. It will just cover the gas tax. They have a particularly low rate because of a long-standing agreement that is rapidly running out. As their agreement is renewed, their gas costs are going to be considerably higher, and it's really going to put them in more of a bind then.

The other one is the cost the gas tax is creating on sprinklers in southern Alberta. There is quite a movement of people to change to electricity, because of the difference in cost for one thing. There are other benefits: not as much upkeep on an engine, engines are cheaper and a little easier to control — you can [turn] it off and on with a switch, et cetera. But part of the problem is the cost of gas. Some co-ops may face severe cash flow problems because of a former high use of gas for sprinkling. If some of these high uses start to cut down, it will create a cash flow problem with the system in place, and it may make it difficult for some co-ops to operate as well as they have in the past.

As I've said, I realize there are advantages to going to power. But one of the reasons driving them toward power

is that the increase in the cost of the tax on gas is putting it in figures that are making them really think. I'm not sure what the difference in the cost would be, but I would guess it's probably approaching at least twice what it was a year and a half ago, or it will be now with the tax up to 80 cents an MCF or whatever that is in the gigajoule range. I would think it's approaching one and a half to two times what it was one and a half to two years ago. I wonder if the minister could comment on those two items.

MR. DEPUTY CHAIRMAN: Since we have a number of members wishing to ask questions and two ministers involved, I'd ask the ministers to answer the questions as each person participates. Would the minister like to go ahead and answer those questions from the Member for Cypress now?

MR. SHABEN: Mr. Chairman, it may be useful for the members to deal with the communications matter or the utilities matter first, so that we deal with one area and then move on to the next. I'm in your hands, Mr. Chairman.

MR. DEPUTY CHAIRMAN: It's difficult for the Chair to determine which members are going to ask questions on which area of the Department of Utilities and Telephones. That's why I asked the minister to go ahead and respond to the Member for Cypress.

MR. SHABEN: Mr. Chairman, the Member for Cypress has raised a very important question, and it's a concern that has been brought to my attention by the member as well as a number of other members who represent agricultural communities. The member has properly drawn to the attention of the Assembly the impact of the federal excise and ownership tax on natural gas upon primary agricultural production. Earlier in the spring sittings, I believe the Minister of Federal and Intergovernmental Affairs responded partially to a question in that regard. I've been working with the Minister of Federal and Intergovernmental Affairs and the Minister of Agriculture. The Minister of Agriculture has sent a letter to the federal Minister of Finance, and a copy to the federal Minister of Agriculture, requesting that the federal tax, as it applies to primary agricultural production, be removed. The arguments have been made very well by the Member for Cypress, as it impacts a number of areas, including greenhouse production, irrigation, farmers who use a great deal of natural gas to heat their buildings in the production of red meat, and other ag. production. We have communicated with the federal Minister of Finance as well as the ag. minister with that request.

We've also been working with irrigation farmers in southern Alberta to determine how we might improve delivery of natural gas to them, because the cost of irrigation pumping is important. Whether it's three-phase power or natural gas, that's an important element of the input cost of our agricultural community. I'm sure the members are aware that the natural gas price protection plan will provide about \$140 million of price protection to Albertans in the upcoming year. That's an important way of offsetting these higher input costs, and that program continues in the upcoming year, although the funding for it is not a budgetary item; it's contained in a statutory fund.

So, Mr. Chairman, yes we are aware of it, and those are the initiatives that are under way.

DR. C. ANDERSON: Mr. Chairman, my question to the Minister of Utilities and Telephones really deals with the St. Paul Lakeland Natural Gas Co-op. It's been in receivership until recently, and the receiver appointed the courts to deal with the sale of the assets. I'd like the minister to comment on this sale and what it means to the users of the utility, and how the private utility that has purchased the facility will be controlled as far as rates are concerned, and what it means to them. I'd like the minister to comment on the investigation by the Ombudsman into the department's handling of the affair. Has there been a comment from the Ombudsman, and has the investigation been completed?

The other area of the question is the rates charged from the rural electric grid of Alberta Power in northeastern Alberta. I'd like to ask the minister if he could elaborate on how the electricity marketing agency will affect the ratepayers in that area.

