

[Chairman: Mr. Oldring]

[2:08 p.m.]

MR. CHAIRMAN: We'll call the meeting to order and begin dealing with recommendation 5. I think it would be appropriate to pass over recommendation 5 in light of the Member for Pincher Creek-Crowsnest not being here.

MR. GOGO: The one that's matched is Mr. McEachern's, and he's away as well.

MR. CHAIRMAN: Right.

MR. GOGO: Is 44 the one that's with 5?

MISS CONROY: Yes.

MR. GOGO: Shall we go to 8?

MR. CHAIRMAN: We can't do that one either.

MR. GOGO: I guess 9.

MR. R. MOORE: Stan isn't here.

MR. CHAIRMAN: Recommendation 24, the Member for Chinook.

MR. KROEGER: That's Stan's. No comment. Next?

MR. GOGO: Could I ask Mr. Kroeger a question?

MR. CHAIRMAN: The Member for Lethbridge West.

MR. GOGO: I am interested in which hospital beds he's referring to. Do we just fund the Mackenzie centre and the children's hospital, or are there others under the heritage fund? That's just a question.

MR. KROEGER: This is all-encompassing. By throwing it in here, I thought we could do it to the degree that it could apply to the heritage trust fund. But in discussion with the minister I suggested that it could have been the whole system.

MR. CHAIRMAN: Any further discussion?

MR. KROEGER: I might mention, Chairman,

that I had a discussion with a hospital board chairman about this and was startled by the comment that this could work a hardship from a funding point of view. That triggered a question, which was: would you do better if you had no patients at all? The answer was yes. They'd be funded with no patients, but with auxiliary they would lose money. So we really do need to look at the legislation.

MR. PIQUETTE: We're on 24?

MR. CHAIRMAN: That's correct.

MR. PIQUETTE: Our party would support that recommendation. We asked that question of the minister just a couple of weeks ago, and I think there's definitely room for that recommendation to be implemented. To some extent some of our senior citizens' lodges don't provide the kinds of services for a lot of the patients in those institutions.

MR. HYLAND: You're on a different one.

MR. GOGO: You said hospitals, and he's talking about lodges.

MR. HYLAND: You're one too soon, Leo.

MR. PIQUETTE: Am I?

MR. HYLAND: You're talking about 25.

MR. PIQUETTE: Okay.

MR. CHAIRMAN: Any further discussion on 24? If not, we'll move on to recommendation 25 and recognize the Member for Lacombe.

MR. R. MOORE: Mr. Chairman, I covered this fairly extensively when I brought it up with the minister on November 18. However, I'll underline those points again.

When our senior citizens' lodges came into being, there was a great need for them and they played a major role in our communities in providing proper care for our seniors. Over time, however, a lot of other programs have come in, and our thinking has changed. Our thinking now — and I think it's the correct way to go — is that we should do everything possible to keep our seniors in their own homes. We've

done that through a series of programs. We gave them tax allowances. We gave them home repair programs so they could repair their homes and stay there. Then we have the home care program, where people come right into their homes and help them. That allows our seniors to stay in their own homes, where they're happy and where they want to be, to the point now that when they can't stay in their own homes, they bypass the senior citizens' lodge area. When they can't look after themselves in their own homes with home care and the other programs we have, they are ready for the nursing home.

We see the need for and the role played by senior citizens' lodges changing. It has now changed to where I think we should be looking at those beds in those facilities being utilized in another way. I don't say to change them altogether, but there is an area we can change; that is, change a portion of those beds in those facilities to nursing home beds. We find that a lot of nursing home cases are presently in the lodges by default. There's no place to move them; we haven't got the nursing home beds. The situation I have just described created that. We've kept these people in their own homes, and they stay there to the point that they're making heavier demands on our nursing home facilities.

I'm recommending that wherever it's feasible, we consider that it's a responsible utilization of beds to change so many beds in those various senior citizens' lodges to nursing home beds to accommodate our change in need.

MR. CHAIRMAN: Any further discussion on recommendation 25?

MR. HYLAND: Mr. Chairman, speaking as a member from an area that has a hospital with several levels of care and a lodge with self-contained units adjacent and also as chairman of the Health Facilities Review Committee, I'm a little concerned when the motion says to change it to nursing home beds. There's a big difference between lodge care and nursing home care. But there's a whole lot of intermediate care -- just simple things like assistance with dispensing drugs or ...

MR. PIQUETTE: Recreation programs.

MR. HYLAND: Yes, or oxygen. Some of the

medical stuff is very minor, but because of the way lodges are set up, we're forcing those people out of them into a nursing home or an auxiliary hospital. They don't really need to be there per se. They can still look after themselves, they can still get up and dress themselves and everything else, but they have trouble with medication or something like that. If we just changed the lodge program a little -- it doesn't have to be changed very much but just a little bit -- we could cover off a whole lot of things that would keep people out of nursing home beds and allow those who really need the nursing home beds to get into them.

So I'm a little concerned about the motion. I know it's not the intent of the member, because we've had several discussions about this, to go right from a lodge, where they're motivated and can move, to a nursing home bed, where they can't. I think we're on the same wavelength; we're just using a different description of it. I think the member and I are after the same thing, and if he wants to comment after me, fine. It's just a change of words. Like I said, if we go to strictly a nursing home thing, that's something wholly different that would totally change the lodge. A little bit of extra nursing care -- some places we have home care coming in. Sometimes that does it. Sometimes we need just a little more than that to cut down on people in nursing home beds and not detrimentally affect those in the lodges, so they're still in the home they've become accustomed to. I think it would work quite well.

As I said, in Bow Island we have a lodge, an auxiliary wing to the hospital, and a medically dependent wing, where some of the people have been brought out of Baker Centre. It all works quite well together. Nevertheless, there are still some cases that need a little more care than the lodge and less care than the auxiliary hospital. That becomes a problem, and I think that's what we're all after, except that I have trouble with the wording.

MR. PIQUETTE: You may be right in your comments, but in speaking with some of the hospitals, right now the relationship between lodges and hospitals -- there are a lot of programs that should be put in. For example, the recreational, drug dispensary, and home care types of service should be made available in the lodges. At the present time they are not

available there. It seems that with the building of apartments, a lot of the people who used to consider lodges as suitable places to live have moved out of those into self-contained apartments, and what we're left with in the lodges very often are people who are incapacitated in some way. Really they belong in a nursing home situation or at least a cross between a nursing home and what you're saying. Maybe the lodge program should be changed so that it allows that kind of conversion to take place. I guess it's a matter of definition of what you mean. I would agree that that possibility should be there for the conversion or at least the program changed so that a different delivery of service is possible in the lodge.

MR. R. MOORE: Just a few comments, Mr. Chairman. First of all, the Member for Athabasca-Lac La Biche brought up that home care isn't available in lodges. It is. They go into our lodges. I don't know why they aren't going into his lodges. They're forced in there because we have cases that require that, and they have no nursing home beds to take them to. So it is a situation we're faced with.

