

[Chairman: Mr. Kowalski]

[2 p.m.]

MR. CHAIRMAN: Good afternoon, ladies and gentlemen, and welcome to another meeting of the Standing Committee on the Alberta Heritage Savings Trust Fund Act. In view of the unfortunate news we've all heard today about the passing of a former Premier of the province of Alberta, perhaps all committee members would want to join me in a moment of silence to acknowledge the passing of Mr. Strom.

[In tribute to the late Mr. Harry Strom, former Premier of the province of Alberta, members of the committee observed a few moments of silence]

Thank you.

Just prior to adjourning yesterday afternoon, I indicated that Miss Conroy would circulate an updated list of the 32 recommendations we had read into the record as of late yesterday afternoon. Miss Conroy has now circulated that list of recommendations to all committee members. They are updated as to the decisions we made in this committee as of yesterday afternoon. As an example, you'll note that Recommendation 20 is in essence now shown as deleted because the mover of the recommendation indicated that he wanted it deleted.

In our discussions yesterday, we moved to a point in time where we had concluded our second reading debate up to and including Recommendation 21. So we'll begin today with discussion on Recommendation No. 22, and it's being moved by Mr. Zip.

MR. ZIP: Thank you, Mr. Chairman. First of all, I'd like to amend this recommendation slightly to read as follows:

That the committee encourage the government to give consideration to expanding the scope of AOC to the point where it would be a business facilitator rather than a lender of last resort and that the limit of funds available to AOC be increased to \$600 million.

MR. CHAIRMAN: Do you want to do that again? I got half the words and didn't get the rest. You have 22 reading, "That the committee encourage the government to give consideration ..."

MR. ZIP: That's correct.

... to expanding the scope of AOC to the point where it would be a business facilitator rather than a lender of last resort and that the limit of funds available to AOC be increased to \$600 million.

MR. CHAIRMAN: You want me to read that again? Number 22 would read, "That the committee ..." After "committee", we would have the following words put into it: "encourage the government to give consideration to expanding". And you would come back in before "the scope". So you would cross out the two words "recommend that". Then you'd have "the scope of AOC", and we'd cross out "be

expanded". No, I guess you'd still need "expanded". Is that correct?

MR. ZIP: "... to expanding the scope of ..."

MR. CHAIRMAN: Okay. "... the scope of AOC expanding to the point where it would be a business facilitator ..."

MR. ZIP: "... rather than a lender of last resort ..."

MR. NELSON: We don't need that.

MR. CHAIRMAN: We'll worry about the linguistic perfection of this at a later time and just worry about the meaning. Mr. Zip, if I have this correctly — boy oh boy, whoever's printing Hansard is going to have a field day with this one.

MR. ZIP: You could cross out "rather than a lender of last resort"; that's not really needed.

MR. CHAIRMAN: Mr. Zip, text writing by committee has always been fascinating to me. Perhaps you might want to just take it over again. Just give us what you've got so far, because I have about seven versions here.

MR. ZIP: Okay.

That the committee encourage the government to give consideration to expanding the scope of AOC to the point where it would be a business facilitator rather than a lender of last resort ...

MR. CHAIRMAN: You're still including "rather than a lender of last ..." That's the version you want now?

MR. ZIP: Yes.

MR. CHAIRMAN: Everybody clear on what this recommendation now reads? We need one more shot at it? Okay. This is the last time.

That the committee encourage the government to give consideration to expanding the scope of AOC to the point where it would be a business facilitator rather than a lender of last resort and that the limit of funds available to AOC be increased to \$600 million.

That's it. You're on, sir.

MR. ZIP: Mr. Chairman, during the recent regression experienced by the Alberta economy, the actions taken by the banks have seriously enhanced the severity of this downturn. These actions have taken the form of loans being called in and lines of credit to their business customers being drastically reduced. A vast amount of equity capital has been liquidated at fire-sale prices, leaving numerous entrepreneurial people not only out of business but with little capital of their own with which to start again. I know of several who have lost millions and will likely never start up again.

The more fortunate businesses with a manageable debt structure have had their activity hamstrung by

the drastic reductions their bankers have imposed on their lines of credit. As a result, this has forced these businesses to curtail their inventories, cut their staffs, limit improvements to their businesses, and do every other thing they can to survive. These have contributed significantly to slowing down economic activity in Alberta in the recent past.

A recent trip to Toronto by one of Calgary's business promotion people indicated a very strong lack of inclination to invest in Alberta at the present time. This situation calls very definitely for greater efforts on the part of our government to take a more active role in helping businesses in this province maintain their activities, particularly when their market prospects — I'm referring to existing businesses — and their management capabilities are proven. Extending improved lines of credit to these businesses, either directly through AOC or with their banks through a system of guarantees from AOC, would help many businesses maintain their inventory levels and staff, and help sustain a higher level of activity in the province.

It's true enough that the banks themselves have encountered serious difficulties with some businesses that have not been able to maintain their interest payments and have been forced to capitalize them with their debts, but in some instances this has been a temporary situation. In terms of "temporary", I mean a situation that might exist only for a couple of years but is beyond the patience level of banks to carry these businesses; that's what I'm referring to. Where the prospects are sound and the management capability is proven, these businesses could be sustained and the contributions they make to the economy could be continued. This is an area we definitely need to look at through an agency like AOC.

MR. NOTLEY: Mr. Chairman, I think the sentiments Mr. Zip has raised are certainly worth consideration by this committee. The fact of the matter is — and I'm sure we MLAs have all had experiences — that the banks have been foreclosing. With respect to agricultural loans and small business loans, it just happens to be a fact that the banks have not been sensitive at all, at least to the plight of Albertans. I can say that from my experience with all kinds of cases that have found their way to my constituency office. However, what worries me is that basically the banks are zeroing in on Canadian customers to recover massive offshore losses. They've made some very questionable loans, and as a result of some of these bad business judgments, they're now going after Albertans and Canadians generally to sort of cover their very ample rear.

What worries me as well is that in this country we still have interest rates that are unreasonable. I remember discussions that have taken place in this House about the real interest rate, the difference between the rate of inflation and what credit facilities charge. When one looks at the interest rate today and contrasts it with the interest rate in 1970, when we had a relatively low inflation rate, it's rather shocking. Contrast it with 1960, when we still had the Bank Act which set a ceiling of 6 percent; we find there's been an increase in the real interest rate. I think the banks have let down Canadians generally but western Canadians in particular.

I would like to make this observation: while a

proposal of this kind may be necessary in the short run, what I think needs to be done in the long run is that the Bank Act has to be reviewed by the Parliament of Canada. I think there is a long litany of legitimate — not illegitimate, but legitimate — grievances that can be raised when we address the function of the banks in Canada. After all, they have a very important role that is granted them by Parliament. It's not inappropriate that from time to time Parliament reassess that role.

However, we have a short-term problem. We've got all kinds of businesspeople that are one step away from bankruptcy. In the short run I'd be prepared to support this kind of recommendation. However, in terms of long-term planning, I'd like to suggest to the government that we already have an agency that we've developed. It was developed by the old Social Credit government because the banks deserted us high and dry. The reason we have the Treasury Branch system wasn't because of any theory. It wasn't A plus B. The reason we have a Treasury Branch system in this province is that the banks that were happy to come into rural Alberta during the '20s, when the boom occurred, closed down one after another during the '30s. The Social Credit government of Aberhart quite rightly moved in to fill a gap. Now we have an excellent facility in the Treasury Branch system. I think it is worth consideration by members of this government that rather than developing new agencies to do different things, perhaps we should look at programs within an existing agency.

I know that what Mr. Zip is suggesting is slightly more risky than the normal kind of banking project the Treasury Branches are in. But if you're talking about new programs, whether for agriculture or for small business, and you've got a competent provincial agency with beautiful offices throughout Alberta that every businessperson in Alberta knows about, and a competent staff, then it seems to me that one of the things we should look at, if we want to reduce the costs of government and supply a service, is whether or not the role of AOC could be properly integrated with programs through the Treasury Branch system in the years ahead. I raise that as an observation.

It seems to me that in the long run that makes a good deal more sense. But in the short run we've got a problem. This \$600 million isn't going to backstop everybody by any means, but it may give a little bit of flexibility to keep businesses that are, as I say, one step away from greeting the sheriff, functioning. Once again I add the long-term view that we really do have to take a look at the Bank Act in this country.

MR. MARTIN: I would like to support this recommendation and point out that I presented a very similar one last year. Mr. Zip is a little more generous. We had an allocation of funds to the Alberta Opportunity Company of \$500 million, but we also suggested last year that the policy of AOC as a lender of last resort be dispensed with. Perhaps the concept might have had some merit when times were good, but now it becomes very difficult to decide which businesses deserve to be classified as last resort. It's obvious if they can't get their bank loans from the banks or credit unions or whatever. But with the recession, what we have in many areas are legitimate businesses that have been around for a

long time now on the edge. An influx of money to keep these businesses going is certainly important. We should get away from the lender of last resort, especially in a recession. If at some time the economy rebounds, I suppose it's possible to take a look at it then.

The point is, I don't think the lender of last resort makes much sense at this stage. I know Mr. Nelson has talked about it. We tried to advance this during the provincial election — that we should be using our Treasury Branches instead of AOCs. I think these people, rather than people in the government, should know how to lend money. Of course we have huge administration costs whenever we're lending money through the government. So I think this has merit. It may be that the lender of last resort had some merit at some time; I know the minister would argue that. But with the recession, I strongly suggest that we need an influx of money into small businesses generally, even the ones that have been around 30 or 40 years, because when I talk to them, they are struggling. So for that reason, I support the resolution.

MR. KROEGER: Mr. Chairman, the theory sounds pretty good and certainly attractive, given the description Mr. Martin has just given. But I don't understand how increasing the fund to \$600 million is going to do anything except create chaos, because now we're talking about lending, presumably on better than normal terms, to salvage businesses that are in trouble. How are you going to make the selection? The criterion of the lender of last resort makes it reasonably easy, because there you have people who have already been turned down by ordinary lending institutions with the established rates. If those institutions don't want to take it, you give people an option that I think has been important and has worked reasonably well.

However, if we're talking about special rates, \$600 million isn't going to scratch the surface. Why would anybody go somewhere else if there are special rates? And how are you going to decide who qualifies? These are the questions I have in my mind. With the Treasury Branch existing, I think we're already in the lending business. If we wanted to expand the system, you wouldn't have to do it with AOC, because there is no lender of last resort with Treasury Branches. So I think the option is there if that were to be government policy.

