

[Chairman: Mr. Kowalski]

[1:18 p.m.]

MR. CHAIRMAN: Committee members, perhaps we could reconvene. I apologize for starting this meeting three minutes after the anointed hour, but unfortunately I was waylaid. It has something to do with the aging process. I'm just not quite as sharp as I was a few days ago.

We are now moving toward recommendation 28, having dealt with recommendation 27 completely before adjourning. In the absence of Mr. Martin, I'll read recommendation 28 into the record.

That the committee recommend that a human resources council be established and that it receive its financing from the Alberta Heritage Savings Trust Fund. Such a council would be broadly representative of the human services community in the province and would undertake independent assessments of service systems now in place as well as make recommendations regarding unmet or inadequately met needs.

MR. COOK: Mr. Chairman, this resolution is redundant. There are volunteer groups that perform the same function. Government doesn't need to do the function at public expense.

MR. R. MOORE: Mr. Chairman, this is a repeat performance of the Social Credit human resource authority, which was the worst bureaucratic structure ever put in place in the history of Alberta. I'd hate to see us repeat the same thing by doing it with heritage trust fund money or any other money.

MR. CHAIRMAN: Would there be additional comments forthcoming from committee members?

MR. THOMPSON: Mr. Chairman, as I look at this resolution, it is so general that it's very, very hard for me to even get a handle on what Mr. Martin is trying to get at. Therefore, I have real trouble supporting this resolution.

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: Committee members have

called for the question. All those committee members in favour of recommendation 28, kindly signify your support by raising your hand. All those members opposed to recommendation 28, kindly signify. It's defeated. There's one in support and the remainder against.

Recommendation 29 reads:

That the committee recommend that a worker co-operatives program, similar to the program now in place in Manitoba, be established here, which would provide financial and logistical support for the establishment of enterprises owned and controlled by the employees of those enterprises.

Would there be any comments with respect to recommendation 29? Would all committee members in favour of recommendation 29 kindly signify your support by raising a hand. Would all committee members opposed to recommendation 29 kindly signify your opposition. It's defeated.

Recommendation 30:

That the committee urge the government to establish a program that would have as its mandate the thorough cleanup of the waters of the North Saskatchewan and Bow rivers as well as other polluted or unsafe Alberta river systems.

Any comments or questions from committee members with respect to this recommendation? Committee members in favour of recommendation 30, kindly signify your support by raising a hand. Committee members opposed to recommendation 30, kindly signify your opposition by raising a hand. Recommendation 30 is defeated.

Recommendation 31:

Inasmuch as foreign importers of Canadian coal presently import coal from various sources and custom blend that coal and inasmuch as many Canadian coal users import specific coal types from the U.S. rather than blending from Canadian sources and inasmuch as present Canadian coal sources including Alberta sources offer a wide variety of coal which could be blended to meet all Canadian requirements, that the committee urge the government to press the federal government for immediate discussions regarding the possibility of Alberta

Heritage Savings Trust Fund investment in a joint federal/provincial effort to establish a Canadian coal blending industry.

Are there any comments forthcoming? Call for the question?

MR. GOGO: Mr. Chairman, I'd like to hear what the advocates of free trade have to say about number 31. We have many people who seem to get on their high horse and say, "Hey, we should be eliminating tariffs and provincial preferences." We should be proud we don't have one. I'm surprised that there are not a lot of people in with both feet saying, "Hey, this is a real plus for good old economic Alberta, and we should be encouraging it." I'm surprised the mover is not here to speak to it, but I'm not going to support it.

MR. THOMPSON: Mr. Chairman, I honestly think a dangerous precedent is being set here where we start joint ventures with the heritage trust fund and the federal government. They would love to get their foot in the door. For that reason alone, I can't support the recommendation.

MR. HYLAND: Mr. Chairman, if the actual cost of transporting coal or other products east/west across this country, if our transportation difficulties were settled, we wouldn't need to be involved with trust fund or other government moneys promoting ventures. I think we should concentrate on things we can solve and on the negotiations between our coal producers and the coal users in Ontario and Ontario Hydro or whatever other sources would take care of themselves.

AN HON. MEMBER: Question.

MR. CHAIRMAN: The question has been called for. Would committee members in favour of recommendation 31 kindly signify their support by raising a hand. Would committee members opposed to recommendation 31 kindly signify that opposition by raising a hand. Recommendation 31 is defeated.

Recommendation 32:

That the committee urge the government to move immediately to begin completion of a northern rail link to British Columbia using Alberta Heritage Savings Trust Fund

moneys as necessary. Improved market access and the linkage of northern Alberta by rail with the massive Tumbler Ridge coal development will be especially crucial for northern economic development.

Any comments from committee members?

MR. NELSON: Chairman, I have been watching all these expenditure motions from many of us, from the opposition — very large-ticket items. I'm concerned about the bottom analysis of this whole thing, where we're all coming from and where the opposition is coming from in dealing with all these high-ticket items and spending all this money. I question whether it's for the demise of the Heritage Savings Trust Fund. If we were to approve a lot of these high-ticket items and they were to be anointed by the Legislature and various ministries, I would be concerned that we would be in a position in the near future where we would not have a trust fund to take care of the citizens of Alberta in their time of need.

For that reason, amongst others, on this particular issue I'm not supporting a number of these things because I'm concerned that we're going to see the demise of the Heritage Savings Trust Fund. If that's the manner in which the opposition members wish to go, they certainly wouldn't have the support of the community at large in Alberta. On the other hand, that demise would certainly be very critical to future generations of Alberta, with the high cost of taxes and other forms of taxation that may be necessary to keep the province on an equilibrium.

MR. GOGO: Mr. Chairman, Mr. Nelson raised a very interesting point. I wonder if sometime it wouldn't be worthy of debate by the committee that we have a price tag built in every recommendation. Based on Mr. Nelson's comments, what I'm now sensing is that if we don't know what's happening — how can we endorse some action in principle without that price tag's being there? I think that's a very valid point, Chairman, and I'd like to leave it with you for consideration for future meetings. When considering recommendations, should we not ask members to include the dollar cost if possible? I think that's an excellent suggestion.

MR. CHAIRMAN: Would there be additional comments from committee members with respect to recommendation 32? All those committee members in favour of recommendation 32 kindly signify your support by raising your hand. Will all committee members opposed to recommendation 32 signify your opposition by raising your hand? It's defeated.

Recommendation 33:

That the committee recommend that an Alberta Heritage Savings Trust Fund investment be made in the construction of a safe and modern high-speed train system linking Edmonton and Calgary.

Any comments from committee members?

MR. MUSGREAVE: Mr. Chairman, I have some problems with this. Let's say we spend a billion dollars building a safe and modern high-speed train system linking Edmonton and Calgary. Who's going to ride on it? We talk about the modern use of light rail transit in our cities, yet people won't ride on it. We talk about using trains for passenger service, yet people are flying on airplanes. Frankly, I would be very concerned that we spend 5 cents even considering the idea, because we don't have the population. It's a horrendous investment, and to me, the rate of return or cost/benefit is practically zero.

MR. CHAIRMAN: Would there be additional comments?

MR. GOGO: I think there's merit in the proposal, Mr. Chairman. I think back to the Minister of Economic Development and his thoughts and comments that consideration is being given to it. I don't think we should reject it out of hand. I have some concern when I see the words "the construction of a safe . . ." I have great difficulty believing that anybody would consider building an unsafe one. So the wording bothers me.

I'd be interested in the views of people like Mr. Moore. We have many citizens on that strip between Edmonton and Calgary. My reluctance in supporting it is: how could people like Mr. Moore and others and their constituents watch this thing flash by at 150 miles an hour, knowing they paid for it and don't have access to it? I really don't think it's possible or practical. But as a member who wouldn't be affected, unless

we rearranged the geography of Lethbridge, I don't want to say any more.

MR. CHAIRMAN: Would there be additional comments or questions forthcoming from committee members? Then we'll call the question. Committee members who are in favour of recommendation 33, kindly signify that support by raising your hand. Committee members who are opposed to recommendation 33, kindly signify your opposition by raising your hand. Defeated.

Recommendation 34.

MR. HYLAND: Mr. Chairman,

That the committee recommend that the Public Affairs Bureau be encouraged to consider developing a series of informational films or video tapes on the Alberta Heritage Savings Trust Fund, available to groups who wish to use them, complementary to the information pamphlets now available at many locations in Alberta.

I think two words were reversed when I read it. Nevertheless, it's the way it's written here.

MR. CHAIRMAN: Would there be additional comments or questions with respect to recommendation 34? Would committee members in favour of recommendation 34 kindly indicate that support by raising a hand? Would committee members opposed kindly signify their opposition by raising a hand? It's carried.