I think the Member for Cypress-Redcliff and I are on the same wavelength. But I look at the wording: "nursing home beds wherever such change is indicated as a responsible utilization of facilities." I think that's what we're looking at, a responsible utilization of facilities. I feel we should do that. I see no problem with a wing of a nursing home -- it seems they've all got wings they can set up in that area or another in a normal senior citizens' lodge setup. That could be handled very well. Right now some of them are putting some of those that require that type of attention in wings by themselves. They're in there where they can't come to the tables, they can't do this, and they have to get this medication. If we combined it all and put in some nursing home facilities with the staff to handle it, it would be a lot better use of money than building the freestanding nursing home facilities we're being asked to provide now. There's a great demand in every constituency for more nursing home beds. I think it's just utilization and using a commonsense approach to what we have now.

MR. CHAIRMAN: Any further discussion on recommendation 25?

MR. KROEGER: Mr. Chairman, I require some clarification on this topic. You made some comment about drugs and the cost and this kind of thing. To convert does require some staffing changes, apparently. They're not insurmountable, but they have to be made.

MR. GOGO: That doesn't change the principle of what he's after.

MR. HYLAND: In respect to the comment from the Member for Chinook, it's not total, but a lot of it is -- the capital may not be that great; the staffing may be. It's a lot cheaper to have people in that sort of facility than the daily cost of a nursing home.

MR. KROEGER: I agree. It's just that I think that has to be [inaudible].

MR. GOGO: Chairman, if I could just mention 31, it could be appropriately discussed with 25. I think, Mr. Moore, you could appreciate that two different ministers now handle those houses.

MR. R. MOORE: Agreed. It's very much related to it.

MR. CHAIRMAN: Twenty-five and 31.

MR. GOGO: I would think that's related.

MR. CHUMIR: I would like to say that I share the sentiment inherent in recommendation 25 and, indeed, 24: that we be as flexible as we possibly can to get maximum optimum usage of our facilities. I have several observations. One is whether or not this is an appropriate function for the heritage fund per se. The more I look at the whole thrust of the heritage fund and the perceptions of directions that it should go, the more I am inclined to think that things of this nature, where you're dealing with ongoing programs in the departments of hospitals or Social Services or community health, should be based on a thorough policy assessment relating to the department as a whole and should be subject to the normal disciplines of our budget process and our policy planning.

The drift of the direction of our recommendations, particularly the ones that were put in this morning, is to perhaps narrow the focus of the heritage fund so that it isn't all

things to all people, it's more readily understandable, and to get this type of investment out of there. So I like the sentiments and the direction. I think there is sound thinking there, but I have reservations about the use of the heritage fund.

The second brief observation I have is just to hope that we will become increasingly conscious of what I know you've all been hearing recently, the need to improve our assessment and treatment programs to enable more people to remain in lodges rather than going to nursing homes. We have one of the highest, if not the highest, percentages of seniors in nursing homes of any country in the world. I think that to some extent it's because we've had the money over the last 10 or 15 years to build these homes and haven't put enough focus into the programs for keeping people in their homes.

In terms of how important this is, I like to project 20 years down the line or whenever I may be in a situation of approaching a medical practitioner with some health problem. I would very much like to see in place those types of programs and experts and people who would be able to do something for me to enable me to stay in my home and not go into a nursing facility. It's much more humane, and it's also much cheaper. I think it's very important that we all redirect our focus as much as we can in that direction very quickly.

Thank you.

MR. HYLAND: The Member for Calgary Buffalo raises some interesting comments. Some I agree with; some I have problems with. In the last few years in Alberta we have come out with a whole bunch of programs to keep people in their homes, maybe too many in some cases. People get their homes fixed up and can stay there with home care and home adaptation, et cetera. Maybe what we've done, be it wrong or right, is taken the responsibility of looking after the parents away from the rest of the family. The state has taken that over. Maybe that's our big mistake. Maybe that's why when they go from this stage, they go into a nursing home rather than into a lodge. How you do it I don't know, but maybe we have to somehow get the family involvement back in this thing. I know cases where a family is involved. They go to see their people in the nursing home. I know other cases where nobody goes to see them. They just ignore them in there. They're away;

they're out of their way. Maybe we have to get that involvement back in, and that will settle some of the situation.

MR. CHAIRMAN: Any further discussion on recommendations 25 and 31? If not, we'll move on to recommendation 26. The Member for Cypress-Redcliff.

MR. R. MOORE: Are we doing 31?

MR. HYLAND: We lumped that in together.

MR. GOGO: We already talked about that.

MR. R. MOORE: You don't want any comment on that?

MR. GOGO: I do, but I . . .

MR. CHAIRMAN: Actually, it's lumped in with recommendation 23. The Member for Lloydminster isn't here, so it might not be appropriate to discuss it at this time.

MR. HYLAND: Well, 25 and 23 are totally opposed.

MR. CHAIRMAN: Twenty-six and 23.

MR. HYLAND: Twenty-six. Okay.

MR. CHAIRMAN: So it would be appropriate, I think, to have the Member for Lloydminster here to be able to participate on both sides of the discussion. If it's in agreeance, I'll move on to recommendation 27.

MR. HYLAND: Mr. Chairman, we could do that. The other thing that I was wondering, now that the Member for Calgary Buffalo is here, is if we could go back and sort over the other recommendations. I would suspect that the Member for Lloydminster would have some comments on my motion as well, seeing as they're opposite. Maybe we should have those two together, because we could express one view now and have to turn around and express totally the opposite view. One says that it be capped and the other says that it be raised 5 percent.

MR. CHAIRMAN: That is why I suggested moving on to recommendation 27.

MR. HYLAND: Okay. I think 27 is self-explanatory. That comes up from the minister's comments related to the land reclamation projects that are being carried on. I didn't put a dollar funding on it because I didn't know what dollars would be available if any. That's why it's suggested that funding be determined when moneys become available. In support, I think it's probably one of the trust fund programs that hits just about every constituency in recovery of old gravel pits, garbage dumps, et cetera. In total dollars the whole program wasn't big percentage-wise, but the dollars affected a lot of places.

MR. PIQUETTE: When is that program finished? Is it this year?

MR. HYLAND: Is it this year or is it next year? I'm not sure if this is the last installment; next year may be the last installment.

MR. PIQUETTE: I thought it was '87.

MR. HYLAND: That might be.

MR. GOGO: I want to ask the Member for Cypress-Redcliff: where is that shown in the capital projects division in the financial statement?

MR. HYLAND: It's under Environment.

MR. R. MOORE: It's under Environment under landfills and gravel pits.

MR. CHUMIR: It's on page 28 of the annual report.

MR. GOGO: Under land reclamation?

MR. HYLAND: Land reclamation, yes.