I think the idea of both AOC and ADC was to be able to reach into a lending area that the regular institutions don't want to touch, and that has been done selectively in trying to minimize the losses in the process. I simply don't know why we need to change AOC. I think it performs a service. If we want to change policy, we do it through the Treasury Branches.

MR. MARTIN: To come back in terms of the criterion, I understand what Mr. Kroeger is saying; the criterion was that you couldn't get it from any other lending institution. We are told that in some cases it was almost a condition to be a failure to begin with. All we're suggesting — it's my feeling, and Mr. Zip will probably allude to it — is that this could be loaned out the same as any other business loan. Is that business going to be around? Is there a reasonable chance that we will recover our money,

the same as the Treasury Branch or theoretically the banks or anybody else?

In this sense, that's why we've suggested Treasury Branches; they are supposedly experts in dealing with loans. Surely the mark of the loan should not be if you're a lender of last resort and a chance of failure. But if you're a legitimate business facing problems like any other, we'd make our decision on that basis. I find it strange that I'm telling people about free enterprise on this, but it seems to me that that would be the rule we should base it on — simply that.

MR. ZIP: Mr. Chairman, I have given thought to including the Treasury Branches within an expanded role for the AOC. I deliberately left it out to have the government and the Provincial Treasurer himself decide in this area after a careful study of which would be the best route to take.

My concern is primarily with the situation that has developed in Alberta in the recent past, where businesses have been hamstrung by very restrictive lines of credit. To give you an illustration: when a business has a line of credit of \$1 million and it's cut back to \$100,000, that's a drastic situation as far as the manoeuvrability of that business is concerned, and a situation that immediately starts to create regressive action in that particular business. If the AOC had an expanded role in this area and could reinstate that line of credit for the business, the business could continue on in its previous line of action and previous level of business activity. In addition to the foreclosures, this is where the greatest damage is being done.

Overall, there are so many businesses in Calgary and across the province that are operating with reduced staff, reduced inventory, and other economy measures simply because they are pushed into this type of action by the banks reducing their lines of credit and telling them, we're not going to lend out that much money to you anymore. This is where the need exists, and it's an urgent need. It's got nothing to do with interest rates. People are prepared to pay a higher interest rate if the money is available to them, because their cash flow justifies that. But when they're cut off at the pass like that by the banks, what can they do? They've got to cut back.

MR. CHAIRMAN: We'll move on to Recommendation 23. Just for clarification, Recommendation 23 is being advocated by me. When I was appointed chairman of this committee and we had the first series of discussions of this committee last year, I did not bring forward a recommendation. I also indicated last year that when we were going through the debate and all the recommendations, I would not participate in any of the debate. If it were to come to a vote on any of these recommendations, I would get involved in the voting only if it were to break a tie, and I wouldn't give any reasons one way or the other. If any member of the committee feels uncomfortable with the chairperson of this committee bringing forward a recommendation, would you please say so now. If there is one member, I will withdraw it.

MR. GOGO: If there's one member.

MR. CHAIRMAN: If there's one member. I want to ensure that the role I play in this committee is as

neutral as possible. If there is disagreement with the chairperson . . .

MR. NOTLEY: We can just vote down the proposal.

MR. CHAIRMAN: No. It's very important to me that all committee members recognize the role I play in this committee.

MRS. CRIPPS: We recognize that.

MR. GOGO: Chairman, on a point of order. I am somewhat disturbed by your comments. I think this committee should base its recommendations on the full debate within the committee and what is in the best interests of the people of Alberta. I feel awkward being asked to vote on something on which I want to ask you some questions. If you're uncomfortable with answering the questions, I hope you can appreciate that I'm uncomfortable with voting.

MR. CHAIRMAN: I take it then that you're more concerned about the responses to the questions than you are about my bringing forward a recommendation. Is this correct?

MR. GOGO: Chairman, with respect, I think we've gone overboard in this province providing funds for parks throughout rural Alberta at the expense of urban Alberta. That's why the urban parks policy was brought in. My question to you is: would you recommend that the rural parks program that's in existence be terminated as, to quote Mr. Notley, the quid pro quo of establishing the urban parks policy in the villages and towns?

MR. CHAIRMAN: I take it that that was really an invitation to debate, and I'm going to proceed with the recommendation that I have put forward. Should there be questions on it, I'll be happy to answer them.

Essentially Recommendation 23 asks the committee to in fact endorse the use of moneys from the fund for the creation of an urban parks program for the towns and villages in the province of Alberta. All members of the committee are very much aware that there has been previous funding from the Alberta Heritage Savings Trust Fund, in essence for three forms of urban parks in the province of Alberta. If you look at the annual report, you will note that Capital City Recreation Park in the city of Edmonton has to this point in time received \$42.2 million in funding. Fish Creek Provincial Park in the city of Calgary has to this point in time received \$44.3 million in funding. We have designated an urban parks program for other cities in the province of Alberta, and to date funding is in the magnitude of \$40.4 million. So in terms of the urban cities of our province, in essence we are talking about an expenditure already of about \$126.5 million for urban parks.

There exists in the province of Alberta a series of other urban municipalities; namely, 101 towns, 102 municipal villages, and 46 summer villages. As a total, that's 249 urban municipalities that to this point in time may very well have participated in the multirecreational facility grant program that is also made available to the larger urban centres in the province of Alberta.

The recommendation I bring forward today is essentially that we create a new urban parks program for the towns and villages in our province. Members may be interested to know that each of these towns, villages, and summer villages in the province of Alberta receive on an annual basis an unconditional municipal assistance grant via the General Revenue Fund and the Department of Municipal Affairs. Those 101 towns I alluded to a little earlier will receive unconditional grant funding in the neighbourhood of \$13.7 million in this fiscal year. The 102 villages I talked about a little earlier receive unconditional grants in the amount of \$2.5 million, and the 46 summer villages receive unconditional grants in the amount of \$254,000.

Even if you were to total up all their unconditional grants for municipal purposes, which could include an expenditure of dollars on a park within a municipality, it comes up to the grand sum of \$16.5 million. Of course those funds are used mostly for municipal purposes, whether it be assistance to the police or recreation or hospital deficits and the like. For the most part, that money is certainly being used today. So I would like to make the argument that the number of dollars available to a municipality to expend on a particular park project that they might wish within that municipality is very, very limited.

It's the realization of the following items: number one is that we do have an urban parks program for the major cities of our province; we've utilized something like \$126.5 million thus far. We do have a municipal grant program that has been used to some degree for the kind of project I'm advocating. Recognizing that there is something like \$16.5 million provided to these municipalities in unconditional municipal assistance grants, I'd like to make the argument that those dollars could be enhanced.

The program I would like to see advanced would essentially be a new grant program, perhaps based on a five-year type of program. Perhaps the amount of dollars that could be available once in those five years would be about three times their annual unconditional municipal assistance grant. If you were living in the town of Black Diamond, for lack of a better example — their unconditional municipal assistance grant this year is approximately \$75,000. Under the proposal I'm advocating, they would receive a grant once in the five-year period equal to three times that, or \$225,000. Total dollars for this proposal would be \$16.5 million times three, or roughly \$49.5 million.

I wish your support on this, and we'll take questions in the following order: Mr. Gogo, Mr. Notley, Mr. Musgreave, Mr. Nelson.

MR. GOGO: Chairman, I am somewhat disappointed that you didn't recognize me earlier, because I wanted to participate on the point of order. With the respect I have for the Chair, I think it's unfair of you to make that proposition from the Chair. It would be my suggestion that we have you vacate the Chair, and I would nominate Mr. Martin, or somebody, to sit in the Chair and have you put that proposition before this committee again. I have respect for the committees in this House and the chairmen, and I really don't think it's fair that you put that proposition to this committee from the Chair.

MR. MUSGREAVE: Are we debating the point of order now?

MR. CHAIRMAN: We are.

MR. MUSGREAVE: I would like to suggest that the procedure you followed is quite reasonable. I would like to vote on this issue and get on with it as quickly as possible.

AN HON. MEMBER: It's hardly worth the wear and tear.

MR. CHAIRMAN: But we are on a point of order.

MR. NELSON: Question.

MR. CHAIRMAN: We have to first of all identify the point of order. Mr. Gogo is suggesting that the chairman should leave this Chair. Mr. Musgreave is suggesting that I can remain in the Chair. I'll put the question to you in this manner: all those in favour of the proposal being put forward by Mr. Gogo, kindly signify by raising a hand.

MR. GOGO: Chairman, if I could speak again on the point of order. I don't want to put anybody to the point of being embarrassing...

MR. NELSON: You're out of order. On a point of order, Mr. Chairman, he's out of order.

MR. GOGO: I would defer to the longest standing member of this House for his interpretation, and that's Mr. Notley. [interjections]

MR. NELSON: The question was called, and he's out of order.

MR. CHAIRMAN: Order please.

MR. NOTLEY: I must confess that I'm only interested in points of order when someone else is in the Chair. However, frankly, I suppose the easiest thing would be to have the chairman vacate it. I guess there's a vice-chairman of the committee, is there?

MR. CHAIRMAN: We'd have to elect a vice-chairman.

MR. MARTIN: We're talking about just for the one thing, whenever you want to bring up an amendment. Isn't that what we're talking about?

MR. NOTLEY: That probably is the simplest, and then you would be able to speak in the same way as any other member of the committee. I think there would be no possible suggestion of your using your position from the Chair.

MR. CHAIRMAN: We'll deal with this matter in a vote by committee members. Mr. Gogo has requested that I leave the Chair. Mr. Musgreave has suggested the alternative, that I could stay in the Chair. Let's have a vote on the question. All committee members in favour of my vacating the Chair for the continuation of debate of Recommendation 23, kindly signify your support for

Mr. Gogo by raising a hand. All those opposed?

MRS. CRIPPS: It's tied.

MR. CHAIRMAN: It's not tied now. It's six to five for my staying. Thank you, Mrs. Cripps, for getting involved in that. I don't know how we would have resolved that.

The point of order now being dispensed with, do you have a question, Mr. Gogo? You were first on my list.

MR. GOGO: Mr. Chairman, I have great respect for you and for your interest for rural Alberta. I'm somewhat confused by your terminology of an "urban parks program" for the villages in Alberta. I would prefer you to say a "rural parks program" for those villages. As a commitment from you in making the recommendation to this committee for the extension of the urban parks program from the 11 cities to all villages and towns in Alberta, my question to you is: would you at the same time endorse a withdrawal of the current operating funds given to those same villages and towns for maintaining the parks they presently have? Would you endorse that?