MR. SHABEN: Mr. Chairman, the Member for St. Paul has raised some important questions, and I'd like to respond to them in the order he has asked them. Initially the question of dealing with the bids for St. Paul Lakeland were to have been dealt with by the courts on March 15. However, it was postponed, and the matter was finally dealt with on April 16. The successful bidder was ICG, formerly known as Plains-Western. They were successful in acquiring the assets, and I believe the wrap-up of that will occur prior to May 15.

In terms of the rates that will apply to the citizens served by the St. Paul Lakeland gas co-op, those will be determined by the Public Utilities Board. An important consideration for the customers who will continue to be served, but by ICG, is that in considering the rates, the Public Utilities Board takes into consideration the purchase price and not the total investment, so it should result in favorable rates to the citizens who will be served by ICG as a result of the action of the board of directors and the receiver.

The member raised a question about an investigation by the Ombudsman in the matter related to the receivership of St. Paul Lakeland, and it may be useful to provide members with the information I have with regard to the complaint lodged with the Ombudsman. I would just advise that the Ombudsman has advised the Deputy Minister of the department as follows:

1. My investigation has been completed and I have reached the conclusion that I am unable to support Mr. Chrapko's complaint against your Department.
2. Enquiries into this matter disclosed that although officials of your Department were available to assist the St. Paul Lakeland Natural Gas Co-operative Ltd., the Co-operative did experience managerial difficulties when the overruns occurred. There is also evidence that the Co-operative did not comply with legislation and regulations with regard to construction contracts.

The Ombudsman also says:

3. I also find that there is ample evidence indicating that your Department attempted to assist the Co-operative in its 1980 construction program, and that the Co-operative was not unfairly treated by your Department.

Finally he indicates to the Deputy Minister:

4. Your co-operation and that of your staff during this investigation is much appreciated.

That's a communication from the Ombudsman with respect to the complaint that was lodged.

The second area of questioning by the Member for St. Paul dealt with power rates, and that's an important question because it relates to the legislation passed last fall, the Electric Energy Marketing Act, and the announcement in the budget speech that the implementation will occur on September 1 this year. Just to give the hon. member an idea of the impact on consumers, particularly Alberta Power consumers, the rate as of September 1 — and that is the combined generation and transmission cost — in the Alberta Power franchise area would be 5.31 cents per kilowatt hour on September 1. As a result of the pooling on that date — that is, the implementation of the marketing agency — that wholesale rate will be reduced to 2.85 cents. That gives the hon. member an idea. There will be significant benefits to rural Albertans as a result of implementation of the marketing act on September 1.

DR. C. ANDERSON: Mr. Chairman, a supplementary. Recently Alberta Power sent to all the REAs utilizing their service a pamphlet to all the REAs, stating that the rate increases recently applied for and approved by the PUB were a result of increased taxes and some \$47 million in income tax. Some of my constituents have been concerned that if the utility is making so much profit that it's creating a taxation increase of \$47 million, how can we allow the increase? I wonder if the minister can verify that this is federal taxation, and how that taxation will come back to the consumer over the next two years in the Alberta corporate income tax rebate.

MR. SHABEN: Mr. Chairman, Alberta Power's application for a rate increase has not yet been concluded. They've filed an application and have been granted an interim increase. Initially a 27 per cent increase was granted on an interim basis. Since then, the utility company has modified its application and reduced it to a 21 per cent rate.

On the question of utility income taxes, we have a unique program in Alberta, where the federal as well as the provincial corporate taxes are rebated to the utility and, in turn, to the consumer. So the comment by the hon. Member for St. Paul with respect to corporate taxes relates to the method of calculation, as opposed to the amount of the taxation. I believe there were other considerations in the application for an increase, including increased capital cost of their system, their request for a higher rate of return on rate base, as well as a number of other matters. But the matter on tax related to a change in the method of calculation. There are two methods, which are quite technical. One is a flowthrough, and the other is a normalized method. When the method changes, there is a delay in the tax rebate flowing back to the customer.

MR. GOGO: Mr. Chairman, I'll be very brief. With regard to the Associate Minister of Telephones, I want to comment that as the chairman of AGT, in the past seven years I recall there were many, many complaints with regard to AGT and its service. In the last 18 months to two years, they've disappeared. Frankly I don't get complaints anymore. I suppose that should cause me to worry.

I don't know what the minister has done, but he's certainly taken some very positive action. I think of the regional manager at Lethbridge, Mr. Bell, and his assistant Mr. Kropinack: whenever there's been a concern, a phone call and it's resolved. I wonder if he might pass that on. Whether it's streamlining or whatever, frankly I

think it's customer relations. They've done just a super job.