Recommendation 35.

MR. NELSON: Chairman, I'll read my recommendation into the record.

That the occupational health and safety heritage grant program expand its mandate to encourage funding to postsecondary educational institutions to teach occupational health and safety to students.

I think the previous debate on this is in the record, and I would not like to speak further at this time.

MR. CHAIRMAN: Any additional comments or questions from committee members? Then we'll move to the question. Would committee members in favour of supporting recommendation 35 kindly signify their support by raising a hand? Would committee members

opposed to recommendation 35 kindly signify their opposition by raising a hand? The recommendation is carried.

Recommendation 36.

MR. NELSON: Chairman, I'll read the recommendation into the record.

That funding be provided to develop the Powderface Trail and campsites in Kananaskis Country as required or on an as-needed basis.

There are some dollar implications to this motion. However, the manner in which it's been developed — certainly there are opportunities to discuss with the minister and the committee the requirement or need for this. I'm sure it wouldn't be developed until that time, and that's the intent.

MR. CHAIRMAN: Would there be additional comments or questions forthcoming from committee members?

MR. GOGO: Mr. Chairman, I want to ask Mr. Nelson. Looking at all the other recommendations, pretty well all begin with the preamble: "That the committee recommend." This one, "That funding be provided," is very clear-cut. I wonder if that's the view of the sponsor and of the committee. It almost implies that if one were to prioritize them, this is a directive that it be done. If members are supportive, so be it.

MR. HYLAND: Mr. Chairman, I wonder if I can amend Mr. Nelson's motion and just add the words "the committee recommend that" between "That" and "funding".

MR. CHAIRMAN: The amendment proposed by Mr. Hyland would read:

That the committee recommend that funding be provided to develop the Powderface Trail and campsites in Kananaskis Country as required or on an as-needed basis.

Committee members, would there be additional discussion with respect to the amendment? Would all committee members in favour of the amendment to the motion kindly signify by raising a hand? The amendment to the motion is carried.

We'll now deal with the motion:

That the committee recommend that

funding be provided to develop the Powderface Trail and campsites in Kananaskis Country as required or on an as-needed basis.

Would committee members in favour of the recommendation kindly signify their support by raising a hand? Would committee members opposed kindly raise a hand? It's carried.

Recommendation 37.

MR. GOGO: Mr. Chairman,

That the committee recommend that consideration be given to the establishment of a social sciences research foundation with specific concern for research into alcoholism, aging, pain control, and palliative care, and that the foundation be modelled on the Alberta Heritage Foundation for Medical Research.

This brings into 1985 a recommendation made last year by three members of this committee. It was a co-operative effort by Mr. Cook, Mr. Musgreave, myself, and, I think, one other member. I think there's a lot of merit in this. I have no idea of the dollar implication, so I couldn't put that in. It would certainly raise with government the feelings of the committee that in addition to the theoretical research in medicine there are some very practical things that are perhaps not being done today. This is a little bit along the line of an earlier motion by Mr. Thompson that things are happening in the province and are we really taking any steps to become involved with them?

MR. CHAIRMAN: Would there be additional comments or questions?

MR. THOMPSON: Mr. Chairman, the only question I have as I look at this thing is: is the emphasis to be on the physical aspects or more or less the psychological and mental aspects? A lot of what we're seeing here is basically attitudes. I would like the sponsor to clear up whether it's some of both or however he looks on it.

MR. GOGO: Mr. Chairman, I think that's an excellent point that's been raised. My concern is that we have many Albertans suffering from a variety of illnesses. Although I commend the medical foundation for what they're doing, I really don't see the results in any way. The

palliative care unit at the General hospital in Edmonton seems to be on again, off again. To me there's been no real practical application that affects patients. I think we could do so much in areas of practical application; for example, a demonstration of pain control. I think we could have a pilot project in terms of palliative care. I know we've spoken at length on perhaps having an institute on gerontology, dealing with aged people. I don't see that going on. Although it may be going on now at a theoretical level, I've great difficulty finding it. I'd like to see some practical application being done that will directly affect the lives of Albertans who are living today, not those who have yet to come.

MR. CHAIRMAN: Would there be additional comments or questions from committee members? Mr. Gogo, I take it that you've summed up. Would committee members in favour of supporting recommendation 37 kindly signify their support by raising a hand. Committee members opposed, would you kindly indicate your opposition by raising a hand. It's carried.

Recommendation 38.

MR. GOGO: Mr. Chairman, as you know, we have a very successful scholarship fund program out of the heritage fund. In the next week or two many of us will be delivering Rutherford scholarships to students in our constituencies. A hundred million dollar investment in Alberta youth and Alberta's future is beyond debate. Everybody is supportive that the \$10 million generated is put to good use.

Our Premier, Mr. Lougheed, has expressed some very strong views in the areas of education, with particular reference to social studies. I think it would be excellent for this committee to endorse the leadership the Premier has displayed by putting something tangible and meaningful in place in the scholarship fund. Therefore, I recommend that \$5 million be added to the \$100 million fund, whereby the income generated, perhaps \$500,000 a year, will be awarded to students who have excelled in social studies to attend Alberta universities.

MR. CHAIRMAN: Would there be additional comments forthcoming from committee members? Would committee members in favour

of supporting recommendation 38 kindly signify their support by raising a hand. That's everybody, so it's carried unanimously.

Recommendation 39. Mr. Speaker is not here. I'll read it into the record.

That the integrity and value of the Alberta Heritage Savings Trust Fund be maintained by retaining the investment earnings in the fund, but the fund be capped and all future resource revenue be used for general revenue funding.

Comments from committee members with respect to recommendation 39? Would committee members in favour of supporting recommendation 39 kindly signify their support by raising a hand? Committee members opposed, kindly signify their opposition by raising a hand. It's defeated.

Recommendation 40.

MR. THOMPSON: Mr. Chairman, my recommendation is

That the scholarships awarded from the Alberta Heritage Scholarship Fund be awarded on an individual basis only and that groups and organizations not be eligible for scholarship awards.

I can say that this is not going to cost money. There is no figure to put on this. I feel that the concept of scholarships is to give recognition to individuals and also to aid and abet them in continuing their studies. I have real difficulty when groups are awarded a scholarship. It doesn't seem to me to be the way the scholarship fund should be going.

MR. NELSON: Chairman, I have a question. It may even necessitate an amendment. When we're talking groups -- for example, somebody might excel in the area of synchronized swimming, where it's a pair of individuals, or in a team sport situation, a rowing eight, where eight individuals excel, and there might be a scholarship available to them. At this point in time, I don't know that there is. Are we excluding those particular types of things? Can we define groups a little better, so we don't exclude those individuals who excel in a particular area as a team rather than as the term "organization"?

MR. CHAIRMAN: Mr. Gogo wants to raise a comment as well. Perhaps, Mr. Thompson, you might get them all.

MR. GOGO: Mr. Chairman, Mr. Nelson is on an excellent point. Under the Condon scholarship, which is for athletics -- I raised this the last day; Mr. Nelson's on it now. What about those groups? I think that's important. At the same time, though, I want to give credit to Mr. Thompson. In the past in Alberta if you wanted to train for the Olympics or the Commonwealth Games, if you were not part of a group, you couldn't get recognized. So I think the intent of his recommendation -- that there be some provision that could go to individuals as opposed to the group concept -- is important, but I think Mr. Nelson's comments deserve answers. I think there are many groups, particularly in university settings, that should be able to compete for that scholarship and the Condon award, yet they're members of a group.

MR. CHAIRMAN: Before we get to Mr. Thompson, perhaps I could just give an editorial comment. It would seem to me that the intent of this is very clear. It says, "awarded on an individual basis only and that groups and organizations not be eligible."

MR. THOMPSON: Mr. Chairman, that's exactly the way I feel. The thing that brought this to my attention was the Haultain scholarship that was awarded to the Alberta Ballet Company. I have great difficulty separating the Alberta Ballet Company from a synchronized swimming group or something like that. My recommendation was put in because of the fact that some of these awards were starting to go to groups instead of individuals.

MR. CHAIRMAN: No other member has indicated . . . Mr. Nelson.

MR. NELSON: Mr. Chairman, that being definitive in that respect, that would mean that if I wished to somehow offer a scholarship to, let's say, a pair of ladies who excel not only in scholastic endeavours but also in their synchronized swimming as such, this would preclude them from obtaining a scholarship, as they might be deemed a group. Actually, two or more is a group. If that is the case, I can't support the motion.

MR. HYLAND: Mr. Chairman, I notice there's a group in the gallery. Perhaps you could give your customary response to visitors.