MR. CHAIRMAN: It would be difficult to endorse something when I don't have all the specific information at my fingers right now. I'm not aware of any town or village in the province of Alberta that currently has a park of the type I envisage. They may have a playground, but I'm not aware of one of these towns or villages having the type of park that I sense you're talking about. As an example, I'm unaware that Black Diamond has a park that would be comparable to any of the ones currently funded.

MR. NOTLEY: I hope we don't get into a rural/urban battle over this. I think this is actually quite a good suggestion. The fact of the matter is that we don't have urban parks, or call them what you will, in our small urban centres. We have provincial parks which are available to everyone, rural and urban. Whether one comes from Lethbridge or Edmonton or Calgary, he will enjoy our provincial parks which happen to be in the rural areas just as much as somebody who lives in a town five or six or 10 miles down the road. What we don't have in the smaller rural centres are nice civic parks.

It has always struck me that it was an article of faith on the part of the government — and to my knowledge, on the part of all the political parties in Alberta — that we favour decentralization. There are certain aspects of decentralization. One of the most important aspects is providing certain amenities. I think it is a very strong argument that one of the amenities that should be provided is a safe, adequate park facility, whether it's in the city of Edmonton or the town of Oyen or the village of Blackie.

The fact of the matter is that this kind of program makes a good deal of sense. It would complement our tourist strategy. It would provide access to Albertans, wherever they live, within their communities. I think it's a suggestion that is consistent with the sort of official positions on decentralization of all the political parties in Alberta. We're not putting an amount in; I don't think we should get hung up on the amount per capita. I

see it as something which complements what a lot of us, irrespective of our political vantage point, have been saying for a long time.

MR. NELSON: Mr. Chairman, I have a couple of comments and a question. I'm sure the rural people are welcome to come and enjoy these parks in the cities of Calgary, Lethbridge, Edmonton, and Red Deer. Quite frankly, I question the so-called beauty of the one in Calgary; I don't know that there is much. I was there this summer. They've got a sewer there that's called a swimming hole, and I really have some problems with that.

I guess the question basically is: when you're putting some dollars and cents to your discussion, would you consider suggesting that the per capita grant that would be offered be in the same amount as the other urban parks that are being developed, such as Fish Creek in Calgary and those others in Edmonton and Red Deer and so on? That being the case, of course your numbers may not add up totally to what you're looking at.

Secondly, would you consider putting the term in your motion that the committee endorse the use of moneys from the trust fund but rather than using those terms, ask the government to give consideration to utilizing moneys of those natures for this area and at the same time consider removing this rural parks program? That being the case, of course it would change a whole lot of different things. Therefore your motion would equate to the urban area, and then we'd probably look at a separate policy for things like Kananaskis and what have you. I'm having a difficult time in thinking that rather than having a cake and eating it, you want to have your cake and pie and eat them both. I'm having some difficulty with that.

MR. CHAIRMAN: I would not like you to be confused, Mr. Nelson. Recommendation 23 has no indication whatsoever about dollars and does not call for anything about dollars. Point number one, Recommendation 23 simply talks about the principle that there should be dollars used from the Heritage Savings Trust Fund for the creation of an urban parks program for our incorporated rural urban municipalities.

Point number two, it's really very difficult to talk specifically about whether or not you should use per capita dollar figures. I give you an example: if you live in the summer village of Birchcliff, you currently receive by way of the Department of Municipal Affairs \$4,700 per year in unconditional grants. I'm not sure how many people live in Birchcliff, but if we are encouraging them to beautify some aspect of that little village, they would need a basic amount of dollars in order to at least advance something. I don't think it's possible for somebody to do very much with \$300 or \$400 or \$500. At this point in time, I would avoid a debate with respect to that, because I think what is really important is that should the committee endorse it, whichever minister is responsible for this portfolio funding would have to come back to us with some types of proposals and alternatives.

Your third point dealt with so-called rural parks. Parks do exist in rural Alberta. There are many, many provincial parks. But you'll note, Mr. Nelson, that I did not include municipal districts, counties, or

improvement districts in my recommendation. Those three other incorporated and unincorporated municipalities in the province of Alberta are in essence the areas in which the rural parks you're talking about are located. If I had included those three in the recommendation, perhaps I could more fully appreciate the merit of your argument in asking us to terminate any funding for those programs. But those provincial parks that exist in the province are located in the three municipalities that I have not included in my recommendation. Secondly, I think one really has to emphasize that the vast majority of the people who use those rural parks are citizens of the large urban centres in the province of Alberta, not citizens of the small urban centres.

MR. NELSON: Can I get back in now?

MR. CHAIRMAN: You certainly can, perhaps after Mr. Musgreave, Mrs. Cripps, Mr. Cook, and Mr. Moore. We'll go now with Mr. Musgreave.

MR. MUSGREAVE: Dealing with Fish Creek park, Mr. Chairman, I've only been in it twice. It happens to be about 15 or 20 miles away from where I live in Calgary, and it's quite an operation to get there. But last Sunday I went there. I took my bicycle and pedalled about 10 miles. I ate my lunch on the riverbank and watched the seagulls flitting around. I thought it was a very pleasant experience. When I rode back, I realized that we're going to have to have a reforestation program, because a lot of the poplars are starting to die. I spent about three-quarters of an hour in the interpretive centre and learned all about the history of the area. The first woolen mill was started in Fish Creek park; it was one of the first enterprises established in Alberta.

Unfortunately the government had to spend a lot of money there, primarily because of land acquisition. It wasn't because of the amenities they built. As time goes on, I think the problem Mr. Nelson raised about the swimming pool will be resolved. This time of the year it's practically drained, so I didn't have any problem with that. Frankly, I think the money the government spent in that endeavour is an excellent investment. I think the Devonian Foundation had the same idea in their street beautification program, which they promoted in many small towns and villages throughout Alberta.

I think anything we can do to improve the environment of our communities should be done. Wherever you have two or three people gathered, you have an urban area, and let's address the opportunity in the way you've put forward. I don't want to get hung up on grants or money, as you suggested. I endorse the principle, and I think it would be — if we took the half million dollars that one of our ministers wanted to promote the park, and put that kind of money into the small parks throughout the province, many people in Alberta would get to know about the heritage fund a lot quicker than they're going to through picking up little brochures somewhere.

I support this quite fully, and I hope I don't have to get back into the debate. I hope we can move on to the next item.

MR. CHAIRMAN: We may be able to do that after we hear from Mrs. Cripps, Mr. Cook, Mr. Moore, and Mr. Nelson.

MRS. CRIPPS: I'd like to endorse the proposal. I think it's an excellent one. I think the small incorporated municipalities and villages and towns in our province would make excellent use. The development of an urban type of park in those municipalities would probably benefit a lot more people than just the residents of the municipality itself. I fully support it.

MR. COOK: Mr. Chairman, I'd like to endorse the concept as well, with the same concern Mr. Nelson expressed — that the roughly \$70 per capita that has been spent in Calgary or Edmonton also be followed. To give you an idea of what those numbers might work out to: in a town like Lacombe, with around 5,000 people, that community would be entitled to a grant of \$350,000 if it were given an amount of money similar on a per capita basis to Calgary or Edmonton. I think that would be entirely reasonable. I think, though, we might also ask that the same sort of maintenance agreements that have been entered into with the existing municipalities be a factor as well.

Frankly though, Mr. Chairman, I'm not sure that a summer village would make much sense. I only offer this observation. Most of those are recreation villages where someone from Calgary, Edmonton, or Red Deer has a summer home. It's an extra residence. The recreation they seek is usually on the lake on which their summer village is located. I'm not sure we need to enhance the country club atmosphere of a lakeshore on Pigeon Lake for the benefit of people who are trying to get away from an urban environment to begin with. We might direct those moneys more at Lacombe or Wetaskiwin than at Pigeon Lake's very fine summer villages. We might consider not putting those under the heading.

MR. R. MOORE: Mr. Chairman, as our discussion goes, I think we get away from the principle and intent of this resolution. When we look at our towns, villages, and cities in Alberta, they all have a segment of society in the lower income. They have large families. They haven't the ability or the financial resources to go to these various outside parks and so on. But they deserve a place within their community where they go and have a picnic lunch, family gathering, and so on. I think this addresses that.

You can look at your park in Red Deer. It's right there, and I would say it's used 90 percent by the citizens who live right in Red Deer. It had a tremendous usage this summer. It provided those people who didn't have the ability to flit off to Sylvan Lake, Gull Lake, or Banff an opportunity to go there with their families on any given day to have a picnic lunch, to get out and enjoy their community well within their financial means. This is what it addresses in these towns and villages. It gives those citizens in those areas a chance to do that.

I have to draw a line with what Mr. Nelson said about Fish Creek. I've heard nothing but good things from people about Fish Creek and Capital City Park, and I live in Lacombe. There are a lot of good things said about those places, and they are being used by small families and the lower income who don't own cars or summer cottages. We address a big segment of our society when we say that it should be used for towns and villages so they can go out and enjoy the

things within their own communities that the cities now enjoy. I wholeheartedly support this resolution on that point.

MR. NELSON: Mr. Chairman, I don't want to feel that I'm being misunderstood. I basically brought forward a few points that will have to be given due consideration if any furtherance is given to your motion.

I don't really have any difficulty with giving some of the smaller urban areas the same consideration basically as the larger cities such as Red Deer, Lethbridge, Calgary, and Edmonton. In fairness though, I think we have to consider that it is appropriate that it is on a matching dollar-for-dollar or at least on a per capita dollar-for-dollar basis if something is to be expanded on this.

As far as Fish Creek, I've certainly heard a lot of good with regard to the park too. I'm expressing an opinion I felt I had during my visit there. I'm sure we all experience some disappointments when we visit our own parks. I certainly don't think anybody can suggest that we don't support offering the citizens of the province of Alberta the same considerations in a matching sense, dollar for dollar if you want to use that term. I would like to know in my own mind that the value received by one area is the same value received by the other. I think that's a fair assessment and a fair comment.

Along with Mr. Gogo, I think I've certainly generated some good debate. It's been very stimulating.

MR. CHAIRMAN: Thank you very much, Mr. Nelson. Recommendation 23 did not spell out dollar figures, but there is no doubt . . .

MR. NELSON: Heritage money is mentioned in the motion.

MR. CHAIRMAN: Not specific dollar figures. I have no difficulty at all advocating that we throw the cost of the Saddledome and the Calgary Centre for Performing Arts into this equation. I'd be very happy, and most rural Albertans would be just delighted with the dollar figure response.