MR. GOGO: Could I ask a question, Mr. Chairman? I'm not very familiar with that. At Glenwood, Alberta, for example, Alberta Environment, through the heritage fund money, reclaimed a gravel pit. Is that municipal land, private land, or Crown land, or does it matter? Capital City Park I understand; Fish Creek I understand. I don't really understand -- they put money into this. Who actually owns the title? Do you know?

MR. HYLAND: In most cases -- I wouldn't say all cases -- the title would be held by the Crown or by the municipality.

MR. GOGO: So not private land?

MR. HYLAND: I wouldn't say never on private land, but in the vast majority on the other two. I cannot honestly say never on private land.

I think the chairman gave an example where land reclamation and the parks program was used in Red Deer. That was a combination of both, wasn't it?

MR. CHAIRMAN: That was actually all city-owned land.

MR. HYLAND: That was city-owned land, yes.

MR. R. MOORE: Mr. Chairman, in the county of Lacombe it was all county land.

MR. GOGO: The reason I raise it, Mr. Chairman, relates back to the first recommendation, and that's the business of the deemed assets being shown. They appear to be assets. I question whether Waskasoo Park or any other park in the city of Red Deer could be legally sold by the Heritage Savings Trust Fund. That's why I raise that.

MR. PIQUETTE: It should be a park that general revenue in terms of perhaps the . . .

MR. GOGO: But puzzling.

MR. CHUMIR: Mr. Chairman, my comment will turn out to be a veritable chorus of comments on a number of these recommendations, and that is a comment similar to the last one. I'd like to suggest to the committee that whatever the merits of projects of this nature, they not be done in the heritage trust fund, that we move back to the discipline of departmental choice -- the Department of the Environment, economic development, or whatever department is responsible for this type of thing -- and have that department make that choice within the competing projects and budget parameters of the department. That would be my comment on this project regardless of the merits and benefits that one can see.

MR. PIQUETTE: I would also want to indicate that I think what we're doing too much of here is taking out of the heritage trust fund capital projects that really should be part of the normal minister's budget consideration. If we start funding all these little individual projects, the government has difficulty in terms of coming up with an overall plan, a list of priorities. You're taking money out of the trust fund that could be -- if you're capping the heritage trust fund, the surplus interest rate, et cetera, is flowing back into the coffers of the government anyway and then that could be subdivided among all the government ministries. For example, we're not on 28 yet but the adequate funding for grazing reserves is now funded under the general revenues. Now we're advocating that it be funded under the heritage trust fund?

MR. R. MOORE: No, it's out of the heritage trust fund.

MR. PIQUETTE: I was told when I called up the department last week that the clearing of grazing leases for pasture is under the general revenue.

MR. R. MOORE: That's not grazing reserves; that's grazing leases. That's a different program.

MR. PIQUETTE: Okay.

MR. CHUMIR: Might I add another more global thing of concern, and that is that I think we have to be careful. A lot of these recommendations relate to increased expenditures of money. On one hand, we see a lot of very important social programs being cut and a great deal of distress, and on the other hand, at one and the same time, another arm of government in this form is recommending other expenditures. I know it's very difficult. A lot of these things are extremely worth while, but as a matter of philosophy my suggestion for this committee would be very much to rein in on that type of recommendation and proposal at this time. I think you'll note that in the recommendations I have presented, there are structural ones and to some extent a few money-saving ones but not looking for new ways to spend money. I think that is a realistic attitude, and I'd be very much inclined to recommend that to this committee generally as

an overall approach.

MR. GOGO: That's the argument you use in 26 when we come to it.

MR. HYLAND: I think that's why I put the phrasing as I said previously: "funding to be determined as moneys become available." I think it's a worthwhile program, but do we have the dollars now?

MR. CHUMIR: Sure.

MR. R. MOORE: Mr. Chairman, we're talking about whether this should come out of general revenue, and the Member for Calgary Buffalo brings it up on a majority of these. However, when we look at these projects, most of them are put through the heritage trust fund because they were things we weren't doing with the general revenue fund. It's in addition because we had the fund there to do it.

On 27, land reclamation, it isn't saying that we're introducing a new program. The Member for Cypress-Redcliff is saying that we continue with the land reclamation and not cut it. I would take it that the Member for Calgary Buffalo is saying that we should cut it at this time. I just wonder if he's saying that this should be cut at this time. This is a program that had been carried out under the heritage trust fund, and it was something that was in addition to what general revenue was doing. General revenue wasn't reclaiming; that's why we had 50 years of old gravel pits and landfill sites scattered across this province that were never reclaimed. This was a case where we took the extra money we had through the heritage trust fund a number of years back when this was started to catch up that backlog. But now do you say it should be discontinued?

MR. CHUMIR: Let me say two things to that. One, in a technical sense it's not clear whether the moneys have run out now or not. That's not really my point. My point is -- and this is why I suggest it -- that these decisions should be thrown back into the department. I can't make that decision now. I don't have on the table before me all the competing features and the money available. I don't have to make that choice. It's easy for us, apparently, because we seem to think we have the money. We don't

make the choices, and that's where the fallacy, one of the problems with this fund, has been in the past. You look at the money and you get a money push into something. We're now into a different era. That's why I think that structurally we shouldn't be the body to be making this type of recommendation. We should be throwing it into the department and saying, "You should make it in terms of your market discipline," if I can use that term, because it is almost a market discipline. They have to raise the money for it.

MR. R. MOORE: Just to get back to the member's question, I think what we are discussing here is the land reclamation program. If you read the motion, it says, "determined as moneys become available." We aren't questioning the amount of money; if it isn't available, it doesn't go. We're questioning the value of continuing land reclamation. Is it a valuable program or isn't it? It was started and carried out under the fund. If we now feel that we haven't the money, then it becomes somebody's responsibility or it drops like it was before the heritage trust fund got in there and nobody does anything with it.

MR. PIQUETTE: I think what we're saying is that instead of the heritage trust fund dictating the priorities of a government by funding some special projects, if we as MLAs feel that these are very worthwhile kinds of things -- land reclamation of areas where you want to make sure that the environment is not abused or left in disarray -- we should be speaking up to our Department of the Environment to make sure that those policies are set in place so that they will consider that part of their mandate. Really we're just shifting money out of one pocket to the other here. This money is coming out of the heritage trust fund, which as well as general revenue is really taxpayers' money. To some extent the heritage trust fund has become a way to fund special projects as opposed to those special projects being part of government policies and mandates out of various ministries. I think that's basically what we're saying here.

MR. GOGO: I take exception to that comment, Chairman. The purpose of the capital projects division was to provide long-term social and economic benefits to Albertans. No one's

questioning today that if TransAlta wants to mine some coal, they've got to remove the overburden, remove the coal, and put the land back to its original form. There's no quarrel about that. The Department of the Environment ensures that that's done. We're talking about pits around Alberta abandoned 50 to 100 years ago, and in my opinion there is no way that Kowalski's department, faced with priorities, is going to have to go in and not even know who the owner was at the time. The purpose of the heritage fund was to take those areas of Alberta, based on the criteria for the capital projects division -- i.e., long-term social and economic benefits to Albertans -- and restore them to their protected capacity before they were all mined out.