MR. CHAIRMAN: Thank you very much, Mr. Hyland. I was going to do that at the conclusion of the discussion with respect to this recommendation.

There is a gentleman; I was going to say, "Welcome, ladies."

MRS. CRIPPS: Same ratio up there as down here.

MR. CHAIRMAN: Welcome to the Legislature today. What you have in front of you is a meeting of one committee of the Legislature. All the people who are in front of you to my right are elected MLAs from various parts of the province of Alberta. The committee that is meeting today is the standing committee on the Alberta Heritage Savings Trust Fund -- your Alberta Heritage Savings Trust Fund.

Essentially what we are now doing is coming to the end of nearly 30 days of meetings in which we have interviewed and had before us all of the people in the government who are responsible for the administration of certain fundings and dollars with respect to the Heritage Savings Trust Fund. One of the responsibilities and tasks that the members of the committee have is to come up with recommendations for new directions or proposals with respect to the fund. At this very moment we are debating one such recommendation. We have 44 before us this year, and we've now reached the point where we're on recommendation 40.

We are currently looking at one component with respect to the scholarship funding we have in Alberta. Several years ago this committee recommended to the government and the government put in practice an endowment fund of \$100 million for scholarships for people of Alberta for schooling at university, NAIT, SAIT, and the like. What we do each year is take the interest off that \$100 million and award it to worthy Albertans by way of scholarships.

In the past, several of those scholarships have been awarded to groups of people rather than to individuals. The question at hand right now is that Mr. Thompson, who is the MLA for Cardston, has a recommendation for us indicating that these scholarships should only be awarded on an individual basis and not to groups. You've heard part of the debate; you've been here for a few minutes. At the conclusion of this debate we'll be coming to a decision.

The decision will either be: yes, we agree to continue the funding practice of awarding scholarships to groups of people if they want to participate . . . To give an example, one of the groups that has received such an award in the past is the Alberta Ballet Company. Some members argue that these awards should go only to individuals. If you remain for a couple of minutes, you will see the result of that. Whatever that vote is, will then be taken to the Legislature when all 79 members meet, and they'll have to deal with it. We're a committee that makes recommendations to the Legislature.

We're now at the point where we'll be hearing from Mr. Gogo.

MR. GOGO: Mr. Chairman, I agree with Mr. Thompson's intent with regard to the recipients of funds from the scholarship fund. I have some difficulty, though, after having you explain it so definitively, and that's applicable to Mr. Nelson's comment. That would come under the Jimmie Condon Athletic Scholarships. As I said earlier, I think Mr. Nelson has an excellent point. I would like to come up with something, rather than see this thing sink or swim.

I'd move an amendment, if I may. The amendment would be: after "awards", change the period to a comma, and the amendment would read:

other than the Jimmie Condon Athletic Scholarships.

Having moved that amendment, could I explain it?

MR. CHAIRMAN: Please proceed.

MR. GOGO: The Jimmie Condon Athletic Scholarship was established after a man well known to Albertans in the area of athletics. They set up this fund, and each year students who excel in both academic and athletic events, including the Alberta athletic development program, are recognized. That would include disabled people in the province of Alberta. It says here, "and athletes on a recognized Provincial Disabled Athletic Team." Mr. Chairman, that's within the terms of reference of the Jimmie Condon Athletic Scholarships, and I think it would be tragic if that were removed, based on Mr. Thompson's motion that only individuals would receive it. I draw to committee members' attention that at present

there's provision, for example, for the provincial disabled athletic team. I think that should continue. Therefore, I move the amendment that I've mentioned, "other than the Jimmie Condon Athletic Scholarships."

MR. CHAIRMAN: Would there be additional comments or questions with respect to the amendment, the motion suggested by Mr. Gogo? I will read the amendment.

That the scholarships awarded from the Alberta Heritage Scholarship Fund be awarded on an individual basis only and that groups and organizations not be eligible for scholarship awards, other than for the Jimmie Condon Athletic Scholarships.

Committee members in favour of the amendment kindly signify your support for the amendment by raising a hand. Committee members opposed? The amendment is carried.

I will now read the motion.

That the scholarships awarded from the Alberta Heritage Scholarship Fund be awarded on an individual basis only and that groups and organizations not be eligible for scholarship awards, other than for the Jimmie Condon Athletic Scholarships.

Committee members in favour of the recommendation, kindly signify your support by raising a hand. Committee members opposed, signify by raising a hand. It's carried as amended.

Recommendation 41.

MR. NELSON: Chairman, I won't spend a lot of time on this. I know that the committee is fully supportive. I'll read it into the record again.

That the Alberta Opportunity Company be placed into the portfolio of Treasury Branches and that the Treasury Branches' mandate be changed to include the area of lender of last resort, which will be guaranteed by the provincial government.

Just a couple of very quick comments. There certainly are some pluses to this recommendation. It's probably a cost-efficient type of recommendation in many respects. It also offers the community at large, especially in the rural area, better opportunity and more access to facilitate themselves to a lender of last resort, if that be the case, through the Treasury Branches. As you know, there are

more Treasury Branches throughout the province than there are branches of the Alberta Opportunity Company, and as such it certainly opens the avenue for people to have access to more facilities for moneys if such is the need.

The intent would probably be — and I'm not about to set up the bureaucratic structure of this thing in this committee at this point in time — to bring the two together, possibly develop a separate arm of the Treasury Branch to deal with borrowers of last resort. As such, I think that encompassing this into one unit rather than having this Opportunity Company out there, that's abused by many and not necessarily because of the manner in which they get their business done . . . There's certainly considerable negative from many parts of the community with regard to Alberta Opportunity. It's a positive type of recommendation to deal with the opportunities Albertans could have through the Treasury Branches, using their facilities to facilitate them in seeking much-needed seed capital or otherwise, wherein the normal banks don't offer that opportunity. Mr. Chairman, it should also be noted that the Treasury Branches guarantee your complete deposits, whereas the major banks do not. This is something we should probably also express out in the community.

I think that placing these two companies together is an efficient manner in which to serve all Albertans, not one small area because of constraints of distance and otherwise, and assist many Albertans to obtain their needs and have them looked after in a positive fashion.

MRS. CRIPPS: Mr. Chairman, if his main aim is to increase efficiency, maybe he should just put a period after the first "Treasury Branches".

MR. CHAIRMAN: Would there be additional comments forthcoming from committee members?

MR. MUSGREAVE: I sympathize with the hon. member's motion. I have concern about the fact that we saw fit to create the Alberta Opportunity Company when my understanding of the creation of the Treasury Branches back in the dim days of the Depression was that the chartered banks of the day were not likely to serve in all parts of Alberta, particularly in the smaller communities. I think this would be an excellent way to rationalize service to the

community and, at the same time, reduce the number of government agencies that have proliferated in the province.

MR. THOMPSON: Mr. Chairman, I support the concept, but now we're into changing wording to some degree. I would like to move an amendment that says the following:

That the Alberta Opportunity Company be made a division of the Treasury Branches and that the Treasury Branches' mandate be changed to include the area of lender of last resort, which will be guaranteed by the provincial government.

I think it's a special area, and I agree wholeheartedly with Mr. Nelson's meaning, that we should be able to cut down administration costs if we put them together. I move that amendment.

MR. CHAIRMAN: As I understand it, Mr. Thompson, the motion would then read:

That the Alberta Opportunity Company be made a division of the Treasury Branches and that the Treasury Branches' mandate be changed to include the area of lender of last resort, which will be guaranteed by the provincial government.

Would there be additional comments or questions with respect to the amendment?

MRS. CRIPPS: Mr. Thompson's amendment defeats my purpose too. I don't approve of the lender of last resort. That's what I was trying to get rid of by putting a period after "Branches".

MR. GOGO: Mr. Chairman, when one looks at the history of the Treasury Branches, and it has been alluded to already by Mr. Musgreave, I think they're synonymous with a strong and stable government in this province. Granum, Alberta, at one time had four banks. Today they don't have a bank at all, but they have a Treasury Branch. Mr. Musgreave is so right. The old attitude: if you're not on the Air Canada line, forget it. That's why we created Alberta Housing Corporation: to provide mortgage funds throughout this great province of ours when the great lenders wouldn't leave the main line of the CPR or subsequently the Air Canada routes.

Let's not turn ourselves back. The AOC was specifically created, and is subsidized by \$10

million, for the taxpayers of Alberta, to provide a very needed service just as equal as the Agricultural Development Corporation. I think it would be a gross mistake to fail to recognize that since 1979 we've encouraged and realized the full-shopping service, the registered retirement savings programs, the stock option programs, and a whole host of banking services that have made the Treasury Branches of Alberta equal to the other chartered banks in the nation. I oppose anything that would dilute that on the one hand or take away from the intent of this government. Creating the Alberta Opportunity Company as lender of last resort was an election factor. The operative words are "lender of last resort".