MR. GOGO: We're going to have a discussion.

MR. CHAIRMAN: No, we're having a response to his question.

MR. ZIP: Mr. Chairman, I'm generally supportive of this recommendation. I've seen some parks in small communities in my travels throughout western Canada, and there is only one thing that really bothers me. The idea is good, and the people in smaller centres certainly deserve access to parks and having places for their children to play in, for family picnics, and so forth. But the question of maintenance comes in. Sad to say, it has been an area where parks have been set up and maintenance has been less than satisfactory. Grass hasn't been cut, garbage hasn't been removed, and these sorts of things have added to the unattractiveness of these parks.

I suggest that somehow this recommendation have a proviso tied to it so that the people would not only contribute financially on a local basis to the costs of

the park but undertake to maintain it to a certain standard, to ensure that it be kept attractive so that when visitors come to that particular town, they're not turned off by uncut grass, garbage, and that sort of unmaintained situation in that particular park.

MR. CHAIRMAN: Thank you very much for that submission, Mr. Zip. Would any other committee member like to participate in this discussion of 23?

MR. HYLAND: Mr. Chairman, I wasn't going to get into it until right at the last. I have some small parks in my constituency and one in my hometown that was built as a jubilee project. It's a nice park. It has a few camping stalls. There's one in Redcliff, the largest town in my constituency, and the big push behind it was service groups. They developed the park, and it's part of their ball complex. I'm sure we can find parks in cities that aren't kept properly, but the majority of parks in the rural part of the province have a substantial amount of volunteer help and rural pride. Volunteers put it together, which is part of the recreation areas program under the Minister of Recreation and Parks. You have to have a volunteer group involved to get the program.

I think something like this would be a great asset, especially if we can involve volunteers, even if it isn't in the operation but in the administration of such a park concept. It would be a great help to the beautification of rural Alberta, and in a rural area, I'm sure you'd get your dollar's worth of work for a dollar's pay.

MR. CHAIRMAN: Thank you very much, Mr. Hyland. Perhaps we might move on to Recommendation 24, agricultural invention and development centre: Mrs. Cripps.

MRS. CRIPPS: Mr. Chairman, I'm particularly interested in Recommendation No. 24, in the principle of ensuring that there is an information agency, co-ordinating and publicizing ingenious and innovative agricultural inventions and/or basic mechanization improvements.

I recognize that the availability of funding from the Alberta Heritage Savings Trust Fund is not unlimited. In fact if you take a look at all the recommendations we're reviewing here today, it may be scarce as hen's teeth in comparison. We're discussing funds that for a major part are already committed to past endeavours of the Heritage Savings Trust Fund. I don't envisage large expenditures for this recommendation or for No. 25.

My recommendation arises as a result of all the emphasis on establishing research centres and projects, while at the same time we tend to ignore the innovative and very often purely practical ideas and inventions of the farmers in Alberta. If somebody is interested in the commercialization of their invention, they'll follow it through. On the other hand, if they just want to be a more efficient farm operator and make the invention in order to become more efficient, then the invention tends to sit on their own farm. Maybe a couple of neighbours pick it up, but there's no mechanism in place to — you're not paying attention — take this invention on and make it useful throughout all of the agricultural industry. If we highlighted some of these inventions

with merit awards, I believe more people would publicize their invention and the discovery would benefit all of agriculture.

If the committee members took a look at the Grain Farmers' Good Ideas — this is out of Grainews, and every month they give a \$25 award to some good ideas and highlight them. I think that's a tremendous asset and a tremendously good idea. It publicizes good ideas while at the same time is not very expensive.

If you take a look at page 36 of the white paper, it says that in 1977 the Alberta Heritage Savings Trust Fund established the Farming for the Future program. To date, they've expended \$25 million "ensuring that existing research, manpower, and facilities are fully utilized". Then down at the bottom, it says they're developing "new capabilities in food processing, field crop development, and animal and crop pest management". But the fact of the matter is that Farming for the Future ignores the basic efficiency, which is the reason I'm proposing motion 24.

MR. CHAIRMAN: Thank you very much, Mrs. Cripps. Would any committee member wish to participate? We'll move on to Recommendation 25, Mrs. Cripps.

MRS. CRIPPS: Again in No. 25, I don't envisage a large expenditure. One of the areas we seem to ignore in our educational system — and it's come up a number of times in my discussions with members of the public on the white paper — is that we don't tend to talk to students about getting into business for themselves. We tend to teach them to be employees rather than employers or businessmen. With our preoccupation with producing employees — unintentionally, I believe — we don't give any initiative to becoming a businessman. Our brightest students, by the way, are usually streamed into the academic program, and they lose any opportunity to take business fundamentals or bookkeeping or business administration. I recognize that this is a problem in the school system and basically isn't directed at the Heritage Savings Trust Fund. But it does leave the entrepreneur or the businessman that may want to go into business with a vacuum. Quite frankly, with the cost of financing a business today, it's too costly to make a mistake.

Most businesses are established because of chance circumstances, a sudden perception of a need or opportunity. The availability of sound advice, both business and financial, is sadly lacking. We have a vast reservoir of extremely knowledgeable and experienced businessmen. In fact with retirement age at 65, we're wasting an incredible human resource. I believe we could fulfill two needs by the establishment of this concept: that of supplying advice to young businessmen or potential businessmen and that of utilizing this human resource we have.

On page 61 of the white paper, it says that our efforts should be directed to encourage small business in the province. Number (iii) under that item says: "Access to qualified personnel and training programs for technical and managerial skills". So I think this recommendation is directly in line with the proposal in the white paper on page 61, (iii). While I don't see it as an expensive item — I don't think we have a lot of money to spend — I see it

as one which would have maximum benefits in the whole province for the amount of money expended.

MR. ZIP: Mr. Chairman, I fully agree with the proposal made. The only observation I'd like to make is that we already have CASE, with the Federal Business Development Bank, operating in this area and doing exactly this sort of thing. They have recruited retired businessmen to provide consultative services to small-business men who are encountering difficulties or who are setting up a business and looking for experienced advice. This service is being provided. Incidentally, I know a number of different people who are involved in this activity through CASE, and they tell me it's a very successful program. Different businessmen have received very valuable advice and service through this particular facility. Would there be duplication taking place if we followed up on this recommendation?

MR. MARTIN: It's like many others we're dealing with; there are some good ideas. But I'm worried again about a proliferation of programs. We talked about this the last day and how we begin to co-ordinate all the different things. For instance, Mr. Zip has talked about the federal government. I know Tourism and Small Business has different programs where they'll come out to groups and work with them in their businesses. I've been involved somewhat with that through the East Edmonton Businessmen's Association.

It may be that this is slightly different. But I think part of the problem we have today, which confuses people generally in many areas of government, is that they don't know which institution does what. Perhaps what we need is co-ordination. Other people have said that many of these things, rather than coming out of the trust fund, should be involved in general revenues. Something like this may have some merit, but perhaps Tourism and Small Business could look at it as part of the programs they already have. If all of a sudden we have the federal government doing something, the provincial government through Tourism and Small Business, and the heritage trust fund with another program, obviously there's the administration costs and a confusion in people on where to go. All things being equal, I think it's always better to have it under one area. I know we can't do both with two governments, but surely those two governments should be co-ordinating much more than they do on some of these programs.

MR. GOGO: Mr. Chairman, I'm very sympathetic to this motion by Mrs. Cripps. It is interesting to observe that since the turn of the century, when we had 90 percent of the nation's people involved on farms producing 100 percent of the food, today we have 3 percent of the people producing 110 percent of the food.

If you look in the government telephone directory, there are pages and pages of — I think there are about 2,000 people advising farmers in Alberta Agriculture but less than 200 advising small business. So I'm more encouraged than normal with the motion by Mrs. Cripps to sort of turn the scales the other way.

I'm aware of the comment made by Mr. Zip, and I think that's quite accurate. Certainly in Lethbridge,

I know there are chartered bankers and others who are involved. I think it's through FBDB. That doesn't alter the thrust of what Mrs. Cripps is suggesting; that is, why not use expertise that's been tried and proven to assist? I don't know what the difference is between small business and entrepreneurs ...

MRS. CRIPPS: Same difference.

MR. GOGO: ... unless one owes taxes and one doesn't.

However, Mr. Chairman, the difficulty I have is whether it's an appropriate role for the Heritage Savings Trust Fund.

MRS. CRIPPS: Just a couple of points. I quite agree with Mr. Martin that we need a co-ordination process. I know there is financial and marketing advice available through Tourism and Small Business, but quite frankly they're run off their feet. And that advice isn't available in communities such as mine or many other small communities in the province of Alberta.

I envision something that might put you in touch with Tourism and Small Business development. It might put you in touch with the business development bank if there are people available. But my understanding is that the only time you would receive advice from the small business development bank or their advisers is when you're borrowing and go to them for a loan.

I'm not necessarily indicating that I think the financing is the most important aspect of starting a small business. There are a lot of ramifications which should be discussed, and if you discuss them with a successful businessman who has the time and the interest to go into your proposal, I think a lot of benefit could be gained.

MR. CHAIRMAN: Perhaps we could move on to Recommendation 26. I guess it deals with Kananaskis Country. Mr. Nelson.

MR. NELSON: Mr. Chairman, I think those of us who were able to take the tour of Kananaskis Country were certainly impressed. The number of people who have been through Kananaskis Country — it's made up of a number of parks — during this last year have certainly also been overly impressed and excited about the development that's gone on there.

In my recommendation — through that tour there were two areas that both concerned and kind of excited me. The first one I might deal with is William Watson Lodge, where there's housing for our handicapped and senior citizens so they may enjoy the fruits of Kananaskis Country as well as the rest of us. Our guide there, a Mr. Watson, a blind chap, did a great job in taking us around. Because the lodges there are full most of the time, I felt it would be prudent to suggest that we try to expand that for some of our handicapped and senior citizens. I think they would certainly benefit from that.

The other thing of course is — when we drove up the Powderface roadway, it certainly wasn't very good; in fact it was terrible. We felt that to expand that roadway — I guess the main interest there is to allow for an additional north-south access into and out of the park, but more importantly of course to expand the camping grounds. As I understand it, they

can develop at least another two campgrounds there. With the use of the ones that are already existing, this certainly would enhance the overall use of Kananaskis Country and offer accommodation for those who are unable to get there and enjoy that park.

Basically those are the two reasons. The figure of about \$10 million on the road wasn't something that was pulled out of the air. It was offered to me as information by some people in the park, so I felt it would be prudent to introduce that at this time.