I think the heritage fund is the appropriate place for that, because it's a long-term economic and social benefit to Albertans. I have no quarrel with that at all, and as it has been put, if and when moneys become available. I have no trouble with that at all. I think we should be very clear. That's not a departmental responsibility out of their regular operating budget, nor should it be, because if it is, out of 100 priorities, I'll guarantee it's 101.

MR. CHUMIR: I'll kind of retreat from the field of discussion on this matter. I had something to add, but I think that we're almost discussed out on this one.

MR. PAYNE: Mr. Chairman, my comment relates not in a specific sense to the draft suggestion before the committee but rather would apply to all of the suggestions. In so doing, I express agreement with the previous comments by the Member for Lethbridge West. By way of further response to the comments by the Member for Calgary Buffalo as well as the Member for Athabasca-Lac La Biche, who argued that departmental officials are better positioned to determine priorities and that that's where these additional dollars should be, as a part of departmental estimates rather than in the heritage fund, had that argument prevailed four, five, or six years ago, we would have seen mammoth escalations in departmental budgets. As we move into an economic downturn such as we're now facing, where departments are required and requested by the Premier and the Provincial Treasurer to put the lid on expenditures or even to try to

find reductions, imagine how difficult that would be. Look how difficult it is for ministers right now. But had they had these mammoth escalations in the past, following the suggestion of the Member for Calgary Buffalo, it would be just a catastrophic demand being placed on ministers now, from which I infer that that's another rationale for the logic of the heritage fund and the way it's been handled.

MR. CHAIRMAN: Any further questions on recommendation 27?

MR. CHUMIR: Let the record show that the Member for Calgary Buffalo is laughing. I find that argument very, very difficult to understand. For example, let's take the hospitals. What difference would it have made if you had decided that you were going to have the Foothills, the children's hospital, and the miscellaneous cancer estimates . . .

MR. GOGO: But that's not a gravel pit. Come on. We're talking gravel pits.

MR. CHUMIR: No, no. That is a valid example. If the hospitals had been constructed as assets of the department of hospitals, they'd have been once and for all expenditures at that point in time and we would be faced with exactly the same situation and operating burden. That's really the problem with our hospitals now; it's the operating costs. So I fail to see why these capital investments, once put into the normal budgets and put through the discipline -- I would hope not of the bureaucrats; I would hope the minister has something to say about those things. I can't see why that isn't a better and more sensible way of handling things, particularly now that we realize that we have some budgetary constraints. I don't think we're realizing and recognizing that.

I guess I'd throw to the government members here that that's one of the criticisms that we make of you, in all honesty, and that you are continuing to face here: that you have been very slow to recognize the problems. Once again we're seeing this slowness. Everything has changed. We really have a very difficult time, and a lot of these resolutions don't quite focus in on that. That's why I'd like to suggest that we really have to focus in now, not later. We're well into the problems. They're not just

starting.

MR. CHAIRMAN: Once again the Chair has shown a lot of flexibility in allowing some very interesting debate . . .

MR. CHUMIR: I haven't had this much fun in a long time.

MR. CHAIRMAN: . . . but perhaps we can get back to addressing some of the 68 recommendations that we have before us. Is there any further discussion on recommendation 27?

MR. HYLAND: Mr. Chairman, I didn't think that such a small, simple recommendation would engender so much discussion.

MR. CHUMIR: It's philosophy, basically. There are all kinds of philosophical problems.

MR. CHAIRMAN: If not, we'll move on to recommendation 28.

MR. R. MOORE: Mr. Chairman, we're looking at the grazing reserves. Because there is evident misunderstanding between a grazing reserve and a grazing lease, I'd like to point out that they are two different programs altogether. We're mixing the two together every time we discuss grazing reserves. Grazing reserves are totally under the control of the government. They run them and operate them, and they provide a very worthwhile service to our cattlemen across the province, especially in central Alberta, where I come from. They're widely utilized, though not as widely as I'd like to see them, because in the reserves that are within geographic distance of our cattlemen to utilize, there just aren't sufficient acres to handle the demand.

We have another phenomenon that comes up. Because there are inadequate grazing reserves we see Forestry, in their wisdom, opening up different tracts in our green areas northwest of Rocky Mountain House and allowing ranchers to put in so many head. It goes in there, those cattle compete with the wildlife, and we have a conflict between the outdoor people and the hunters and fishermen because these cattle are in there. It's a continual battle. I've had occasion to go out there and look at some of the damage the cattle

have done in these areas. It's a very fragile environment they're in, and they have destroyed it to some degree. I disagree with our experts who say it isn't overgrazed; I think it is. But that is because we have not enough grazing reserves. I think we should, if funding is available, provide the money so that these grazing reserves can be expanded to meet the demand. Again, it's within the area of the funding being available.

MR. PIQUETTE: You say there is a difference between a grazing reserve and a grazing lease, but really in both cases the government owns the land that both programs operate under. Here we have the grazing reserve, which is again to the benefit of the rancher or the cattleman, funded as a pet project out of the heritage trust fund, but the grazing leases are now jointly funded 25 percent by the owner and 75 percent by the department of forestry, land division. Why do we make that kind of distinction in the way we are funding these two programs? When you really come down to it, they are both the same in the sense that they are there to expand the cattle industry, whether it's an individual farmer who has a grazing lease from the government as Crown land or whether he and a group of ranchers are going to move their cattle to a grazing reserve. There's not too much difference, because the intent of it is to provide more grazing space for the cattle industry in Alberta.

I really find it difficult to understand why we have expenditures from the trust fund relating to grazing reserves and not for grazing leases. In my mind both should come from the same pot or both from general revenues. I would recommend again that they be both from general revenues and that they be given similar priorities, because I think grazing reserves are more appropriate for certain parts of the province and grazing leases more appropriate for the northern part of the province. If you start looking right now at the fact that the grazing leases have been cut back this year but not the grazing reserves, because they are funded from different money sources, it's unfair. That's what happens when you have a program divided up between trust fund funding and general revenue. There is really no ministerial control over both. You really have discrimination. One group of farmers will probably have additional grazing reserve land

for their cattle to feed on, and in northern Alberta there will be a cutback in terms of grazing leases opening up. Am I correct on this?

MR. R. MOORE: No. Do you want to speak on it first?

MR. HYLAND: I guess this discussion goes back to when we were discussing this when the minister was here. It goes back to the difference in the reason why grazing reserves were started under the trust fund, and that was that in general terms there are really no reserves roughly north of Calgary, or maybe a little south of Calgary and north through the whole province. There were some reserves south of there, two or three of which I've got in my constituency. There hadn't been any reserves started for many, many years except those in the north, with one exception. That was in 1969 when an Act of the Legislature was passed that ranches couldn't be of a size in excess of 500 or 600 head; I forget which it is. So a number of ranches in southern Alberta were carved up, and as a result of that there was sufficient land left to start another reserve. The cost of that reserve compared to a reserve in the north was a lot less because it was just a matter of fencing; the land was already there and developed.