I have a daughter in Toronto, and her phone each month is \$21 or \$23. I think we're lucky to have such low rates. So I'm a little puzzled by the Member for Clover Bar with regard to the flat rate — not because I'm in the city; I suppose everybody wants parity with everybody else. Maybe the minister could comment as to what other jurisdiction has any flat rate dialing alone.

Mr. Chairman, to the Minister of Utilities and Telephones, I have a particular interest. Certainly the Electric Energy Marketing Act has been a concern to the city I represent. Recognizing it's going into effect on September 1, we're still a little nervous. We don't know the full impact. I very much appreciate the fact that the minister has met with the officials in Lethbridge and discussed it in great detail. However, there is still that concern in terms of definitive cost. I would appreciate it if the minister could comment on that.

Recently I've read of natural gas rates in other provinces, and frankly I think we're fortunate. Even though they've increased dramatically here, other provinces are substantially higher. The minister may want to comment on how we are, relative to other provinces in Canada. Finally, Mr. Chairman, the future demands on electrical energy: I wonder if the Minister of Utilities and Telephones could advise the committee if as a result of the national energy program and the downturn in the economy, the demands for electrical energy in Alberta have been reduced dramatically.

As I understand it, an application going to PUB for an increase in rates is on certain assumptions. One of those assumptions of course is the increase in demand. I would like the minister to advise the committee if, as a result of this downturn in the economy — that I perceive in so many ways, as I'm sure other members do — the demand for electrical energy is down. If so, how will that affect their ability to respond, if and when the economy turns around and, secondly, if the applications for increases by the energy companies, particularly the impact on the electricity marketing Act, will be affected?

Thank you.

MR. SHABEN: Mr. Chairman, I appreciate the questions from the Member for Lethbridge West. First of all, with respect to the Electric Energy Marketing Act and the work of the implementation committee, the city of Lethbridge is involved — as well as other cities that distribute their own energy; the city of Edmonton, which generates and distributes; the investor-owned utilities — in the implementation of the program.

One important aspect of the program, described earlier in the Assembly, is the shielding to allow a phase-in over five years. The Provincial Treasurer and I indicated that \$72 million was budgeted, which is important to the constituents of the hon. Member for Lethbridge West, in that there should be no increase in electric utility rates in 1982-83, as a result of the implementation of the agency during that period. But over a period of five years, there will be some increase to the consumers in Lethbridge. Our estimate is that that will amount to between an 8 and 12 per cent increase in the electrical bill of a typical home-owner in Lethbridge over a five-year period. So it's not a significant increase, but it allows gradual movement into this most important initiative of the government.

The second question is an important one in terms of natural gas rates, and it follows an earlier question by the Member for Cypress. Yes, we do have a distinct advan-

tage in Alberta, with our natural gas prices. As a result of the September 1 energy agreement, the pricing of natural gas is no longer at the Toronto city gate, but is priced at the Alberta border. Presently the Alberta border price is approximately \$2 a thousand cubic feet — I prefer to use that to gigajoules. Our price protection plan reduces the price. The support price is based on 65 per cent of the Alberta border price. So that kind of additional benefit accrues to Albertans.

As well, there is support under the rural gas program under the Gas Alberta program. There is shielding of the transportation costs to the extent of 9 cents a thousand cubic feet. Undertaking a comparison of gas costs in other provinces, you would use the Alberta border price as a base and add the transportation component as it moves in an eastward direction. Right now, it costs about 75 cents to move a thousand cubic of natural gas from the Alberta border to Toronto. So we do have a distinct advantage.

On the final question of the Member for Lethbridge West relating to growth and demand for electrical energy, that issue is really one that is addressed annually by the Energy Resources Conservation Board in determining our energy needs in our planning for the future, as opposed to the Public Utilities Board. I am advised by the Energy Resources Conservation Board that there will be a hearing later on this year to have another look at our long-term projections. The member is accurate in saying that as a result of the economic downturn, there is some change in the projected growth rate of our electric energy requirements. The ERCB examines that on an annual basis. I'm sure that information will be available to the members at the conclusion of their hearings later on this year.