MR. MARTIN: Having been on that trip, the two proposals in themselves have some merit. But I'm told there's some discussion at least about the possibility of an equivalent to the William Watson Lodge in northern Alberta. Until that is decided — obviously if they're going to build another one, that's going to have a bearing on whether there's an expansion in the Kananaskis. Maybe government members know more about it than I do, but I've heard this. I think it would be premature to expand that till we knew what was happening in terms of a possible northern Alberta lodge for handicapped similar to William Watson Lodge.

Obviously at some point the roadway is going to need upgrading. I don't think any of us would doubt that at this stage. Again, I wonder if right now is the time to recommend it, in terms of public perception of the need for this at this particular time. Maybe it is the best time, but I just throw that out as a thought.

The one I would like to know more about specifically is what is happening — if there is the possibility of an equivalent facility being built in the north, this would mean that perhaps we wouldn't need the expansion in William Watson Lodge.

MR. ZIP: Mr. Chairman, I'd like to pose a question on this recommendation. With regard to the period of use of William Watson Lodge, is it year-round or limited to summer months?

MR. NELSON: Year-round.

MR. ZIP: Is their occupancy running at 100 percent year-round now?

MR. NELSON: No.

MR. ZIP: The other question I have is with regard to how many kilometres are involved in developing the Powderface roadway. Those are the two questions I have.

MR. NELSON: Mr. Chairman, first of all, Mr. Zip's last question. I believe it's something in the order of 40 kilometres. I could be corrected on an exact number, but it's in that area.

The other two suggestions of Mr. Martin: first of all, as far as the William Watson lodges are concerned, the infrastructure is already in place to develop these lodges. There is space set aside for this future expansion.

The other comment I would like to make is that whilst we are waiting for some other decisions to be made, we can create some construction jobs and also have a future relatively soon for some of our handicapped citizens who would certainly enjoy

having the opportunity to visit this magnificent facility in Kananaskis.

MR. CHAIRMAN: I noted that Mr. Martin also raised a question. Do you want to respond to his question?

MR. MARTIN: I stated about the William Watson. I just said that the perception of whether now is the best time to do the road or not is a judgment call.

MR. CHAIRMAN: Okay. Mr. Nelson, then we can move on to Recommendation No. 27.

MR. NELSON: Very briefly on this one, Mr. Chairman. Recently I had the opportunity to discuss with some community people and the police some of the difficulties being created in the community with regard to what I suggested in my recommendation are abandoned properties. Some of these properties are abandoned due to foreclosure and some due to quitclaims. But what is in essence happening is that through the Heritage Savings Trust Fund, the government has a very, very large investment in housing stock in the province, more so in some areas than in others. What is happening is that many of these properties that are vacant are being vandalized by people wishing, first of all, to gain entry for the purpose of sleeping or taking up a little residence on the quiet and, secondly, by children throwing rocks through windows — in fact in one case they've just about torn away the whole back deck of a house, using boards for their bicycles — and also for the purpose of removing appliances, carpets, et cetera.

It is my thought, in protecting the government's investment first of all but also the investments of other lending institutions, that we bring these properties up to a reasonable standard to be lived in — those that should be — and to protect the investment of our other citizens who are still living in the community and possibly in some manner to offer a security service so that they are being watched and the maintenance kept up. I'm not only talking about the dwelling unit on the property but also the exterior problems, such as landscape and what have you. I think in doing something of this nature we can protect not only the integrity of the community, rather than making it look like a ghetto, but also the investment of the taxpayer of Alberta to ensure that we're going to obtain maximum dollars of return to the Housing Corporation on any resale of properties they have in inventory.

MRS. CRIPPS: I initially agree with the concept of Mr. Nelson's motion, which is to ensure that the property which I guess is taken over or held by Alberta Mortgage and Housing Corporation is protected. I think the same holds true for any properties which may be held by ADC, and I've written letters to the minister outlining some concerns I have. But surely part of the mandate of those two bodies, the Alberta Housing Corporation and ADC, is to ensure that those actions are taken. I'm not at all sure that it's a recommendation we should be making from the Heritage Savings Trust Fund.

MR. GOGO: Mr. Chairman, I have a couple of questions for Mr. Nelson. In No. 27 you're saying government should keep all abandoned properties —

you're now saying all properties owned by the government of Alberta? Is that the intent? ... Let me go on then. I was going to wait until I got that response.

First of all, as members of this committee know, this government is not prepared to make laws in this province binding on the Crown. If we did, the city of Calgary or Lethbridge or other areas wouldn't have half as many weeds on the streets. So we're not prepared to make any law binding on the Crown of this province. Having said that, I thought we as a government endorsed local autonomy and gave cities — corporations like the city of Lethbridge, city of Calgary, et cetera — the authority to create bylaws under the Municipal Government Act. I am very reluctant to see, never mind the Heritage Savings Trust Fund but even the government of Alberta get involved in any way with trying to usurp the authority of municipal government.

MR. CHAIRMAN: Mr. Musgreave.

MR. MUSGREAVE: My point has been made.

MR. NELSON: Mr. Chairman, maybe we need to just add something to this motion. When we talk about abandoned properties, the intent is basically for the housing stock owned by the Alberta Housing Corporation, which has been renamed. I don't know how we're usurping the authority of municipal governments by looking after what already belongs to the people of Alberta, through the Heritage Savings Trust Fund, in housing stock that is in fact owned by the Housing Corporation. Now if we as a government cannot look after that part of the community, if we're going to allow housing that is not to be looked after — well, I guess you could call it a dereliction of duty within the community if you want to use that term. If we're not going to keep our properties, which are owned by the taxpayers of this province, how do we expect other people to take the same pride they wish to have in their properties without having some terrible-looking piece of junk next door to them.

Mr. Chairman, I can personally vouch for this particular thing. In the community I live in and within just a two or three block radius of the store I own, there are about 41 abandoned, empty properties. All we're doing is creating difficulties within the community, which I've already briefly outlined. I'm not going to do that again. Quite frankly it surprises me that someone would suggest we're usurping the authority of municipal government when we're looking after the provincial government's properties.

MR. ZIP: Mr. Chairman, in my mind some questions and difficulties swirl around this particular recommendation. That deals with the authority the municipalities already have and which they use to control this problem. If properties are abandoned and allowed to fall into disuse and terrible physical deterioration, the city has the power to condemn those properties and order them to be torn down and the site brought back to a presentable state. Of course weed control bylaws exist that force the property owner to keep his property presentable looking and weeds on the property under control. I wonder if it's not really a matter of the cities and

rural municipalities getting after these owners, whether it's a mortgage company that has foreclosed on the property and has now become the owner or the original owner. It's certainly to the interests of the city, by the fact that they levy a municipal tax on the property to look after this particular area.

MR. MARTIN: It seems we're talking in two different areas. Maybe Mr. Nelson will clear it up. As I understand what he's saying — maybe it's in the wording — it's that the committee recommends that the government keep all abandoned properties. As I understand it, what Mr. Nelson is talking about is all properties owned by Alberta Housing, which is a very big difference. If that's what we're talking about, obviously the Alberta government owns it and has the right of any owner to maintain their property. If Mr. Nelson would go along with it and to clear up some confusion, I suggest that in the resolution "the committee recommend that the government keep all abandoned properties owned by Alberta Housing ...". Perhaps that would clear it up. It's just a suggestion.

MR. NELSON: Mr. Chairman, the last suggestion of Mr. Martin would be fine. That's why I headed the thing "Alberta Mortgage and Housing Corporation", and I guess I could include that in the recommendation. "... abandoned properties owned by Alberta Housing Corporation" would be just fine, so we could make that change.

On Mr. Zip's comments, Mr. Chairman, we're talking about brand-new houses here. We're not talking about old houses that should be condemned, torn down, or what have you. We're talking about houses that have broken doors and windows — possibly some damage inside that is not necessarily visible from outside unless you go up and have a look in the window. I think we may be talking about two different situations here. However, I welcome members to have a look at some of these circumstances where people have just been unable to keep the houses and have had to walk away or get thrown out.

After discussions with police constables who are policing these areas, I'm concerned that we're creating some difficulty within the community through crime, I guess you could call it, because it is crime when people break into properties and either steal things that are inside them or damage them just for the malicious sake of damaging them. When property hasn't been maintained, especially on the exterior — the lawns haven't been cut and what have you — then of course it's very visible to some transient or some young child that wants to throw a rock or something through a window or to someone just out to steal what's left in the house. If the police are concerned about this, obviously they're concerned based on criminal activity and the problems they're encountering. And believe me, it's a real problem.

I just ask support for this so that, as I've indicated, we can protect not only the investment of the taxpayer of this province, which is very, very large, but also the integrity of the community and the value of properties that may be affected by the lack of concern over the effect these properties that are not being looked after may have in the community.

MR. MARTIN: Just to come back. When I think about it, it's appropriate to agree with Mr. Nelson on this. If I can use a personal experience in an older area, this was an older house, because Alberta Housing does have some older ones in my own area. In fact right next door to me, when we moved in, we had people there who looked after their house. They sold, another group didn't look after it, and then it was abandoned and somehow eventually ended up with Alberta Housing, probably through no choice of their own. For three years that house sat there. The neighbours would complain and complain, and then finally somebody would come out and cut the grass or something. In the meantime we had transients living there. The neighbourhood was concerned.

It was very difficult. You'd deal with the city to come back, but the city's response would be that it's Alberta Housing and there's not much we can do with them. Whether that was true or not, that was the response we were given. In terms of my own neighbourhood and a very personal experience, it was a problem. If Alberta Housing had maintained . . . After a point they can't sell it either, because who wants to buy it? The house became useless. All you were buying was the property. That's eventually what somebody did, thank God. They bought the property and built a new house there, which solved our problems.

But it was pretty hard. People would come in — we'd see them come in next door — and say, we're not going in there. If you looked inside the thing, it was a total disaster. I don't need to go on about everything that was in it, but it did create a real problem for our neighbourhood. Certainly if Alberta Housing owned that house, I don't think we were intruding upon municipal jurisdictions. In this case we were told they didn't want to fool around with Alberta Housing. They would come out and cut the lawns, but the point is that they owned it at the time. Surely they had the same rights and responsibilities as any other owner to maintain their own property. I just use that as a personal experience of what happened to me in my own neighbourhood.