If we want to encourage Albertans to become involved in business in this province, we've got to have a mechanism — I'm not saying Mr. Thompson's suggestion wouldn't achieve that — whereby if an Albertan is prepared to put up everything they've got, I think the taxpayers of this province are prepared to risk their money. That's why AOC exists. I'm also of the view, frankly, that AOC is not losing near enough, as they should, because I think in many ways they're stifling development of new business in this province. I personally oppose any change to the present system and, therefore, oppose the recommendation.

MR. CHAIRMAN: Any additional comments forthcoming? We're now dealing with the amendment to the motion. Do I need to read the amendment again, or is everybody clear on what the amendment is? Would all committee members supportive of the amendment kindly signify your support by raising a hand? Committee members opposed to the amendment kindly signify. The amendment is lost.

AN HON. MEMBER: It was 3-3, wasn't it?

MR. CHAIRMAN: No, it was 4-2. The only two people who have voted in favour of the amendment were Mr. Thompson and Mr. Nelson. I did not see it.

We're now dealing with recommendation 41 as it is written:

That the Alberta Opportunity Company be placed into the portfolio of Treasury Branches and that the Treasury Branches' mandate be changed to include the area of lender of last resort, which will be

guaranteed by the provincial government.

Are there any additional comments on this before I call the question? Committee members supportive of recommendation 41, kindly signify your support by raising a hand. Committee members opposed, kindly signify your opposition by raising a hand. It's tied, 4-4.

MRS. CRIPPS: Well, Mr. Chairman, do your thing.

MR. CHAIRMAN: The chairman will vote in opposition to the recommendation. It is defeated. I might add that the only name in Hansard in this one is mine. It would give me great comfort if I identified the 4 and 4. I shall not be 40 until tomorrow.

Recommendation 42. Mr. Gurnett is not here, so I'll read it into the record.

That the committee recommend to the Assembly that a special committee be struck and charged with

- (a) investigating all aspects of the relationship between the Canadian Commercial Bank on the one hand, and the provincial Treasury and the Alberta Heritage Savings Trust Fund on the other, with specific reference to the information and circumstances leading to various forms of investment in and with the bank; and
- (b) investigating the reasons for the collapse of the Canadian Commercial Bank.

MR. COOK: Mr. Chairman, there has been a special committee struck at the federal government level, in the House of Commons and Senate. Secondly, the Inspector General of Banks is investigating this. I would like to suggest to the committee that we defeat this, not because we're not interested in the problems associated with the Canadian Commercial Bank but rather because we do not have the mandate or the expertise or the ability to request that kind of information. We should rely on our Inspector General of Banks and the federal government to investigate the very unfortunate circumstances relating to the Canadian Commercial Bank.

MR. NELSON: Chairman, I can't support the motion in the manner it's written, basically

because of the constraints that are put on us by the Bank Act. However, it is conceivable that because of the investment the Heritage Savings Trust Fund has with regard to these regional financial institutions, in particular the Canadian Commercial Bank, it might be useful if we were to do something. Once the House of Commons select committee dealing with this issue has tabled its report, we could take a copy of that, examine it ourselves — mind you, we can do that on our own time — and deal with it, taking the recommendations that may be put forward by the committee and ensuring they are recommendations conducive to the security of deposits placed in these banks by the Alberta government. If perchance there was some reason to be concerned with any documentation or recommendations that might be made by a committee from the House of Commons that would not be conducive to the security of our particular deposits or other things that we may have as security with these regional banks, we would hopefully have the opportunity to pass those concerns through to that committee, or through the Treasurer to the committee, and discuss those concerns so that any alterations that may be necessary could be made so that we are in a secured position with the future activities of these regional banks.

MR. GOGO: Mr. Chairman, I oppose the motion primarily because I do not think it's within the jurisdiction of the committee. In the interests of Albertans who have been shareholders in the Canadian Commercial Bank, it could well be a matter for the Assembly to discuss at some time, but not this committee.

The other thing I would point out is that the salary of the Inspector General of Banks is paid by the chartered banks of Canada, so one should look very carefully when reading any findings of the Inspector General of Banks. I don't think he's an employee of the government or the Parliament of Canada, and people should bear that in mind when reading the various comments.

AN HON. MEMBER: Question.

MR. CHAIRMAN: The question has been called. Would committee members in favour of supporting recommendation 42 kindly signify support by raising a hand? Would committee members opposed to recommendation 42 kindly

signify opposition by raising a hand? It's defeated.

Recommendation 43.

MR. GOGO: Mr. Chairman.

That the committee recommend the establishment of a water resources institute at the University of Lethbridge and that \$5 million be allocated from the Alberta Heritage Savings Trust Fund to provide an endowment for this purpose.

In addition to what I had to say this morning about the history of irrigation, the Palliser Triangle, and everything else that went with it, when you consider that some 30 to 40 communities in southern Alberta are directly affected by irrigation — not just the farmers — when you recognize the tremendous investment of the government of Alberta and the heritage fund, I think much more could be done in relation to the understanding and utilization of a resource that I think will become more valuable than oil. It's just a natural for the University of Lethbridge, being where it is, even though it's an undergraduate liberal arts institution, to be looking at this matter.

The appropriation of \$5 million that I'm requesting would provide about \$500,000 a year to carry out that program. I have information from the university that the annual costs for the first two years are about \$190,000 and \$210,000, and on that basis I would recommend it to the committee.

MR. THOMPSON: Mr. Chairman, I support this recommendation. The Member for Lethbridge West zeroed in on irrigation, but from my point of view water resources in general are going to become more and more valuable to us. There are other aspects besides irrigation per se that I think could be at work under this recommendation. Besides that, I am not aware of any other university or postsecondary institution in western Canada that to the present time has really underlined and emphasized water resource management. From my point of view, I honestly think it's something that would benefit not only Albertans but the whole western Canada region.

MR. ZIP: Mr. Chairman, I'm excited about this motion because I think it's long overdue that we take a sophisticated look at water resources, as Mr. Thompson mentioned, not just with regard

to irrigation -- I can't dispute that's very important -- but also in terms of drainage and some of the problems of excess water we have in northern Alberta that should be studied from a sophisticated standpoint. Some of the problems that are inherent with excess water should be looked at as well. To take the matter further, we have the most water where we have the least number of degree days and the shortest growing season. I think it's time we started to study closely the question of water diversion from areas where it's being wasted to areas where it's needed and could be utilized properly. This is a very timely motion, and I support it wholeheartedly.

MRS. CRIPPS: Mr. Chairman, I certainly support the intent of the motion. In my maiden speech in the House I said that water is our most important natural resource, and it's time we started treating it as such. Because of my experience on the surface rights select committee, where we ran into a number of problems all across the province which people felt had been caused by drilling and exploration for oil and gas, I believe that it's an important problem to study. We know very little about the aquifer and the effects all the industrial activity is having on it. I support the motion.

I'm not sure we should designate a university, but in deference to Mr. Gogo's seniority, I'll leave it there.

MR. CHAIRMAN: Would there be additional comments forthcoming from committee members?

MR. NELSON: Mr. Chairman, I certainly support the idea that we need somebody to examine water resources in the province. I'd just like to ask whether this is in addition to or in conjunction with the commission the hon. Member for Chinook works with at the present time. I wouldn't be supportive of discussing water diversion in the province at this point in time. I think it's a little sensitive, that we should not be discussing that at all. However, there are certain management practices that we can discuss that do not necessarily include diversion, and we should be discussing management practices of water and its usage within the province.

I hope we're not setting up another department at the university that may expand

to such an extent that it may become unmanageable or setting up another professor and a few more bureaucrats who will deal with an issue 10 or 11 hours a week at a big salary and that this is -- I guess some concern I have is that we continually want to push more things into the universities, whereas there may be other ways of doing it that may be of a shorter time frame and may achieve greater results.

MR. CHAIRMAN: Mr. Gogo, would you like to sum up?

MR. GOGO: Yes, Mr. Chairman. I certainly appreciate the support of committee members. In answer to Mr. Nelson, I'm no expert in this area, but I perceive that in many ways this water resources institute would be similar to AOSTRA, which got its birth at the University of Alberta and, with the cross-appointments, continues to be centred at the university. However, they have involved the private sector considerably. I don't know how it would come out, but talking about the amount of dollars involved, it is like seed money. I would hope that if in fact the U of L becomes funded for this, it would involve the private sector, including the irrigation companies. In the final analysis I think the proof of the intent of this motion is to get something started with regard to water resources as a major future resource.