I guess it's a judgment thing, back to what Sheldon was on about earlier. The trust fund reserve was something that was mostly zeroed at the beginning or small farmer and their ability to get cattle onto a reserve and the development of those reserves in the central and northern parts of the province. If this is continued as previously, those government grazing reserves are government or department generated. I mean they go out and start it. They pick a site, talking to whoever, and they generate it. They start it. They know what their budget is, and then they generate what they're going to do with that budget.

The improvements to leases are generated by the person, the lessee. The government doesn't go out and say, "Leo Piquette, you improve your lease." Leo Piquette has to come to the department and say: "I want to improve my lease. I want to do this and this. I think it's going to cost me this and this," and you do it. If 75/25, or whatever, is the right share, it's done on that share, and I think that's the difference

between the two. The grazing reserve program is department generated on request of people in the area. They generate it, but the lease one starts from the lessee wanting to improve his lease. He has to put in some bucks. The people who are in the reserves don't have to put in capital bucks; they have to cover it in the operational cost.

MR. PIQUETTE: I figure that's discrimination. I really think it is, because it still comes out as Crown land. You say a department of government is generating these grazing reserves, but they are generating these needs because of a demand by individual ranchers in the area. That's the same thing as a grazing lease improvement, where you've got an individual who's making a request for improvement of that lease. It's really still the same thing.

MR. HYLAND: It may be discrimination, but the guy who is benefitting in most cases is the small guy who's trying to get started. He can get in on a reserve without investment. If you've got a lease and you want to improve your lease, you put money in for an investment.

Anyway, I've said enough.

MR. CHUMIR: Mr. Chairman, I just want to say that in respect of this recommendation, I would like to associate myself with my comments on the previous recommendation.

MR. HYLAND: I already did that.

MR. CHAIRMAN: Discussion by association only.

Any further discussion on recommendation 28? Perhaps we can go back, now that some of the members who weren't here earlier are here, and we can begin with recommendation 8.

MR. PAYNE: Mr. Chairman, you and the members may recall that at the time I tabled this recommendation as a draft, I took some time to speak to it. I'm not so sure that a repetition is warranted. Let me simply say that the lifeblood of the investment brokerage business is commission income. When the commission income is strong and growing, that attracts technology in the form of advanced equipment, it attracts professionals, and it attracts additional subordinate staff who can be

trained. In other words, all the trappings commensurate with growth result from the strengthening of that lifeblood. When that lifeblood is diverted, albeit inadvertently or unintentionally, to central Canada, that's where the attendant growth is. The intent of this proposal is simply to maximize the growth possibilities wherever feasible through the mechanism of investments made in the equity market by the Heritage Savings Trust Fund.

MR. CHAIRMAN: Any other comments at this time in reference to recommendation 8? If not, we'll move to recommendation 10.

MR. CHUMIR: Perhaps I might add my comment to 8. In this instance I would like to associate myself with the comments of Mr. Payne.

MR. HYLAND: Now you're in trouble.

MR. PAYNE: No thanks.

MR. CHAIRMAN: The Chair appreciates the brevity of the Member for Calgary Buffalo and now recognizes the Member for Calgary McCall on recommendation 10.

MR. NELSON: Mr. Chairman, considering the changes that were made to my motion, I think I'd better reread it into the record so that it's straight: be it resolved that the select committee on the Heritage Savings Trust Fund recommend to the Alberta government that it make available \$100 million annually for each of the next five years for dedicated research and development focused on the goal of reducing the cost of production of oil and gas.

First of all, Mr. Chairman, I know we're dealing in an era of restraint and difficult-to-come-by dollars, and I do not put this motion before the committee lightly. It should be noted that since April 1973 the government of Alberta has spent a total of \$3.327 billion on incentive and assistance programs. I would like to read into the record some of these programs, their take-ups, and the budgets. The exploratory drilling incentive system, between April '73 and March '86, has had a take-up of \$800 million. The geophysical incentive system, from April '75 to July '85, has been \$225 million. The Alberta petroleum incentive

program, from January '81 to December '86, is an estimated \$2.1 billion. The exploratory drilling assistance program is \$92 million, with a budget of \$300 million. The development drilling assistance program is \$66 million, with a budget of \$100 million. The take-up for the well servicing assistance program is \$27.5 million, and the budget is \$50 million. Another geophysical assistance program has a take-up of \$16.6 million out of a budget of \$50 million. Tax royalties, reductions, and credits, et cetera, implemented in August 1985 were forecast to cost some \$1.3 billion annually in total. Of course, it's very difficult to get an actual cost for these programs.

In essence, in relating those figures to you, with the amount of money that's actually been endeavoured to be poured into much of the oil and gas industry in Alberta, \$100 million transferred maybe from one of those types of programs into a program that may develop technology for the efficient development of oil and gas reserves in a better manner than is being done now . . . I have a written piece here. Rather than read it, maybe I should just give it to the secretary to enter into the record. If you would rather I read it into the record, it will take a few minutes.

MR. CHAIRMAN: No.

MR. NELSON: If not, I would like to give it to Miss Conroy to place in the record, and then we can have part of this argument sent around to the members of this committee as a discussion piece. What is your pleasure? I'll read it into the record if you so desire.

MR. PAYNE: That's not my pleasure.

MR. CHAIRMAN: I'm sure Miss Conroy will be happy to pass on copies of that information to the members prior to having to vote on the decision.

MR. NELSON: Mr. Chairman, I'll allow Miss Conroy to place the information I've given her into the record. Besides, my glasses are broken.

In essence, what we want to do is develop some technology. The oil and gas industry in part thinks they can do so, given the right climate.

I might also add, Mr. Chairman, that I apologize for being late this afternoon. I

emptied my guns this morning, and I was trying to reload.

MR. KROEGER: A question for the Member for Calgary McCall. I was listening to the recitation of three point something billion dollars, et cetera, et cetera, being poured in. Are we talking about forgone income or cash expenditures?

MR. NELSON: Mostly it's forgone income.

MR. PIQUETTE: I have to indicate that I realize that the intent of this recommendation is probably beneficial. But I marvel at the fact that you're proposing here that the government of Alberta make available \$100 million annually for each of the next five years to further research on the cost of production of oil and gas. Where in the world are the oil and gas companies involved in this? There's no doubt that they have a role to play in the research of that type of goal, extending their own reserves and the proper use of the oil and gas reserves they have in the ground. For us to be saying that we're going to be funding 100 percent, it looks like — no joint participation whatsoever is being recommended — I can't see how we can justify that in the light of our present situation. To me the mandate of AOSTRA is to do research in the oil and gas technologies.

MR. HYLAND: Heavy oil.