MR. GOGO: Mr. Chairman, in effect I spoke against No. 27. If you turn to page 20 of the annual report we're studying, I'd like to ask Mr. Nelson if his motion applies to the two items listed on page 20. If it does, I will support the motion. That's the Alberta Home Mortgage Corporation and Alberta Housing Corporation, recently named as a new department. I think this is what Mr. Martin is saying, but I didn't read that at all from the motion. If Mr. Nelson specifically means those two items, then I will support the motion. But I suggest the motion be amended to reflect that.

MR. NELSON: Mr. Chairman, Mr. Martin suggested a change to "Alberta Housing", which I think we've substantially done by changing this to read "recommend the government keep all abandoned properties owned by Alberta Housing maintained and secured . . ." et cetera.

Basically this recommendation certainly has a lot to do with the Alberta Home Mortgage item on page 20 of the annual report. It's basically — and I've indicated this two or three times — the investment of the Alberta Home Mortgage Corporation that we're

trying to protect here, as well as the integrity of those communities we're building these homes in. There's no person who has left or been removed from those homes who really had a choice or wanted to move out of some of these homes. They've done so because of economic circumstances, because one person or both people in the homes have lost their income and they've lost their equity. Obviously, the only option they had was to leave, or they were asked to leave. As such these properties have become vacant, abandoned or otherwise, in the community. They are not being looked after. As I said, they are causing some concern within those communities, either for residents who live adjacent to them, for the police, or for community leaders.

MR. GOGO: Mr. Chairman, I hate to get back in. Mr. Nelson, all I'm saying is that the authority of this committee is to deal with investments by the Alberta Heritage Savings Trust Fund. If your motion were amended — I've heard your arguments — to include those investments of the Heritage Savings Trust Fund invested in property as indicated on page 20, then I would support the motion. So I'm suggesting that if you'll reword the motion and read it out, I would be satisfied.

MR. CHAIRMAN: A few minutes ago when Mr. Nelson was talking, I think he indicated that there would be an amendment to it. No. 27 now reads:

That the committee recommend the government keep all abandoned properties owned by Alberta Housing Corporation — Alberta Home Mortgage Corporation maintained and secured to ensure the taxpayer investment is protected and the integrity of the many communities is continued.

That would be the way.

Mr. Nelson, you might wish to move on to Recommendation 28.

MR. NELSON: I think I feel like a minister on a firing line here. [interjections] Yes, that's certainly my fault, and I appreciate the input from Mr. Martin and Mr. Gogo.

Mr. Chairman, I'm not going to read No. 28. When the folks from the medical research foundation were here, they indicated that somewhere along the line in the near future, possibly the fourth or fifth year from this point, the expenditures of the fund would be larger than the revenue derived from the \$300 million endowment. All I'm doing is underlining the fact that in a period of time, the government must re-examine this thing. But at the same time, just to underline that, so we are not caught with our pants down insofar as the investment we have there will remain or at least the endowment fund will remain, if necessary the expenditures may have to be examined for reduction or we may have to enlarge on that endowment fund. But it's a matter of examination by the government to see that the fund remains in place.

MR. CHAIRMAN: On a point of order, Mr. Nelson, the Act makes this review mandatory.

MR. NELSON: I just indicated that the government would have to look at this anyway, but I'm just underlining that fact.

MR. CHAIRMAN: Mr. Nelson, you might wish to move on to Recommendation 29.

MR. NELSON: Last year, in 1983, we approved a motion basically outlining the concept that research and development should focus on the area of electronics, computer science, and space technology. We approved

that funding from the fund continue to be used to further Alberta's efforts in the areas of research and development. Research and development should focus on electronics, computer science, and space technology. As a province we should endeavour to attract the finest scientists and companies into Alberta with the creation of high technology jobs as the objectives.

What I've done is taken that motion and suggested that we've really basically agreed that we should make some effort to do some research and development in those areas. Now let's put our foot in the right spot and ask the government to put our dollars where our motion was.

I would like to indicate here that the space technology that's coming out of Canada, and I guess in particular Ontario and Quebec, is a very, very large component in the United States space program. For example, one thought is satellites — the arm they use in the shuttle. Now, of course, they're taking people into space. I guess on Friday we have our first Canadian astronaut. So really, Mr. Chairman, I've taken an approved 1983 recommendation and brought it forward again and put some dollars into an endowment fund and added the term "medium" as well as high technology.

MR. MARTIN: If we can somewhat follow up the discussion we had yesterday, I'm in a bit of a quandary in terms of trying to put all the pieces together and what we're advocating. They seem to me similar resolutions — not similar; different areas — in terms of Mr. Cook's 15 dealing with biotechnology and agriculture and Mr. Nelson's previous one to do with some more money for medical research; this is high tech. We've had other resolutions on a clearinghouse and on brain centres.

What I am saying is that they all might have some merit in their own right, but it seems to me we're being fairly piecemeal here. We're dealing with a lot of money. I guess this comes back to something we've suggested from time to time, that we have an overall planning body called the economic council, if you like, taking a look at things that would be relevant. I don't think any of us are expert enough to know how much we can get into high research, how much into biotechnology, and all the rest of it. But I think as we try to diversify our economy, it might be one or all of the above. What are we doing now with the Research Council and all the rest of it? I guess what I see is the need for an overall body with some clarification about where we're going. As I said, it's hard to vote against the concept of high technology. It's hard to vote against the concept of biotechnology. It's hard to vote against the business opportunity centre. It's hard to vote against the clearinghouse. But if we're going to be making serious recommendations for the government to look at — I don't know how; I'm throwing out the problem

here — it seems to me we need some way to clarify what we're asking for. If we're asking for all these things as a committee, then we're into billions of dollars at this time. That's what we're recommending. If that's what we mean, fine. But if it's not, then I don't know where you start and which one is more relevant and more valid than the other. That's the quandary I'm in.

MR. MUSGREAVE: Mr. Chairman, you may or may not remember that I made a similar recommendation to this committee a year ago, except my endowment fund was a little more modest. I suggested \$100 million, and this committee turned it down for the reasons that Mr. Martin just said, that we don't have an inexhaustible supply of money.

I'd like to suggest that we change this to read that we establish an endowment fund of \$300 million for research into science and engineering. I think we should then recommend that a foundation be established for the benefit of science and engineering that would follow along the lines recommended by a joint presentation of our two universities, which would be similar to the medical foundation in that there would be university chairs established, scholarship programs, grants — a very integrated system of developing young people to play their parts in the fields of science and technology in our province and in our nation.

I agree with Mr. Martin. I don't think this committee can say it should be in electronics or computers or space technology. These are all things that those people in the business of science and the development of technology would be better able to judge than us as a committee. But I do feel that we should once again recommend to the government that if a foundation of this nature were established, it would particularly help supplement the work of the medical research foundation. They are finding that they need more students with engineering or scientific backgrounds to put into place some of the discoveries being made in the medical research programs.

MR. GOGO: Mr. Chairman, I want to make a comment, in that I'm a little puzzled. I've seen the estimates; \$871 million now goes to Advanced Education. There's a corpus of \$300 million with the medical foundation. I understand Calgary, Alberta, is the third highest in the world in terms of both computer hardware and computer technology; yet we in Alberta continue to store all the information on our hospital system in Ann Arbor, Michigan. I'm very puzzled by all of this. I don't know where the money is going to come from or if the university is prepared to give up substantial funds. I understand between them and the Research Council, they now have about \$300 million involved in research. So I'm puzzled by it all, quite frankly, and I don't know just where we would find or if we should find an additional \$300 million to devote to research of high tech or any other tech.

MR. MARTIN: Just a point of clarification for Mr. Musgreave. I was saying just the opposite: I don't think this committee can decide whether we're going into biotech or high tech. That was the point I was making. I suggested that there should be an overall board or something that looks at each of these

areas. They may all have merit. It could be all of the above, one of the above, or a mixture of things. But again my concern is that by saying these four or five things that are massive money amounts from this committee — without that expertise, I think we'd be in some difficulty and might be laughed out of the Legislature if we're advocating these types of expenses. They may all be good ideas at that particular time.

MR. ZIP: Mr. Chairman, I have noted and have had the same concerns that have already been voiced on the aspects of finances available. But there's another standpoint where I'm concerned with any government-initiated research, and that is the fact that it tends not to be market oriented. Market orientation of research is extremely important, because the marketplace tends to tell the researchers what is useful research, what is useless research, what is research that's going to produce benefit, and what is just going to be a matter of some researcher's particular special interest that may not have any market application and be a waste of taxpayers' dollars.

So somehow it brings in the whole question of where you apply government policy, whether you apply it at the taxation level to encourage private institutions, through grants and tax rebates, to initiate market-oriented research that will bring useful results, or were you going to go ahead and allow government agencies to spend very large amounts of money in research that may not produce any results whatsoever.

MR. NELSON: Mr. Chairman, first of all I would like to suggest that there was no money suggested in No. 28, the medical thing. It was recommending that government examine the long-term future of the endowment fund. Certainly there's money suggested in No. 29.

I guess some of the comments I've heard about finding money and so on and so forth are fair comments to come up with. Certainly if we push these things — and I guess the committee has to determine whether it wants to get a little aggressive or not. If we want to get a little aggressive, we have to make some recommendations to the government to at least make some effort to act on or react to. If there's no money in the kitty and we're unable to find some alternative means to provide funding for these, obviously they can't be done. I guess what disturbs me a lot is that right now we have an economy that's pretty flat, although there are signs in certain segments that we're starting to look a little bit better. There was a suggestion that decisions like this can't be made by this body; we should be looking to some other experts. I don't know what an expert is. I really don't. If I want to look at my particular industry, I guess maybe I'm an expert in that. But I don't think I am, so I'm not really sure what an expert of anything is.

The difficulty I have in suggesting that maybe we should pass this through to a committee to examine where, why, and how is that ultimately the politicians have to make the decision to make this thing go or not go. Politicians get blamed for the economy being good or bad — and especially right now, bad. If we're going to sit on our fingers waiting for somebody else to do it, that's fine. I'm not prepared to sit on my

fingers and wait. I'm suggesting that we start making some decisions. We don't have all the financial information of the Treasury here in front of us, and we're not suggesting too much other than the fact that the government will have to examine some of these recommendations that are being proposed here by this committee.

Mr. Musgreave indicated making some change to this with regard to calling it science and engineering research. Certainly that's worth merit, and we'll wait till we bring this up for some motion. Maybe Mr. Musgreave would like to make that change by motion.

Mr. Zip indicated concern about market orientation of research. Certainly if the government encouraged industry to work with some of these research facilities, be it the university or otherwise, I think we might find that we'll have research that is oriented to a market. Hopefully we can develop an industry or industries in the province to accommodate those markets that may be available.