MR. KESLER: Mr. Chairman, my remarks will be addressed to the Associate Minister of Telephones. I would like to make some comments referring back to statements made by the hon. Member for Clover Bar as he discussed the problems in his area in relationship to his inability to get action. I wonder if it isn't perhaps indicative of the campaign slogan I saw recently: a voice in government. It reminds me a great deal of the words we hear coming out of Ottawa: if you want a voice in government, vote Liberal. If you don't vote Liberal, then of course we forget you're out there.

As the hon. Member for Clover Bar has been in the [House] for some time, and as Olds-Didsbury had a member in the same party for some time, I wonder perhaps if that hasn't been the position taken by the minister's department. I think the hon. minister is aware of correspondence that's reached him with concerns about antiquated equipment in one of the areas in the southern part of the constituency of Olds-Didsbury, where they have made considerable effort to have an updating of that system and appear to have had very little success in receiving any action. Could the hon. minister indicate whether a program is included in his budget for this year to update the facilities in that area, so they have the same kind of service available as in other areas of the province?

The hon. Member for Clover Bar made mention that the government get their heads together and make some people policies. Mr. Chairman, I find that interesting, because it seems to me that's exactly what the government is doing today: putting their heads together and making people policies without getting out and letting the people tell them the policies they want implemented.

That's why we have those problems. We sit in there and make people policies instead of going and finding out what the people want implemented and where the problem areas are, and the feelings and concerns of those people. Again, I refer back to maybe only as they have a voice in government do they warrant that kind of consideration.

I'd like to direct my second set of remarks to the hon. Minister of Utilities and Telephones, if I might, and get through both areas at once. Much has been said about the burden being placed on Alberta agriculture at this time, due to the high price of natural gas. The difficulties being experienced by those in the greenhouse industry in southeastern Alberta were mentioned. I've had an opportunity to review Bill C-94, and I recognize that it's a federal matter. But I also recognize that natural gas is a resource of Alberta. It's produced in the backyards of the people who own the greenhouses, Mr. Chairman.

Has the hon. minister taken it upon himself, or has the department presented to their federal counterparts their concern for the open-ended clause in relationship to increases in the excise gas tax and the extreme amount of control and power the federal government will have in controlling the taxes that will affect Albertans and that will be placed on a product produced in this province? I think the hon. Member for Lethbridge West probably spoke more truth — I wish he were here — as he portrayed the conditions we face with respect to the natural gas situation that I talk about in Bill C-94. He talked about if the economy ever turns around; he was quick to remember to add when. I don't know if that will happen.

I think most Albertans are concerned about the future of natural gas pricing. Because the federal government has so much control in that area, my question to the minister is: at the present time, is he dealing with that issue in the federal area, or are members of the government dealing with that because of its relationship to Albertans, so we'll know where we stand in the future as to gas prices?

MR. SHABEN: Mr. Chairman, the Member for Olds-Didsbury is inquiring with respect the federal excise tax and Canadian ownership tax on natural gas, which is almost exactly the same question posed by the Member for Cypress. I indicated to members that we had developed representation through the Minister of Agriculture, the Minister of Federal and Intergovernmental Affairs, and myself to the federal Minister of Finance, requesting that the tax be removed completely on primary agricultural production. The member may not have been in the Assembly when I responded to that question. That initiative has been taken.

With respect to the extent of the tax, I think that question would probably best be answered by the federal Minister of Finance, because the tax is not a provincial tax. It's imposed by the federal government, not by the province. One interesting thing, and a matter the member should keep in mind, is that there is a keen interest in Canada — and it's been expressed by the federal government as well — that there should be maximum utilization of natural gas in Canada. So they developed what is known as the off-oil program. In order for consumers in Ontario, Quebec, and the Atlantic provinces to take advantage of Canada's vast reserves of natural gas, the price has to be competitive with other energy sources such as hydro or heating oil for home heating cost. We understand that there is recognition of that price comparison. So there is a national interest in using our abundant

quantities of Canada's natural gas for home heating. And the price has to be competitive. If it is taxed so heavily that it is not competitive, then the overall objectives of the country in using natural gas will not be achieved. So there is that limiting factor on the extent of taxation of this resource.

The only comment I would add is that within the province there is a free market for natural gas. Gas Alberta, which is our agency that obtains gas contracts, particularly for our rural distributors — and the utilities do the same thing — negotiates the best possible rate for gas in order for Albertans to receive the lowest cost. As I indicated to the Member for Lethbridge West, Albertans enjoy the lowest cost for natural gas in Canada.