AN HON. MEMBER: Question.

MR. CHAIRMAN: The question has been called. Would committee members in favour of supporting recommendation 43 kindly signify their support by raising a hand? Would committee members opposed kindly indicate their opposition by raising a hand? It's carried, without Mr. Gogo having to comment on his age.

Recommendation 44.

MR. THOMPSON: Mr. Chairman,
That the Alberta Heritage Savings Trust Fund support by endowment the Alberta division of the Canadian Paraplegic Association for research in damage to the spinal cord.

Basically, the reason I specifically mention the Canadian Paraplegic Association is that at the present time, as far as I'm aware, they are the

only organization that really supports paraplegics. Research is needed to be done as far as the physical aspects of spinal cord damage is concerned, but probably the biggest area that can help these people — and when I say help, I mean make them better citizens. There's a traumatic adjustment to be made by these people. One day they are more or less called normal, and the next day, after a severe accident, whether it's falling off a ladder or a car wreck or skiing or whatever, they have to make an adjustment to a brand-new way of life.

To some degree, as far as the medical part of it is concerned, we have adequate treatment. I think we could do some research in the area, but basically what the Paraplegic Association does is try to bridge that adjustment these people have to make from being mobile to being partially mobile. From my point of view, we should to some degree support this part of the medical problem of the province.

Thank you.

MR. HYLAND: As I said this morning, Mr. Chairman, to make sure there's no possible conflict of interest because of my being on that board, I want it noted that I am going to abstain from voting.

MR. CHAIRMAN: Okay.

MR. NELSON: Chairman, I have a couple of concerns. Number one, as a person who has a tremendous back injury, I have been very supportive of the spinal problems of many people. Many people, including doctors, don't understand a lot of this thing, and of course they don't even understand the pain that people go through.

The difficulty I have here is that you use the word "research". We already have a medical research foundation. I would rather give the medical research foundation a message that there is an area they may not be responding to that's of some interest and concern to the committee and to Albertans, rather than setting up another endowment fund that relates basically to medicine in any event.

As he has discussed this, Mr. Thompson has gone beyond the initial research of this to the actual cure. Of course, it's like any medical disorder, be it an accident or otherwise: the sooner the doctors can get at you, the more opportunity you're going to have for recovering

from that injury or whatever. I think our department of hospitals, our emergency services, have to address the issue of getting patients to a facility and having the proper practices in place to see to these serious injuries on a very urgent matter, so they are addressed and the patient is looked after in a very short period of time. That's in delivery and in care in a hospital. This may mean that we have to train our paramedics a little differently and a little better, so they can do some types of emergency treatments to assist in the recovery of that patient.

I have that concern. I basically support the intent, but I would rather give a message to the Alberta medical foundation to expand its research into an area that is of concern to us, rather than setting up a new, different fund for this particular area. Otherwise we could come back here and ask for all kinds of different medical work to be done on various other things rather than just paraplegic situations. There are many others being worked on by volunteer organizations that we could address.

MR. CHAIRMAN: Would there be additional comments forthcoming from committee members? Mr. Thompson, would you like to sum up?

MR. THOMPSON: I confess that it isn't the best worded recommendation, but my heart is in it, so I'm leaving it.

MR. CHAIRMAN: Miss Conroy, would you let the record show that Mr. Hyland will be abstaining from voting on this particular recommendation? Would committee members in favour of recommendation 44 kindly signify their support for it by raising a hand? Would committee members opposed kindly signify your opposition? The motion is carried.

Committee members, we were given notice this morning that Mr. Musgreave would be coming forward with a recommendation. We have a typed document with respect to such a recommendation. Miss Conroy will circulate the recommendation, and then we'll ask Mr. Musgreave to read it into the record and make his comments with respect to it.

MR. MUSGREAVE: Like Mr. Thompson, I apologize for the wording of this motion; it's not as good as I'd like it to be. Regrettably I

didn't have enough time to put it together because I was in southern Alberta looking at all the water. I'll read the first part of it.

That a heritage entrepreneurship fund be established, to be co-ordinated by the Department of Tourism and Small Business. The purpose of this fund would be to provide initial capital and operating money for the start of the program.

If you want, Mr. Chairman, I can read the rest.

MR. CHAIRMAN: That's the intent of the motion?

MR. MUSGREAVE: Yes.

MR. CHAIRMAN: Please proceed.

MR. MUSGREAVE: This fund would be available to those people on social assistance who agree, first of all, to complete an entrepreneur training program at a secondary educational institute in the province of Alberta. On completion of the training program they would develop a business plan for their business venture. Their anticipated social assistance for at least one year would be given to them in one lump sum to provide initial capital and operating funds. The cost of the education and social assistance would be recovered through revenue generated by the new enterprises. Later development of the fund could incorporate those benefits received by UIC recipients.

Mr. Chairman, the reason I bring this forward is that many of the programs we have to reduce unemployment are in effect training people to go and work for someone else. One of the regrettable things in our province is that we still have a very high unemployment rate, and you can't store the time of human beings. For those condemned to unemployment, I feel it's a tragedy that should be causing more concern than it is. Just last night there was another article in the Calgary Herald about people committing suicide, mental health problems, alcoholism, and all the rest of it. So I think we should be zeroing in on a program that aims at those people who are suffering the most.

To give you an idea, 80 percent of all the jobs in the province of Alberta that were created in the last 10 years were created by small businesses. Small businesses are not those companies with 100 employees or less, but more

likely those companies with 20 employees or less. In Alberta we have more businesses on a per capita basis than any jurisdiction in North America. From that point of view, I think it's a program that would sell to our people.

A similar program, aimed at the people who were unemployed, was started in Britain. The program has been more successful than their wildest dreams. Similarly, one has been started in France, under, I might mention, a communist government of all things, and it has created thousands of jobs. In Britain after four years the number of applicants for the program was five times greater than anticipated. The other interesting thing is that after the second year of operation, the failure rate was much lower than they thought would be realized. The important thing is that 20 per cent of these small businesses create 80 per cent of the jobs. For every job a small business or small owner creates, an anticipated four extra people get work in spin-off communities.

The important part I'm suggesting here that is not in Britain is that before any money is received by the recipient, they must take the training program. They must come out with what we would consider marketable business skills, and they must have a business plan.

The other interesting thing about this is that right now if you're a woman from a one-parent family and you want to upgrade your skills, you can go to the Alberta vocational institute in Calgary and continue to receive welfare while you're taking training. But if you wanted to go and open up, say, a small bakery or something, there is no money available for you as a single woman. As a woman in our society you're condemned to working for someone else.

I think this program will do two things. First of all, it will create more jobs, more opportunities in our community. Most important, it will get people off the welfare roles. Actually, the reason I'm not putting the price in here is because the program should be very minimal in expense for the simple reason that you're not giving anybody any money. In effect, they are going to get the money that they are now getting. You capitalize the year's social allowance and give it to them in a lump sum, and that becomes the capital for their operating. If, at the end of the year, they're not successful, they go back on welfare, but they would have been there anyway. At least this is an opportunity to try to get them into

the marketplace.

I'd be happy to try to answer any questions any of my colleagues might have.

MR. NELSON: I'm sure Mr. Musgreave knew I was going to get in on this one. To me, Mr. Chairman, this is a program of real socialism. I don't like using that word all the time, but it certainly is.

Chairman, I have some real difficulty with this. Mr. Musgreave and I had a brief discussion a little bit ago on a similar thing he was talking about. It goes back to the little corner store we ran by during our tour of southern Alberta that obtained a few thousand dollars from the provincial government so it could operate. Businesses are started because it is felt they have a use and that there is a need for that business in the community. In most cases they're started by entrepreneurs at their total risk. To allow government dollars, taxpayers' dollars, that are exploited from some of these small businesspeople and our hardworking middle-income citizens, to push them onto the welfare roles of the province, to get people to compete with those people who have for years been reasonably successful is just an unwarranted infringement in the natural course of entrepreneurship and risk-taking by many of those people.

In many cases people on welfare today were on welfare through boom times because they don't want to work. There are generations of people who have been on welfare because it's easier for them to sit around and collect that money than go to work. There are certainly others on welfare who are there because of necessity rather than want. At the same time, where we make the mistake is that we don't encourage these people to take on jobs that in some cases people feel are demeaning because the pay for that job is less than what they were used to obtaining. In other words, they can go out and get a job for five or six bucks an hour, and if they need to have that income supplemented to a level where they can live or exist, they just take the whole shot in welfare. We need to re-examine how we pay welfare in any event, because we need to make those people go to work or earn that money to make them feel good about taking the money.