Mr. Chairman, as with some of these other recommendations in here that we're hopefully going to support, I feel we need to support anything — and I don't mean anything just for the sake of supporting anything — that may have an opportunity to look at this economy and get it moving. We need jobs. We need to get people working so they can take care of those houses I previously mentioned that are empty and in a derelict situation. Then the government may not have to spend moneys in areas that can be better looked after by either the private sector or the people of the community at large.

MR. MUSGREAVE: Mr. Chairman, just for the benefit of committee members, the name is Musgreave. It's not "grave" or "grove"; it's "grieve".

Just two quick points. I agree with Mr. Zip that research should be market oriented; unfortunately we don't seem to have the markets here. I'm reading a very interesting book right now called Silicon Valley Fever. One of the most important things this book has pointed out is that you've got to have a pool of very bright, very well-educated people. In the Silicon Valley area, which is a very small area — you could probably put it in the town of Calgary three times — there are 6,000 PhDs. Now that will give you some idea of the kind of ...

MR. HYLAND: It means it's piled higher and deeper, doesn't it?

MR. MUSGREAVE: No, it means that you've taken the best brains in the community and educated them to their maximum ability. I think this is the point I'm trying to make in establishing a science and engineering foundation.

Last Saturday I was at my constituency office talking to two university professors, one from the department of mechanical engineering and the other from — it will come to me in a minute — chemistry; I forget what the other word was. Both of them had the same point to make, that we have to strengthen our universities. We have to turn out more students with scientific backgrounds. We have to make opportunities available for these people with the ability to go out into the marketplace. In our province we don't have those people in the numbers that we think we have.

This morning I was talking to a fellow from Nortek engineering, with which the Alberta Research Council is making an agreement on a very scientific program. He too has difficulty getting enough talented people for the work they want to do. He agreed with me that we don't have a pool of scientifically trained, educated people in our community that is going to turn this province around like everybody talks about.

In conclusion, I agree. This is the point that Silicon Valley Fever made. Everybody talks about Silicon Valley and how successful it was. If you read the book, you'll find out that 90 percent of the endeavours collapse and fail. You don't hear about all the people that went bankrupt and the hundreds and millions of dollars that were lost; companies that came out at \$40 a share and suddenly they're down to \$2 or nothing. You just hear about the Apples and the Hewlett-Packards and these kinds of people. What I really want to emphasize here, Mr. Chairman, is that I think we have to try to convince the government that they do have to . . . As Mr. Gogo said, we put \$300 million into research in a year. That's not correct; it's about \$255 million. We're going to have to put in more. It's that simple. If we can put more money into other endeavours, then we're going to have take the best thing we have in our community, which is the brains of our people, and make sure they're working to our best advantage.

MR. NELSON: I don't think much more needs to be said, Mr. Chairman. I think we basically agree that something needs to be done. We've got to get people back to work. If this is a way of starting to get that happening, we'd better get going.

MR. CHAIRMAN: Perhaps we could move on to Recommendation 30, Mr. Nelson.

MR. NELSON: Mr. Chairman, I thought a lot about this area during our discussions with regard to Vencap and the Alberta Opportunity Company and the Treasury Branches and what have you. I think we might deal with those in a different manner at some time in the future.

In the white paper we discuss expanding our efforts to encourage small business in the province. Then it basically talks about the small business equity corporations program, the Alberta Opportunity Company, and so on. But that's where it ends. There is no incentive for people to come to Alberta to either start a business or bring their business empire to Alberta. Sure we hear all the time that we have created a great climate here for businesspeople and what have you to come and do their thing. But we're competing against jurisdictions in both the United States and other provinces of Canada, where they offer some type of incentive for them to come. Other than that we're good people and we have a nice atmosphere here, what incentive do we offer for people to come? Businesspeople certainly like to have nice atmospheres to develop and work in. But if there's no incentive, why are they going to come?

I guess the argument can be made that over the last 10 years, a lot of people have come to Alberta. We've created some half million jobs in those 10 years, from a market of 600,000 jobs up to 1.1 million jobs, and those are fair comments. However, we're all concerned about the ability of this province to

recover from a depression. I won't use the word "recession"; I think it's nearly been a depression. Just ask many of the people who are not here any longer, who have gone broke.

I'm suggesting that whilst discussing the white paper, we give consideration to use of the Heritage Savings Trust Fund to develop small business in the province. These could be in the forms of tax incentives or tax holidays or in the form of low interest rate assistance bonds such as the small business development bonds that were used by the federal government; they're redundant now. What they were doing was offering assistance in this manner: you'd go to the bank and get half of the prime lending rate plus 3 percent on a loan. So if your interest rate was 14 percent, your effective interest rate would end up being 10 percent, the rest really being subsidized by the government.

People in small business are having a difficult time, and they're discouraged in any growth because of high interest rates and, of course, the economy. Do you know that the first two or three years a business is in operation is probably the most difficult time for any small-business person? That's the make or break. If they don't make it in that period of time, not only does the taxpayer as such suffer, but other businesses that are owed money and what have you suffer too. So we'd like to try to create an atmosphere of encouragement to small business to both develop and grow in the province of Alberta. To do this I think we need to offer some incentive for these people.

I'd like to make one further comment. Governments at all levels talk about how good small businesses are: how many jobs they create, how great they are, and so on and so forth. Look where most of your incentive moneys go. In Alberta they go to a lot of the primary industries such as oil and gas. I don't have any difficulty with that, but it's big business. I mean, that's really gigantic business, gigantic guys: Imperial Oil, Gulf, Petro-Canada, and what have you. Not only that, Petro-Canada still steals 1.5 cents a litre at the pump for their development. But the small-business man doesn't get a razoo. Sure, it's nice to say that the Alberta Opportunity Company is there. Well, I have some difficulty with that. I also see the small business equity corporations program, which has just been commenced this year, and I wish it the very best of luck. But I also ask that we suggest to the government that maybe some other type of incentive to encourage the small-business person to grow and locate in Alberta is necessary.

MR. ZIP: Mr. Chairman, I fully agree. It's been my experience, working formerly in business development, that it's the lack of these particular incentives to business location in Alberta. As I mentioned earlier, in the discussion on my recommendation on an expanded role for the AOC, at the present time there really isn't much interest in eastern Canada for investors to locate in Calgary or Alberta. There is a very definite need to do something about encouraging this rekindling of investor interest, confidence, and desire to come back here. Certainly not more than a couple of years ago — three or four years ago — they were knocking at our doors, and we didn't have to provide very much in this line. Our prospects were sufficient

inducement for investors to locate here. But that is not a normal situation.

I remember very well the 1950s, when the same situation prevailed. The economy hadn't slid back as much. We didn't have many people in eastern Canada interested in coming to Alberta. As far as American investors are concerned, they have tremendous carrots stretched out in front of them to locate in the different states, where each one is very active and very aggressive in promoting the merits of their particular area, their particular state. We are facing very heavy competition there. To meet this competition, we certainly need to do things along the line suggested by Mr. Nelson.

MR. GOGO: Mr. Chairman, I'm somewhat intrigued by the earlier comments of Mr. Nelson with regard to people coming to Alberta. I submit to this committee that, from hearing the Minister of Hospitals, every Alberta citizen incurs a cost of \$1,300 a year for the health care system. Where I come from, in Lethbridge school district, it's \$4,400 a year per student. If we attract more people, the basic question should be: can we afford to have more people? That would be the first one, because Mr. Nelson mentioned something about people coming to Alberta.

The second point: it's as though there's a huge market of consumers out there ready to buy but no businesspeople in Alberta to supply them. I thought the problem was that they didn't have purchasing power in the private sector to buy. So I'm somewhat puzzled.

The final comment I make is, why is it — and God knows we've got enough experience — that when we have an oversupply of cattle, we insist on a support program for cattle in drought areas? We export a third or a half of our hog production, yet we insist on subsidizing the hog producer with a floor price. We seem to go on and on, playing one end against the other, in trying to outdo other provinces. I think the more we interfere with the private sector, the more trouble we will inherit. And so we should.

I would move very cautiously beyond the programs we now have with the Alberta Opportunity Company, which we subsidize to the tune of \$8 million a year, and the \$800 million in the Agriculture Development Corporation. I understand where Mr. Nelson is coming from, and I have no qualms at all about tax incentives. I simply draw the line by saying, let's not get into that game of trying to outbid another province in order to attract businesspeople to this province.

MR. NELSON: Mr. Chairman, certainly during the boom times the inducement to come to Alberta or, for that matter, any other place is self-evident; it's easy for quick-buck artists to move in and out. But during that boom period, most people didn't know we were going to have a bust. Responding somewhat to Mr. Gogo's comment about the high cost of health care and education, certainly there is a high cost. But I guess you could use that as a numbers game. If you have more people using a particular system, your cost per unit or per person would come down in any event, so I think everybody would recognize that.

I'm not advocating that there are not enough outlets or what have you in the province for consumers to spend their money at and what have

you. I think what we're trying to do here is create some industry of small businesses that may have the opportunity to export their goods or services outside the province as well as develop skills and jobs within the province. Obviously it's not going to be an easy task. But possibly we could encourage some of these industries that may be encouraged to go elsewhere to come to Alberta.

I also agree very strongly about the interference of government in the private sector. My comment has always been, get the government out of my life. As a businessperson with a little business in Calgary employing 12 or 13 people, paying them a bit of money, and keeping the economy rolling to some degree in that little bit, I don't want the government in my life too much. But at the same time we're talking about competing with other jurisdictions and about encouraging development of industries in the province of Alberta. We're talking about jobs and the security of the future of our kids. If we're just prepared to sit back and suggest that we've got enough going now, that the two or three items I've mentioned — the Alberta Opportunity Company, the Treasury Branch, the equities corporations program, et cetera — are enough, that's great.

I'm suggesting it is not enough. We need to encourage development of our resources and our people in this province. They want jobs. Unless we as a committee to the government, or whatever you want to call it, take a leadership role, I don't know what I'm doing here. I guess I came here to assist in maybe getting our province back to the stature it had, without the difficulties that are being experienced by many of our citizens. Certainly I want to be part of the new Alberta with the new miniboom we're going to create, but it's going to take some initiative, imagination, and guts to get the thing going. Maybe it will cost us a few bucks. But hopefully in the long term we will achieve the net end of getting our people educated, back to work, and having all those nice things they so desire.