MR. PIQUETTE: Heavy oil? Maybe I can ask this question: are you advocating that this be given to AOSTRA to be under their mandate, or is it a separate mandate?

MR. NELSON: It's basically conventional crude.

MR. HYLAND: You should have said conventional crude.

MR. NELSON: Maybe I should have read the material in.

MR. PIQUETTE: Just from the information I have here, I have to speak against the recommendation, in the sense that to me the oil and gas sector can't be subsidized for everything. I think we have to get them to start doing their own research and pour back some of the profits. Let's put it this way. Look

at the profit margins of the big five companies right now. They're in the retail business and all the various facets. They are still making a buck out there even at the current price. The ones that are really in difficulty right now are the junior companies that don't control all the aspects of production, refining, and the retailing end. That's a separate issue completely.

MR. HYLAND: Mr. Chairman, I wonder if in the last line it should say "conventional oil and gas" rather than just "oil and gas." My concern with the motion -- and I think that after I put my hand up, the Member for Calgary McCall covered it -- is where it says "and development focused on the goal of reducing the cost of production." What we're after, I understand, is technology in conventional and maybe even medium crude. AOSTRA covers heavy crude, but if memory serves me right, it varies from something like -- what is it? -- 20 percent to 60 percent of light and medium crude that's left in the ground. What you're after is to get research and develop new methods to complement those that are going on in heavy crude. Our concentration seems to be toward recovering more heavy crude, yet we're leaving anywhere from 20 to 60 percent of the oil in the ground.

MR. NELSON: Mr. Chairman, many of the comments that have been made are covered in this thing, so maybe I will have to read it in.

MR. CHUMIR: Is it going to get read in? If it's going to get read in, I'll comment after it gets read in.

MR. R. MOORE: Have you not read it yet?

MR. CHUMIR: No.

MR. R. MOORE: What have you been doing, Sheldon?

MR. HYLAND: I'll go out and get a few copies made.

MR. CHUMIR: Perhaps then I might comment. If there is anything more to be made after a quick peek at it, I might add a comment.

In terms of the previous comment, the hon. Member for Cypress-Redcliff is referring to enhanced recovery, I believe, of conventional

crude, which is a very interesting issue. I don't see that as being the thrust of this resolution, although it might be something Mr. Nelson might want to associate himself with, so to speak. I understand the motivation behind this. Conceptually it is an interesting and potentially valuable approach from the point of view that it is investment oriented and seeks to obtain a return for this province in the long haul. To that extent, I find myself generally sympathetic with that type of expenditure, things that will give us return that are farsighted.

The problem I have with this thing is a personal one of whether or not that is a proper priority at this point in time, whether it's the place to put research and development money. While the hon. member was still out reloading, we had some discussion here about the fact that so many of the resolutions being presented on the government side involve more expenditures at a time when we're hunkering down in so many other areas. I've been very much pushing the theorem that these expenditures should be within departmental budgets so that they are weighed against other competing possible expenditures with the budgetary limitations in mind.

On the merits, however, I must say that I've been involved in the oil and gas industry. I'm far from a wizard in terms of the technical details, but I've not heard that there is conceived to be any great potential scope for reducing the cost of production of oil beyond those efforts that would be normal and natural for the producers, and there are many very large producers that have a tremendous amount at stake if they were able to reduce costs. I'm more inclined and I guess all my instincts tell me that that work has not been done and is not being done by private industry at the present time with the potential benefits that they have right before their very noses -- not long-term benefits but immediate benefits if they get a breakthrough. If that work is not being done by all the technologists and people who are looking to make a buck out of this business, my sense is that that might not be a priority at this point of time. I don't know. I wouldn't shuffle it out of mind, but let's say I don't feel that I could make that decision. I would throw it into the departmental hopper and let them decide.

MR. NELSON: Mr. Chairman, every minute I'm

regretting more and more what I gave him to read. I would just make a couple of comments, and then we can carry on to another subject. If you so desire, Mr. Chairman, the members can come back to it when they've read this thing. My eyes aren't what they used to be.

First of all, it's a program whereby 50 percent participation would be by the government and 50 percent by the private sector. Secondly, it would basically enhance the smaller oil companies and in particular the service sector. Rather than reading it in, possibly the members can peruse the handout. If there are some questions, we can deal with them. So if we could move along to the next one, we could come back to this if time permits.

MR. CHAIRMAN: Do you want to take a few moments now and allow the members the opportunity to read it? It's in agreeance?

HON. MEMBERS: Agreed.

MR. GOGO: If we're all going to read it, we'd better wait before we go on to the next one.

MR. HYLAND: While they're busy working away below us, has anybody checked to make sure that we're still going to be sitting here someday?

MR. HAWKESWORTH: Are we going to fall through the floor, or is somebody going to fall through the roof on top of us?

MR. CHAIRMAN: Can we proceed with the discussion on recommendation 10? Any further comments?

MR. PIQUETTE: This does provide more information on what you were trying to say in your recommendation, but before a recommendation of this type would be approved by this committee, I think you would have to do a lot more feasibility studies. I wonder if that kind of research would really pay off in the benefits that you're intending it to create. As I already said, I think it is to the benefit of the companies in the business of drawing oil and gas from the ground right now to have already addressed a lot of these issues, because they're not going to leave reserves underneath if they can possibly draw them.

A \$500 million investment over a five-year period -- I could see that money being a lot better spent on economic diversification away from that single sector of oil and gas than simply again looking at the oil and gas sector as the only worthwhile investment. If we are looking at recommendations here for a lot of big bucks, where are we going to be addressing that? I think it fails to address the whole priority that this government should be addressing in the total economy and the future economy of the province. It cannot continue to put all its eggs in one basket, and in my opinion that seems again to do the same thing.

MR. HAWKESWORTH: I certainly want to keep an open mind on this idea. But just so I can understand it a little bit better, there's a comment here: "There should be no restrictions as to the ownership of the technology." I'm not sure of the practicalities of that, and I don't know whether the hon. member could go into that in any kind of detail at this point. I think what he's talking about is something fairly general. The people of Alberta and the companies of Alberta could be working very hard and investing lots of money developing new technology, and I'm just wondering what's to keep somebody from taking it off to South Korea and producing it at one-tenth the price or something. In terms of patenting and registering and the benefits that flow through the sale of that technology and so on, I'm just wondering how that would be dealt with under such a strategy.

MR. NELSON: Mr. Chairman, I guess you could say in a similar fashion as to how AOSTRA works when they develop something, although it is different to some degree because Alberta really has the only major oil sands development in the world at the present time. But basically it's intended, and certainly it's a resolution with some short discussion. The finite details certainly would have to go to the administration and the minister to discuss further. But it would basically mean that the technology would remain in Alberta but under private-sector ownership and not government ownership necessarily.

MR. PIQUETTE: How would you control that?

MR. NELSON: It's difficult. It's just like

AOSTRA. How do you control that? Maybe Mr. Payne could answer that. It's the same as your medical research situation. You can't control that going out of the province either.