I'm also told that in Calgary, for example, there is a shortage of tradespeople to develop new homes and what have you and that there

could be a considerable amount of construction taking place in Calgary. But there are a lot of people who are not trained to do that, or if they are, they're not prepared to go back to work at a lower salary than what they were obtaining.

I have no problem in seeing that we give everybody an opportunity to be educated, to identify their abilities, to go out and take a risk, and to develop a business, whatever that business might be -- a very, very small business operating out of a home. But if they're going to be in competition with the guy who is out there paying the high-dollar rent, taking a full risk through the banks, through personal guarantees, and what have you, and the government is going to give money to these people so they can create an enterprise in competition with those people who have taken the risk over the years ... Let's be honest with ourselves; many of these people who are on welfare today have had that opportunity and have either blown it or haven't taken that opportunity.

I think we should re-examine the social assistance programs and maybe even the re-education of some people to assist them in obtaining useful employment or letting them make their own efforts as far as going out and developing their own business. But I am totally opposed to government's financing a person to develop a business unless it is purely on an assistance program or a pure loan through the Alberta Opportunity Company, a low-interest loan through that company or through the Treasury Branches or otherwise, but certainly not a handout.

I know the motion indicates that some of these costs would be recovered through revenue generated by the new enterprises, but there are no guarantees. I think we need to be reasonably assured that for any enterprises started today that borrow taxpayers' money, especially that money I have to pay in taxes as a small businessperson, for that person to compete against me as a small businessperson, better be examined very carefully before we run off here and do something like this.

MR. GOGO: Mr. Chairman, I have the feeling you used excellent judgment in saying we'd meet until 4 o'clock today, because I think we're going to need that time. I sense some very basic philosophic arguments here today, and I'd like to begin with a response to the recommendation by Mr. Musgreave.

How short our memories are. We've just funded untold millions to produce encyclopedias for this nation. Several years ago we distributed millions of books, the collection of our history, to all schools in Alberta, and I know most members have them. Eighty years ago we didn't have social assistance. The role of the church as well as their fellow man was loud and clear in helping people who, for whatever reason, became incapacitated or unable to earn. We've evolved a long way from that.

At first blush, Mr. Musgreave's suggestion gets people's backs up, spinal columns quirking ...

MR. THOMPSON: Spinal cords.

MR. GOGO: ... and spinal cords twanging. Let me begin by saying, who amongst us should be the first to condemn an exciting idea? We have in place in this province today a system where you go to work — and this Legislature put in place statutes called workers' compensation, where no one has the option of belonging to workers' compensation because of what this Assembly has done. In consideration of an employee's not suing an employer, we established a fund whereby when you become unable to earn a living for whatever reason, we have some very special programs. One of those is remarkably close to what's being suggested here: not paying people \$20 a month but giving people up to \$200,000 in a lump sum, after we've trained them for six months in rehabilitation. As I recall, we did that on a basis — and the Member for Cardston was one of the authors — that would enable people to be trained in something and thereby have a lump sum. Instead of being on that pension forever, he had an initial lump of capital to go into business, which by any other name is the capitalization of a pension benefit.

For some reason we seem to think that is just great; that's okay. What is the difference between that type of person, who, by statute, has to be involved and covered and, on the other hand, a person who is a recipient of social assistance and who in aggregate may have paid more income tax than anybody sitting in this House today but for a variety of reasons has no means of support and has to qualify for and receive social assistance?

A second comment I want to make is that we in Alberta give a lot of lip service to the role of

families, the homemaker, housewife, or mother. We've also established in practice — and it is evidenced very clearly by this government — that for some reason we pay people based on what we perceive to be their ability. If we pay them \$97,500 a year, they're extremely capable people, which obviously says something about MLAs.

Throughout Alberta we have 450,000 kids in the school system, the majority of whom have parents. We have a system of homemakers or people we encourage to stay home and raise families, yet if their value to society is indicated by what they get paid, by our definition they're obviously worthless. On one hand we say mothers are the most valuable people we've got, yet day after day, week after week, and month after month we're seeing foreclosures in horrendous numbers because of no income. For some reason, once they receive social assistance — and we've replaced the term "welfare" with "social assistance" — there's a wrong connotation.

I suggest that we think of the second war, when the Japanese were shipped away from the coast and incarcerated in southern Alberta. If you look at the roots of many of those most successful people today — and that's evidenced by the fact that they have a hundred and fifty bucks to spend at a Premier's dinner, by the way. They came to southern Alberta. They lost everything in 1941, '42, '43, and '44; they had nothing. They went to work picking sugar beets. Today they're amongst our most successful farmers. In other words, on the one hand we have a tradition in this province that if you went to work for a farmer, you worked for several years for that farmer, got a nest egg, and then bought some land, and on and on and on. Can that be done today? Obviously, it can't be done today. Today the people who own the land can't even keep the land. So that's not possible.

We then look at modern times. Today we have something that Ontario has experienced for a long time, and it was referred to a moment ago by the Member for Calgary McCall; that is, second and third generations of social assistance recipients. Surely we have an obligation to prevent that happening if we can. We've just spent \$20 million nationwide on the Macdonald commission, making recommendations that we have a guaranteed annual income. The reason for that — again, it

gets people's backs up. There's the same attitude with some. If you have an increase in the crime rate, don't spend a hundred dollars to prevent it; spend a thousand dollars and hire a policeman. Clearly, as the Macdonald commission points out, it's cheaper, more economical, to have a negative income tax or guaranteed annual income than it is to have 27 social workers at a million dollars, if you take their lifetime earnings. So they've made some recommendations. Why don't you think about that?

The second one is that we had an experience 10 years ago in Canada: two communities where they guaranteed an \$8,000 income a year. Dauphin, Manitoba was one. If your income was \$4,000, they sent you 12 monthly installments of the difference. They saved untold millions through reduced civil service, reduced staff. When I look at the proposal by Mr. Musgreave, I see a little bit of that thinking.

Doesn't it make a lot of sense if we could just compare it with something, that something being workers' compensation? In exchange for the right to sue, you're covered by workers' compensation. The total premiums are paid by the employer. If something happens to you, you can end up being retrained and receiving a lump sum of money to re-establish your life. I would prefer to look at Mr. Musgreave's suggestion in that light. I think there's a lot of merit in what he says.

If we hear of someone on social assistance — and they've obviously got to meet criteria; let's not be naive. We're the toughest of all provinces in Canada. In this province today if you're single, you get two weeks' subsistence allowance for food and a Greyhound bus ticket to move to the next hostel. That's from Lethbridge to Calgary to Medicine Hat to Lethbridge to Calgary and on and on and on. Who do we think we're kidding? And we're talking about our future, because they're young people. When looking at this, one must be very careful. Not everybody in need in this province is receiving social assistance. If they were, there would be tens of food banks that wouldn't exist.

Mr. Chairman, I'll close on this note. I think Mr. Musgreave has an exciting idea here. You could take a group of society, numbering I don't know how many — according to the Journal last night it was 56,000 people — and somehow look

at those people, look at their weaknesses through a thorough assessment, and make some provision. We have \$870 million in the secondary education system, particularly with the colleges, to make provision whereby some of these people could take a course for whatever duration and then be given — and frankly I don't think the wording would accommodate this, Mr. Musgreave — up to 10 months or whatever in a lump sum to establish a small business. You're talking \$5,000.

Chairman, I think there's a tremendous amount of merit in the proposal by Mr. Musgreave. Although until I vote no one's going to know how I'm going to vote, in accordance with the tradition established by Premier Lougheed, I want to hear the comments of various members of this committee. I urge members not to condemn this thing at first blush. It's worthy of some consideration.

MR. R. MOORE: Mr. Chairman, as usual the Member for Lethbridge West has covered the waterfront.

I have to commend Mr. Musgreave for his innovative recommendation. It certainly has merit; I agree with Mr. Gogo on that point. But I think it's being presented in the wrong area. It shouldn't be before us in the heritage trust fund but should be examined by the minister of social services in restructuring his entire department. I think it's overdue, and this is a good recommendation to him on how he should set up his social services department. I mean that, Mr. Chairman. It's an excellent thing to go forward. If we were to make a recommendation such as this, I think it should start: that we as responsible citizens from the heritage trust fund committee recommend that the minister of social services examine this recommendation and implement it as soon as possible. However, that isn't in our mandate.

Looking at it from the heritage trust fund area, I think I have to vote against this, because it's entirely out of our area and in the area of Dr. Webber's department. I hope the mover of this recommendation will make Dr. Webber aware of the excellent recommendation for his consideration.