MR. CHAIRMAN: Ladies and gentlemen of the committee, we have recommendations 31 and 32. I read them into the record on behalf of Mr. Alger yesterday. Mr. Alger is not here today to speak to 31 and 32. Would any committee member have any suggestion as to how we should deal with these?

MR. COOK: Mr. Chairman, I suggest that we table the resolutions. If the committee meets again before next fall, we could deal with them then, upon a vote to remove them from the table. Otherwise I don't feel comfortable either voting in favour of them or defeating them.

MR. GOGO: I don't know if a motion to table is debatable. Is it, Chairman? I wanted to speak to one of them. But if that's a formal motion, I don't think you can debate a motion to table, can you?

SOME HON. MEMBERS: Agreed.

MR. GOGO: Mr. Chairman, on a point of order. Mr. Alger will not be here tomorrow morning?

MR. CHAIRMAN: I have no knowledge of that one way or another.

MR. GOGO: I think Recommendation 32 is a very important one. I'd like to speak to it, if it would be in order. But if you set the process as only the mover can speak to it, it leaves me in something of a dilemma.

MR. CHAIRMAN: We have not set that process at all and would be pretty flexible in terms of the rules within the committee.

MR. MUSGREAVE: Mr. Chairman, I suggest that we support the tabling motion. I too would like to speak to it. I think I'm partly responsible for motion 32. I was approached by a professor at the University of Calgary on this very matter, and I suggested that he talk to Mr. Alger and Mrs. Koper. Before I could speak with any intelligence on the thing, I would like to get some information on it and find out exactly what they were aiming at. Therefore I would support the tabling motion. [interjection]

MR. CHAIRMAN: I hear Mr. Nelson commenting that there's no discussion on a tabling motion.

MR. GOGO: Do we have to defeat the tabling motion, then?

MR. CHAIRMAN: Let's not get too carried away with all the finesse. This committee is operated in a rather flexible manner. I do recall the tradition within the committee last year, that there was some debate on a motion even though the person who had put the recommendation forward was not present. If we want to start quoting from Hansard, Beauchesne, and everybody else, we can do that. But it would make me feel most uncomfortable.

MR. MARTIN: I can live with it either way. The only point I'd make is that the previous time, Mr. Thompson's were dealt with. It seems to me we're being a little inconsistent if we put in one member's resolutions and then say we won't deal with another one. That's just a point.

MRS. CRIPPS: Question on the motion.

MR. CHAIRMAN: Question on the motion. The motion is to table recommendations 31 and 32. All members in favour of tabling recommendations 31 and 32, kindly signify by raising one hand. All those opposed. Then we'll be dealing with Recommendation 31 and 32.

We should then proceed with Recommendation 31 and have any discussion any committee members would like on it. No. 31 says:

Through the Alberta Mortgage and Housing Corporation, continued emphasis should be placed on the construction of senior citizens lodges in communities throughout the province.

MR. MUSGREAVE: On a point of order, Mr. Chairman. Could you tell me if you anticipate that this committee will wind up its business tonight, or are we coming back tomorrow?

MR. CHAIRMAN: We're scheduled to go to 4:30 this afternoon. At about 4:29 this afternoon I was going to ask the committee members whether they wish to

continue beyond the hour we have advertised for this meeting and work towards a conclusion this afternoon or whether it would be the intent of committee members to adjourn at 4:30 and reconvene tomorrow morning at 10 o'clock?

MR. COOK: A point of order, Mr. Chairman. I have a commitment at the conclusion of the scheduled time for this, so I would have to leave. If we were to deal with these two resolutions expeditiously and, having had the debate, simply confine the committee to voting on the other resolutions, we could probably be out of here by 4:30 and have the thing finished, unless members want more debate.

MR. HYLAND: Mr. Cook covered part of my question. If, when we start voting on the resolutions, we're just going to vote on them and not debate them over again, perhaps we should try to handle these two quickly and vote on them.

MR. CHAIRMAN: The tradition we've followed in the past has simply been that the mover of the recommendation would read it into the record, and then we would quickly have a vote — no debate.

MR. COOK: Could I just make one comment on that? Since we can all read, and since we all have the ... Could we dispense with that? We have 10 minutes, and I think ...

MR. CHAIRMAN: It is important, though, that the Hansard record have the correct wording of the motion that's put forward by the person moving it.

MR. COOK: In my case, though, I think if I were to simply move Recommendation No. 15 as it appears, Hansard would be able ...

MR. CHAIRMAN: That's certainly a satisfactory way of dealing with it.

MR. GOGO: Two points, Mr. Chairman. I don't know if Mr. Martin can speak for Mr. Notley. He is the Leader of the Official Opposition and a member of this committee. I am uncomfortable voting on any motion here that may affect Mr. Notley's position without Mr. Notley's concurrence. He has not been advised that the meeting scheduled tomorrow as published, as I understand, will not take place. Similarly with Mr. Alger and any other member of this committee, if they have not been formally advised that it would conclude today as opposed to as scheduled tomorrow morning. So I would have that reservation.

MR. CHAIRMAN: Fine. I appreciate all those comments. At 4:29 I'll raise the question: should we continue or adjourn today? Let's now proceed with any member's participation with respect to Recommendation 31.

MR. GOGO: I'm curious about 31, Mr. Chairman, since amendments to legislation were made a year ago making it mandatory for municipal governments ... I forget the number now, but I think five or six districts did not participate in the lodge program, which has the equivalence of supplementary requisition to support those lodges. As the chairman

may recall, there were several areas in arrears. We passed legislation so they would have to pay. I'm just curious; maybe other members of this committee are in a better position, particularly Mr. Musgreave. Should we be passing this motion without consideration of the municipal district that has a financial obligation if we expand the lodge program?

MR. MARTIN: I think this motion is a little redundant. As I understand it, there's a fairly high vacancy rate in the cities right now, especially in certain parts of the cities, and it's very hard to get permission right now to build a senior citizens' lodge in the city. Most of the work going on is in the rural areas. So I don't really know the purpose for passing this, but I expect it will deal with the minister and what the vacancy rate is.

MR. ZIP: Mr. Chairman, I have the same reservations as Mr. Martin. In view of the situation in Calgary, for example, where the vacancy rates persist in being very high and some of the current senior citizens' lodges are not full, the situation and the recommendation certainly pose some difficulties to me, as to why we should be passing it at the present time. Maybe it will change a year from now and we can look at it then. But certainly at the present time the practical rental situation does not warrant any moves in this direction.

MR. CHAIRMAN: Okay. Would additional members of the committee wish to participate in discussion of Recommendation 31? Then we'll move on to Recommendation 32, which reads:

Major research projects devoted to the field of gerontology should be developed, promoted, and financed.

MR. GOGO: Mr. Chairman, I think this is as important as any recommendation before this committee. We have about 180,000 senior citizens in this province...

MRS. CRIPPS: And the rest of us are rapidly approaching it.

MR. GOGO: ... and Mrs. Cripps is rapidly approaching it, as she said.

I forget what the figures are, Mr. Chairman, but I think indications are that by the year 2000, there'll be a substantial number of Albertans who are senior citizens, probably the majority. It's my information that not a lot of work has been done on the study of geriatrics. I think Dr. Carter is quite knowledgeable about it and, in various speeches in the House, I've heard him mention what we have and haven't done. So I think we as a committee should strongly endorse Mr. Alger's proposal. The fact that he happens to chair a committee dealing with senior citizens may in some way be related to it. It's unfortunate, perhaps, that he's not here. So I would strongly endorse that this committee accept Recommendation 32.

MR. ZIP: Mr. Chairman, I fully concur with Mr. Gogo on the statements he's made with respect to this recommendation. Viewing the growing number of senior citizens or people over 65 in this province and in this country and the dropping birth rate we are experiencing at the same time, which throws an

additional emphasis on the aging of our population, we have a growing percentage of people as a result of the lack of younger people coming in. We have some very serious problems coming up in this area, and it's certainly very important to develop a greater knowledge of gerontology and a greater knowledge of the process of aging and maintaining elderly people's health so as to keep them out of hospitals and make it possible for them to contribute to the work force and the economy of the nation, to help sustain everybody else's and their own livelihood.

MR. MUSGREAVE: Mr. Chairman, as one of the members of this committee who is probably closer to this study than the rest of you, I'd like to take Mr. Zip's early recommendation this afternoon, which said that we don't do any research unless it's market oriented. So I'd like to know what it is you're going to study about me. As Henry just said to me: as long as we have a good pension and a place to lay our heads at night and good food and clothes, what more do we want? I know there are lots of things we want. Maybe we'd like to live to be 150.

That is why I was reluctant to debate this earlier. We need a more specific outline of exactly what kind of research program we're supporting here: what are the objectives of this research, who is going to do it, how much is it going to cost? There are lots of tough questions that are not being answered here. While I said earlier I could support it, I really have some problems with it. When I was chairman of the Metropolitan Calgary Foundation, which houses senior citizens, I had the occasion to visit all the institutes and see all the people in those lodges. They're very nice and lots of people like them, but my one recommendation is to make sure you never get in there as long as you can stay out.

MR. MARTIN: May I make a suggestion? At this stage we're not really going to try to run through these in two minutes, are we? I don't care if it's tomorrow or not. Maybe that's a problem with people. Can I make the suggestion that if Mr. Alger is at our next meeting, we stop at 32 and let him explain it. We can have the debate and then come to the resolutions if he happens to be here tomorrow; if he doesn't, too bad.

MR. CHAIRMAN: Ladies and gentlemen of the committee, we've then reached the hour at which it's time to adjourn. Tomorrow morning we'll reconvene at 10 o'clock. The order of business will essentially be the procedural matters dealing with recommendations No. 1 to 32. The order of procedure I would basically see outlined is simply that the individual who has proposed the recommendation shall move the recommendation. There shall then be a vote taken and we will proceed to subsequent motions. In the absence of an individual on the committee, as will be the case with Mr. Thompson tomorrow, perhaps it would be most convenient if the Chair were to read the motion into the record.

In addition to that, we will also want to spend several minutes talking about a very interesting Standing Order, No. 52, which is contained in the Standing Orders of the Legislative Assembly. We'll have a brief discussion on that tomorrow, as well as the outline I will recommend to you with respect to

my responsibilities, I guess, in drafting this report and then having a subsequent meeting.

MR. MARTIN: Just a point of clarification. If Mr. Alger is here, then he could also speak to this. Is that what we agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Thank you very much. We'll see you tomorrow morning at 10 o'clock.

[The committee adjourned at 4:30 p.m.]

This page intentionally left blank.