MR. CHAIRMAN: Any further discussion on recommendation 10?

MR. CHUMIR: Having read this thing . . .

MR. NELSON: Thing?

MR. CHUMIR: . . . the proposal, in some detail, I'd like to say I'm bowled over by the technical genius of it, but I'm not. As I say, I recognize the general sensible direction of the type of expenditure, but I am somewhat skeptical as to whether or not that is the best place for money at this point in time, particularly whether it's something that should be generated by this committee as opposed to being generated by a proposal from a consortium of companies who are involved and would say: "We would like to do more of this. We're ready to put some of our money into it, but we need the help and seed money." If that were forthcoming, I'd feel a lot more comforted. It may be that they are out there and that the hon. member has done his homework and this has been instigated and generated from that.

My basic point is that I don't know. I don't think this committee knows, and in this day and age I would be loath to recommend the expenditure of some sums of money on this thing. I would prefer to phrase it as more of a general idea or possibility and throw it to the Department of Energy.

MR. NELSON: I'll just make one closing comment if I can. The idea was not generated totally by myself; it was generated through discussions with some of the private-sector people in the oil and gas field. As a matter of fact, I've been sitting on this thing for a number of months, waiting for the opportunity, so it was something that was discussed jointly.

MR. PIQUETTE: Is it based on any kind of scientific research or whatever that we're not getting the most out of . . .

MR. NELSON: If I might, what they want to do is basically generate more efficiency out of their wells. They're only producing a small

percentage of the actual product that's under the ground and bringing it up, and they want to find more efficient ways of doing that, bringing it up and becoming more cost-efficient in developing oil and gas.

MR. HYLAND: At 100 percent the shares will be worth more, Sheldon.

MR. NELSON: Yes, Sheldon. Help me with this; I don't have any energy shares.

MR. CHAIRMAN: If there is no further discussion on recommendation 10, we'll move on to recommendation 11.

MR. NELSON: Mr. Chairman, my favourite subject: Alberta Mortgage and Housing Corporation.

MR. HYLAND: He should be good for about an hour.

MR. NELSON: Not really. I'm not going to take long to discuss this. Generally speaking, I think we've run Alberta housing around the mill a number of times. I'll deal with each item individually. First of all, I think that Alberta Mortgage and Housing Corporation should not be permitted to develop any further housing projects in the province, other than senior citizen housing, until such time as we really get a handle on what is happening with Alberta Mortgage and Housing Corporation.

Thus into the second part of the motion. What I am proposing is that the minister -- or the Legislature, in all probability, would be better -- elect three members of the Legislature, one as a chairperson, and four members of the public to create a committee for the review of the corporation. That review would allow the committee to call witnesses from inside and even outside the corporation, who may have relative information as to the operation of the corporation.

This is a very, very large portfolio within the perusal of the Heritage Savings Trust Fund investment. As I indicated this morning, a considerable amount of money has been placed in there, as I can find out, from the General Revenue Fund to enhance the balance sheet of the corporation and also keep the integrity of the Heritage Savings Trust Fund in place: in 1985 an advance of \$311.5 million from the

province of Alberta. We have the possibility of examining a loss in excess of \$360 million at Alberta mortgage. Some of this money, approximately \$50 million, relates to the property to which the corporation actually holds title, and an additional \$310 million of that \$360 million relates to the possible loss on future foreclosures.

Mr. Chairman, we have, in my view, a very severe problem here. I won't go into all the details on who owns what and so on and so forth except to say that there are something in excess of 62,000 single-family and multifamily housing units involved with the mortgage corporation either by direct lending or through actual ownership themselves. I feel that the corporation at present is insensitive to the overall community. I think it is insensitive to the overall needs of the people who are looking at modest housing. I also feel that the corporation has built a wall around itself that needs to be broken into so that we can in essence get some shining light, some new and vigorous programs developed, and remove some of these housing units from their ownership and put them into the marketplace.

I'll give you an example. As I understand it, Canada Mortgage and Housing Corporation a year ago had some 1,200 units that they foreclosed on in Calgary. With their program of reducing the inventory, they are presently at half that amount without negatively impacting the marketplace. I believe there have been some proposals: one that I know of for sure, and a second one that has been a subtype of proposal by letter only. The first one, which has been made via a thick binder, is a very good proposal for a way that they can sell down properties.

To give you a prime example, there is a person in Calgary who owns half a duplex, who wished to buy the second half for a price which was market value. If I remember correctly, it was about \$54,000 or \$56,000. The mortgage corporation wanted \$64,000 to remove the debt from their books. They dillydallied around, and finally the person offered them \$60,000 and was turned down. So the mortgage corporation went out and presently has a crew working in that house, at a tremendous expenditure in all probability, to fix up, repair, or otherwise the property to be rented out. I expect the cost of that renovation will be more than the difference between the \$60,000 offered and the

\$64,000 requested by the corporation to sell those units.

I question whether an action of this nature is really spending money foolishly and still having a debt without a great amount of return to the fund. In other words, we may be better off to sell a property for \$60,000, as an example, rather than try to achieve \$64,000 and spend \$5,000 fixing it up so that we really end up considerably further in the hole than we started out. That is not an isolated situation. There are many properties being upgraded at great cost to the corporation and possibly the fund and the taxpayers themselves.

There are other concerns. There are concerns in Canmore with the land there that is being endeavoured to be purchased by different groups for multiple uses. It is my belief that an aggressive program put together with recommendations through to a minister will create an aggressive environment for the houses and properties owned by Alberta mortgage, will in fact create jobs, and will create an environment in the private sector that will enhance the community at large. I'm suggesting that both businesses and private homes be included in this.

The third part of this, of course, is that we would endeavour to find means of having the private sector remove or take over some of these mortgages or all of them if it's possible. Of course, there's a very complicated formula that I'm not even going to attempt to get into here today. But there is a manner in which to do this that would probably return to the government and the Heritage Savings Trust Fund all those moneys that are now sitting out there in loans, et cetera.

I also understand that there's some sort of 15-year program in the housing corporation to remove themselves of these properties. Obviously, if you give someone 15 years to do something, they're going to take that 15 years, and it's something that may be able to be done in five. I think we ought to remove some of those kinds of barriers and get on with the job of enhancing our communities. We can do this by the sale of these properties in a controlled fashion so they do not negatively impact the marketplace for those people who presently own their homes. That is the last thing I think we want to do.

At the same time, I guess the most important part of this thing is to ask that we have a

committee put together that will have the ability to go in and dig. I mean dig with a big bucket and shovel out all the garbage and bring forward recommendations that will enhance the overall picture of Alberta Mortgage and Housing Corporation for the benefit of all our citizens and clean up the act and get it back on stream where I think it could be.

MR. HAWKESWORTH: Mr. Chairman, I guess it's on this topic that I again say that the Member for Calgary McCall and I have some agreement.

MR. NELSON: No! Wow.