MR. ZIP: Mr. Chairman, I find this a very intriguing recommendation. After listening to previous speakers, there are areas I can agree with. But we are looking at several very

fundamental points that haven't been covered. One, of course, has been touched on by Mr. Nelson; that is, competition with the taxpayer. This is another scheme to create competition with his own money by other people who would be entering his business and diluting the market and lessening the return available to him, by the use of moneys he's paid to the government in taxes, which are now becoming increasingly burdensome and increasingly a problem within our economy in terms of ability to save. Growing taxes siphon off moneys that would normally be saved and be available to a businessman for expanding his business and, incidentally, creating employment and removing some of the social assistance cases we have in our society today. I object strongly to the use of taxpayers' dollars to create competition to people who are paying taxes. I think it's morally wrong. It's wrong in terms of principles, and I cannot agree with that.

The other point is that I'm a businessman. I know entrepreneurship cannot be taught, the same as self-discipline and thriftiness and money management and risk evaluation. All these things nobody can teach you. You have to learn yourself. You have to be a special breed of person that cannot be produced by sending him to school. Some of the best businessmen I know were not taught in any school. They were people that had a lot of guts. They were people that were thrifty; they knew how to save a dollar. They had good wives backing them. They didn't have any moral problems. They ordered their lives properly. They went in, as Mr. Gogo mentioned about the Japanese who were sent to the Lethbridge area to work on the beet farms. They started to save their money. They looked around, and in a little way they progressed step by step into something bigger and better, until they ended up buying \$150 Premier's dinner tickets. [interjections]

How do you generate that sort of thing with some of these people I know personally who are on welfare? They're their own worst enemies. If they're moving toward some sort of success at one point, their own families tear them down. Their friends tear them down. It's a self-perpetuating type of sickness that school or anything else isn't going to correct. If you're a person who doesn't value your own time, who doesn't value somebody else's money, I can't see how that type of individual would suddenly become a good businessman. It flies against the

qualities a person has to have to be a businessman.

Much as I'd like, from a theoretical standpoint, to see something like this instituted, my own sense of practicality says: no, it's going after the will-o'-the-wisp. Mr. Chairman, I feel I have to oppose this recommendation.

MR. THOMPSON: Mr. Chairman, I feel this is a novel idea and may be somewhat before its time. There are a few areas I have trouble with. For instance, who's going to teach the teachers? Basically, right now our society is set up so that we are all oriented to jobs, not being entrepreneurs. I find it very difficult to find anyone in the university system that can even attempt to teach entrepreneurship. As Mr. Zip says, it's the way you're built.

I want to give this example. A young fellow, 17 years old, lives in my constituency. He got five other high school kids working for him. He contracted fencing to the MD all summer long. They built fences. They have signs up on the fence saying: This fence built by Val Dudley. I am sure he doesn't have to go to school to learn to be an entrepreneur. He is already.

I don't know how we are going to find the people in the postsecondary institutions that are committed to the idea of entrepreneurship. That's one thing I have trouble with on this. I honestly believe there has to be far more emphasis in high schools and universities on this factor of our society, because it's very important.

The third requirement: that they take the social assistance in a lump sum and make it available for initial capital and operating and then turn around and make them pay back social assistance. I'm afraid most of the social workers in Alberta would say this is a retrogressive step.

I would have trouble at this time. I think this idea needs an awful lot of support and maybe a little more time spent coming up with something along these lines, because we do have to promote the idea of entrepreneurship.

MRS. CRIPPS: Mr. Chairman, I raised my hand because I want to take exception to Mr. Nelson's comments. I don't believe Mr. Musgreave's recommendation is suggesting that we create additional costs but is trying to improve the chances of making the welfare recipients self-sufficient, and I think it's a good

idea.

I also have to disagree with Mr. Zip. We're making an investment in the future. What he's discussing, whether it's in the parameters of the Heritage Savings Trust Fund committee, is another argument. But the argument that it isn't a good idea, I think, may not be in the best interests of taking a long-term look at that proposal. I think your taxes would be much better off spent resolving the problem of welfare rather than perpetuating it. It seems to me that the medicine is more palatable in this case than the cure, and I think the recommendation has a lot of merit.

I know that the department of social services is now providing self-development courses patterned on a proposal in B.C. and that a number of the people who have taken this course have in fact found jobs. That's the purpose of the course: to give a welfare recipient enough self-confidence and self-esteem and training in order to get a job, and it's working very, very well. I think Mr. Musgreave's suggestion is exactly along those lines and deserves some support. Mr. Moore may be right, that it does not fit the parameters of this committee, but what we're talking about is future, and heritage is part of it.

MR. CHAIRMAN: Would there be additional comments forthcoming before we ask Mr. Musgreave to sum up?

MR. MUSGREAVE: Some of the arguments advanced I've heard before, Mr. Chairman, and I sympathize with them. I would like to point out, though — and these are some that occurred to me very quickly — that we put \$100 million into the scholarship program, which goes to those people capable of earning scholarships, which is a very small part of our community. We put \$300 million in the medical research foundation, which is to help all of us become healthier citizens. We put roughly a billion dollars into housing, which goes to those people that can afford to pay mortgages. So there is lots of money already flowing from various parts of the fund to people projects, whether they're long-term, short-term, or whatever.

I wish Mr. Nelson were here. He gets uptight about socialism. I would like to suggest to him that we don't live in a "free-enterprise" society. We live in -- the best, the kindest word

I can use is a "pluralistic" society. I realized the other day that we've put \$600 million of your tax dollars into irrigation systems in southern Alberta, and I think it's great because it provides a backbone for that part of our province. The government of Canada — and that's us — is putting in a billion dollars to bail out the CCB. That doesn't strike me as being very free or enterprising.

Mr. Nelson mentioned the fact that the small business entrepreneur risks everything. I have a son that did exactly that this year. He risked everything. He and a young fellow set up an automobile repair shop. The net effect is that they are now about \$10,000 apiece in debt, and they're back working for someone else. So I know what entrepreneurs risk.

What I'm suggesting is that people now on welfare are, in effect, a burden on society. They are using his tax dollars to survive. I'm suggesting: why not give them the opportunity to become productive? He suggested they're second and third generation. From my experience in politics, both seven years as an alderman and 10 years as an MLA, I suggest that the vast majority of human beings — I'd put about 97 percent in that area — do not want handouts from other human beings. They want to be self-reliant, independent, doing their own thing, making their own way. They don't want handouts. If you have 3 percent of 100,000 families, you're going to have 3,000 families that don't go by the codes that the rest of us do. Is that to condemn the other 97,000?

The other remark the Member for Calgary McCall made is the need to make these people work. I shudder at that. The reason I shudder is that my father was on relief, and I remember people saying, "Why doesn't he work?" It was quite simple why he didn't work. He had no work. There just wasn't any work. You couldn't go and build fences, because nobody had money to buy fences to build in the first place, so there was no work. Suddenly war was declared, and a bunch of men in Ottawa changed their minds and there was money for everything. Why? Because the country was at war and we had to work. We had to do all the things we could do, and he was never unemployed again.

There is a book by Studs [Terkel] on poverty in the United States. You read that book. That tells you the same thing. The thing that turned the United States around more than anything else was the Second World War. In spite of

Roosevelt's programs and all the rest of it, the war was the thing that got everybody in the United States going again.

The hon. Member for Calgary McCall said that these people aren't prepared to work at lower salaries. I can sympathize with them. Is the mortgage company lowering their mortgage payments? Is the city of Calgary reducing their utility rates? Not likely. So if a person needs X dollars to work, why should he have to go and work for less? It's great to say that he should work for less, but how is he going to make his payments?

With regard to another area, we put approximately \$30 million into the small business equity corporations, which is a great program. It's successful. But I noticed the other day that there's a corporation called the Churchill organization. One of the investors in that is the former vice-chairman of the Royal Bank of Canada. Great. Another one is Olson, from the city of Edmonton. These are some of the investors in that. Their pictures are in the paper. What's happening? We're putting millions of dollars into that program, and the investors are picking 30 percent of it right off the top. I'm suggesting we look at the little guy that doesn't qualify for any of those programs.

We don't need to worry about the fact that the instructors are not acquainted with the life of the business world. I agree. MBA people are dedicated to working for large corporations and things of that nature. I'm suggesting that this would be done within our postsecondary institutes, and I understand that NAIT is already working on that very program in Edmonton.

Mr. Chairman, you as a former educator know that there's nothing so painful as a new idea. To my colleagues who say that this is a good idea but not here, I suggest that it should be handled by the small business department. Advanced Education is involved. Manpower is involved. The social service department is involved. Federal Manpower can be involved. So who is going to take the initiative and get it going? We could pass the buck and say: "It's a great idea; but not here, not today, not at this time."