MR. KESLER: Mr. Chairman, a supplementary question. Is there ongoing correspondence dealing with the extreme excise tax we're now facing? I recognize that you say there has been correspondence in the past. But my question is, will there be ongoing communication in dealing with the problem?

MR. SHABEN: Mr. Chairman, the latest correspondence left the office of the Minister of Agriculture today.

DR. WEBBER: Mr. Chairman, I'd make a brief comment. I appreciate the comments of the Member for Lethbridge West. It may very well be his job as an M.L.A. that's resulting in the fact that he hasn't been getting as many complaints. I think, though, as a result of my travelling around Alberta in the last few years, as well as across this country and outside the country, that we do have probably one of the best telephone systems in the world right here in Alberta. [interjection] I think it's a credit to this province to have a telephone system like that, also a credit to the employees of that particular company.

The Member for Olds-Didsbury indicated that possibly the same service was not due to his area as to other parts of the province. My only comment to that would be that I think he's probably a little premature in his judgment, in terms of the length of time he's been in this Legislature. I hope he would judge the matter a little further after bringing individual concerns to my attention. Then it would be fair enough for him to make his statements.

AN HON. MEMBER: Wait until he knows all the facts.

DR. WEBBER: I don't think the Member for Clover Bar asked any questions. He did make a speech. He talked about his humility and modesty, which he'll have to . . . [interjections]

DR. BUCK: I have to thank the minister for coming out to the meeting. I did appreciate that, and so did the people.

DR. WEBBER: Now I can't say anything nasty about him. Certainly the matter of the 50-mile limit has some merit. But if the hon. member would seriously consider all the alternatives, I'm sure he would see that it does not solve a lot of the problems and does create some. However, that particular motion was passed here in the Legislature. The debate took place, and we'll be considering that particular option along with the others.

Agreed to:

1.01 — Minister's Office

\$150,190

1.02 — Associate Minister — Telephones	\$127,190
1.03 — Deputy Minister's Office	\$837,771
1.04 — Special Projects Branch	\$177,385
1.05 — Assistant Deputy Minister — Gas Utility Division	\$91,173
1.06 — Assistant Deputy Minister — Finance and Planning	\$96,503
1.07 — Natural Gas Audit Services	\$70,397
1.08 — Administrative Support	\$512,741
1.09 — Development and Training Branch	\$170,241
1.010 — Records Management Branch	\$363,467
Total Vote 1 — Departmental Support Services	\$2,597,058
2.1 — Financial Assistance for Natural Gas Development	\$31,652,000
2.2 — Engineering and Technical Support Services	\$2,033,870
2.3 — Gas Alberta	\$2,364,960
2.4 — Finance and Business Advisory Services	\$677,683
Total Vote 2 — Gas Utility Development	\$36,728,513
Total Vote 3 — Natural Gas Price Protection For Albertans	\$3,555,381
4.1 — Electric Development Services	\$1,029,907
4.2 — Financial Assistance for Electric Development	\$2,960,000
Total Vote 4 — Electric Utility Development	\$3,989,907
5.1 — Communications Policy, Analysis, and Development	\$347,197
5.2 — Educational Communications	\$280,960
Total Vote 5 — Communications Development	\$628,157
Total Vote 6 — Electric Energy Marketing	\$72,728,210
Department Total	\$120,227,226

MR. SHABEN: Mr. Chairman, I move that the votes for the Department of Utilities and Telephones be reported.

[Motion carried]

MR. HORSMAN: Mr. Chairman, I move that the Committee of Supply rise, report progress, and beg leave to sit again.

[Motion carried]

[Mr. Appleby in the Chair]

MR. PURDY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again.

Resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1983, sums not exceeding the following for the department and purposes indicated. Department of Utilities and Telephones: \$2,597,058 for departmental support services, \$36,728,513 for gas utilities development, \$3,558,381 for natural gas protection for Albertans, \$3,989,907 for electric utility development, \$628,157 for communication development, \$72,728,210 for electric energy marketing.

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

MR. DEPUTY SPEAKER: Having heard the report and the request for leave to sit again, are you all agreed?

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Chairman, before moving the motion to adjourn, I should advise the members of the Assembly that tomorrow afternoon in Committee of Supply we shall be dealing with the Department of Social Services and Community Health.

[At 10:37 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]