MR. HAWKESWORTH: I'm surprised that with his saying it on his side of the House and my saying it on our side of the House, the two of us haven't managed to sort of shake loose the timbers there a little bit, so to speak. Anyway, we'll keep at it, and who knows what might happen.

I think the comments made are well taken. The important point to remember is that it's not the intention and probably wouldn't be the intention of the corporation to flood the market in either rentals or sales by releasing these units onto the market in either a rental or sale manner and thereby drive down the price of each additional unit that is put up for sale. I think what the hon. Member for Calgary McCall is saying is: let's show some prudent business sense in terms of getting rid of a high inventory of very expensive housing; it is expensive to carry that kind of vacant inventory. I certainly agree with that and hope that the corporation would move in those directions. I recognize that it's not as simple as just going and doing it, but if you set that as the objective, you go about achieving it.

I have a couple of questions about the motion. In terms of the way the motion is worded, it looks as if this committee would have an opportunity to call witnesses for examination. I don't imagine that was an accidental choice of words, but it raises certain kinds of ideas about subpoenaing and cross-examination and lawyers getting involved. I don't know if that was intended. It sounds like a fairly formal committee is being considered here, and I'd like the member to kind of expand on that.

The second point I'd like to ask is where this

committee would report; that is, how open do we want this review process if we decide to recommend it? If a minister's committee meets in private with various witnesses and makes its report in private, we may be no further along than we are today. I agree with the concept he mentioned, about breaking down walls and letting light and air in. I'd like to know how much air and light the member would like to let in.

MR. NELSON: I'd be happy to take a crack at those. First of all, I propose that the committee would be formally structured and that, yes, it would call witnesses. It could be in the public arena unless there were some specific reason it should not be, to protect the integrity of an individual. Secondly, it would report to the Legislature.

MR. CHAIRMAN: Any further discussion on that?

MR. HYLAND: I would like mostly to speak in support of the third part of that resolution, regarding innovative ways and means of having the private sector involved. If memory serves me, during the boom times of building, about 53 percent of the building in the city of Medicine Hat and the town of Redcliff was financed by the Alberta Home Mortgage Corporation. At that time, I for one said that it was the only show in town but that it was unhealthy that government was involved that deeply in the housing sector and that it was too bad more lending institutions weren't more deeply involved. Maybe we should have had more initiative then in trying to get the lending institutions more involved. Maybe this is a backwards way of doing it, and maybe it's too late, but it's worth a try.

I don't know how many different housing programs we have out there. You could get into some of them with really no money involved. You could walk into a brand-new house if you put a little sweat labour into it to cover off roughly 5 percent. A newly married couple with no money could walk into a brand-new home with a washer, dryer, fridge, and stove — the same place it took your parents 20 years to get to, if some of them ever got there.

MR. KROEGER: Longer.

MR. HYLAND: Henry says longer than that.

Maybe if we had looked at guaranteeing the 5 percent and put those kinds of things with the private sector — I guess you had to have a minimum of somewhere around 10 or 15 percent involvement in your home for the private sector. I think it's still not too late to investigate those ways to see if we can change that aspect around. Even with the limited building going on now, we should still be looking at new ways of getting the private sector involved in these housing programs. I don't think it's ever too late to explore that.

MR. CHAIRMAN: Any further discussion?

MR. GOGO: Mr. Chairman, I don't have any difficulty with the motivation of the Member for Calgary McCall. Our memories are pretty short. We were a booming province; there was no accommodation; and the private sector, for all the great things they claimed to do, couldn't answer the goddamned problem in this province. They were great for buying land at \$1,000 an acre and marking it up to \$25,000. Boy, I have great sympathy for them. We turned around, and the pressure was on government to provide housing. They did a remarkable job.

Then external forces — you know how great it was around this table not many years ago. We were going to have \$60 oil. Lots of gold bathtubs were sold in Calgary, and still are. People dump on government when things don't go the right way and want to go after the corporation in a witch-hunt and try and pull them apart. I think that's wrong. If they've made mistakes, we put them there. It's fine for Mountain View. They didn't put them there; we put them there. We're part of the government. So I think we should go very, very easily on this. I have some difficulty saying that what they've done is wrong, because they are we. We're the people who did it; I'm not so sure it was wrong.

I've expressed my views before. You can't have it both ways. I say: dump the properties in Calgary. "Oh, no, don't; you're going to destroy the private sector." But if you weasel and deasil and so on, you'll get away with it. I get very upset when I see people going after what I think are very loyal people in the corporation trying to handle the political problem of providing accommodation. Now we

come in with a scythe and want to cut them all out. I don't agree with that at all. I think it has to be done orderly.

The chairman, Mr. Engelman, sat there and said that that \$3 billion-something portfolio was worth \$2.5 billion. Fine. But he didn't cause that to happen, so let's not direct blame at that corporation. We have a minister, a colleague, who chairs that corporation. I'd be interested in his views before we did any more with that recommendation.

MR. CHAIRMAN: Any further discussion?

MR. NELSON: Mr. Chairman, the Member for Lethbridge West made some reasonably good points. It just so happens that I spent an hour and a half with the minister privately on this item, and certainly I'm not sure he is overly enamoured with my putting forward a motion like this and making the comments I have. However, they're made in a most sincere way. I'm not trying to pull the legs from under loyal people and what have you. But at the same time, I think we have to address a problem that is not being aggressively dealt with in a manner whereby we can achieve the best goal for the benefit of the taxpayers.

So I have no apologies for going in a manner like this. I'm certainly not on a witch-hunt. I would never go on a witch-hunt after anybody, and if I did, I'd sure let you know in a hurry. I'm not very shy about telling people I'm on their case. I never have been. But in all fairness, we're here to protect the integrity of the Heritage Savings Trust Fund, and I feel quite strongly that that is the mandate we supposedly have and, if not, should have. If we have to take certain steps to ensure that we feel comfortable that that integrity is being looked after, I think we have to do whatever is necessary to do so. I think this one step is necessary to protect that integrity and the integrity of the government.

MR. CHAIRMAN: Any further discussion?

MR. HYLAND: Mr. Chairman, seeing that we're not quite at 4 o'clock but fairly close, and looking at the next few resolutions — the member has already left — I wonder if I could put a motion for adjournment.

MR. CHAIRMAN: If there are no other

comments in reference to recommendation 10.

MR. HAWKESWORTH: We will be coming back to these. In a sense, we're just fleshing out each individual recommendation as we go along. So in terms of voting on it and so on, we'll be back again.

MR. CHAIRMAN: Correct. We have to come back to vote on it. Again, the chair appreciates the co-operation extended and points out that we were able to deal, at the discussion level at least, with 18 recommendations today. I think that's a big step in the right direction.

I would also take this opportunity to wish all members a Merry Christmas and a Happy New Year, because the next regular meeting of the Heritage Savings Trust Fund committee won't be until January.

[The committee adjourned at 3:48 p.m.]