Finally, I think it was the hon. Member for Calgary Mountain View -- I'm not going to let him off the hook. He said that he can't support competition by tax-funded agencies. I agree. But let's get rid of AGT. Let's get rid of the Treasury Branches. Let's abandon Alberta

Housing. Those are just three agencies I can think of off the top of my head, where your tax dollars are out there competing with private enterprise investors.

MR. R. MOORE: If that was a motion, I support it.

MR. MUSGREAVE: It goes back to my original point, that we don't live in a "free-enterprise" society, as we all like to think. We may think we do, but we don't. We are restricted at so many turns. I hate to use the expression, but a lot of people say, "Free enterprise for you, but socialism for me." If you look at the investments and the tie-ins and the support programs for all the various industries in this country that represent those people who are working, I think you can see the point I'm driving at.

In conclusion, Mr. Chairman, I appreciate my colleagues' comments, and I hope they pass the resolution.

MR. CHAIRMAN: Would committee members in favour of recommendation 45 kindly indicate your support by raising a hand? Would committee members opposed to recommendation 45 kindly signify your opposition? It's defeated, 4 to 3.

I would like to compliment the committee members who participated in the debate with respect to recommendation 45. In my view, that's certainly one of the highest quality debates I've had the good fortune of listening to since I was first elected to the Legislature of Alberta. I want to congratulate you for that.

Would there be additional recommendations forthcoming from committee members? I would now like to give you a quick review so that we all walk out of there with the same understanding of what the disposition of these recommendations is, and there are three or four quick administrative matters dealing with the committee.

Recommendation 1 was withdrawn. Recommendation 2 was carried. Recommendation 3 was carried. Recommendation 4 was withdrawn. Recommendation 5 was carried. Recommendation 6 was defeated. Recommendation 7 was carried. Recommendation 8 was defeated. Recommendation 9 was carried. Recommendation 10 was defeated. Recommendation 11 was withdrawn. Recommendation 12

was defeated. Recommendation 13 was carried. Recommendation 14 was carried. Recommendation 15 was defeated. Recommendation 16 was defeated. Recommendation 17 was defeated. Recommendation 18 was defeated. Recommendation 19 was defeated. Recommendation 20 was withdrawn. Recommendation 21 was defeated. Recommendation 22 was defeated. Recommendation 23 was carried as amended. Recommendation 24 was carried. Recommendation 25 was defeated. Recommendation 26 was defeated. Recommendation 27 was carried as amended. Recommendation 28 was defeated. Recommendation 29 was defeated. Recommendation 30 was defeated. Recommendation 31 was defeated. Recommendation 32 was defeated. Recommendation 33 was defeated. Recommendation 34 was carried. Recommendation 35 was carried. Recommendation 36 was carried as amended. Recommendation 37 was carried. Recommendation 38 was carried. Recommendation 39 was defeated. Recommendation 40 was carried as amended. Recommendation 41 was defeated. Recommendation 42 was defeated. Recommendation 43 was carried. Recommendation 44 was carried. Recommendation 45 was defeated.

Does everybody agree with that?

MR. HYLAND: Was No. 9 amended when it was passed?

MR. CHAIRMAN: Yes. Recommendation 9 was carried as amended.

Committee members, several points of clarification for administration. First of all, I would like to thank Mr. Hyland for taking the initiative in putting together the package overview that was done for a variety of committee members who participated in a tour of irrigation and rehabilitation facilities in southern Alberta for the last two days. I want to thank him publicly for taking the initiative in putting together the package and leading the tour. Mr. Hyland was involved in one day of additional work, and it is my intent to approve allowance and stipend for him for that day. I trust that meets with committee members.

Number two, it is now my intent to get to work on writing the report. The format I will basically be following is similar to the one that has been used in previous years. I wonder if members have any suggestions or thoughts on how we might improve the format. It is my

intent to go to work on putting the package together and, perhaps four or five weeks from now, have a draft circulated to you. I will then reconvene another meeting of this committee so that you could give final approval to the report. You would have the report perhaps 10 days to two weeks before the meeting, so there will be ample time for you to look at it and make suggestions and what have you.

Would there be any thoughts in terms of the format? Would you have suggestions for improvement or thoughts that it be different from before?

MR. GOGO: Mr. Chairman, with regard to the format, the content, and the quality, when one considers the uniqueness of this committee — people have called it a watchdog committee — and if one just thinks back to early August and the members of cabinet, including the president of Executive Council, who have come before this committee as witnesses, I think this is a most important committee of the Alberta Legislature. Because of that, we're going to publish a report. In terms of the detail, I think that report is self-explanatory. We've made those decisions and they'll be printed.

However, I think the quality of the report, in terms of its material and so on, is very significant. It would be my suggestion that the report not be a series of xeroxed pages but that it be equal in quality to the annual report of the fund itself, because I think it complements the fund. I suggest that in my view, anyway, the quality of the report, in terms of the materials, be similar to that of the annual report of the fund. If we don't have the photos of the members of the committee in there, it would certainly be my wish that the chairman's photo be in that report.

Thank you.

MR. R. MOORE: If that was in the form of a motion, I second it. I am completely in accord with what Mr. Gogo said. In addition, I was on the Senate reform one that came out. It was a high-profile report, and it was given that in the format.

MR. CHAIRMAN: We have certainly followed the process of simply providing xeroxed pages in the cheapest possible way. We're dealing with a \$14 billion entity, and looking at the quality of the reports of so many other agencies funded by

the Heritage Savings Trust Fund and of this select committee, I have thought for a great number of years that perhaps it might be appropriate just to highlight it with a little more improvement than we've had in the past. I think that's a very good suggestion, Mr. Gogo and Mr. Moore.

MR. GOGO: Mr. Chairman, I appreciate your affirmative answer. I don't know of any corporation that has \$14 billion or, ignoring deemed assets, \$12 billion, and the number of directors, which number 79 in this Legislature, that puts out a xeroxed annual report. So I feel very strongly, Chairman. All the work that you and the committee have done certainly merits a report equal in quality to the annual report of the fund itself.

MR. CHAIRMAN: Several members have come to me in the past and indicated why the attendance of the members on this committee would not be included in the report. In the past I have made the argument that it has certainly not been a tradition of the Legislative Assembly itself to indicate who is or is not present at committee meetings, but I did indicate that I would raise it in the committee in terms of whether or not it's important to have that included.

The last comment I have on this is that my intent would be to have this available to you in draft form towards the end of October. I anticipate that committee members would be supportive of the request that I as chairman of this committee would be forced to make when I come back and say that I spent X number of days working on your behalf with respect to this committee and that you'd approve the various expenses and what have you. I suspect that it will probably be in the neighbourhood of 12 days or something. That would be affirmative? Otherwise we'll hire a consultant to do it for us.

MR. GOGO: Will it be done in Alberta, Mr. Chairman?

MR. CHAIRMAN: It'll be done in Edmonton and Barrhead.

MR. R. MOORE: Mr. Chairman, we'll look at the quality of the report.

MR. CHAIRMAN: That leads us to the next

stage of this. It will be my intent to have this draft to you by the end of October, and then we would certainly be meeting sometime during the first or second week of November, when final approval would be given by the committee.

In the past several months several committee members have made suggestions about the need to do this or the need to do that. We had one today. I think it was Mr. Musgreave who indicated that it's very important for us to understand what's happening in Saskatchewan and that it may very well necessitate a meeting with officials from Saskatchewan who are administering that fund, so we might ascertain some additional information.

If you have any suggestions whatsoever with respect to things that you as members of this select committee want to see or be involved in, would you kindly let me know in the ensuing weeks so that we might even have something planned during a winter schedule? Remember, this is a standing committee; it reports only to the House. We will make our own decisions as to what we're going to be doing.

Various committee members have certainly indicated the need to see the Walter C. Mackenzie science services facility and to spend the necessary time getting as thorough an understanding of that as possible. Other committee members have indicated some other things over the last several months: the opportunity to view Syncrude Canada Ltd., the Paddle River dam, and certainly the last several days with respect to the irrigation tour. Most members have said that this is not only important but should be a requirement of committee members.

I thank you very much for your professionalism over the last several months. I apologize if there were occasions on which the meetings perhaps conflicted with other things, but I recognize and know you all recognize that in terms of the importance of committees created by the Legislative Assembly of Alberta, this one certainly would have to rank number one. All members of the committee were elected by their colleagues in the Legislature. We are bound to report to them, and we will of course do that.

I thank you once again and bid you well in the ensuing days and weeks.

[The committee adjourned at 3:12 p.m.]

