

Standing Committee on The Alberta Heritage Savings Trust Fund Act

Wednesday, September 10, 1980

Chairman: Mr. Payne

12:50 p.m.

MR CHAIRMAN: Again, Mr. Minister, I would like to apologize for our delay in starting. I certainly do appreciate your attendance with us today, and your departmental officials' as well. Perhaps, Mr. Minister, I could suggest, although I have had the opportunity to meet your departmental colleagues, perhaps you could introduce them to the members of our committee. Then if you'd care to make some preliminary comments, those would be appreciated.

MR KING: Thank you very much, Mr. Chairman. I would like to introduce my two associates with me today. On my right is Dr. Ken Nixon, who is the Director of the Heritage Learning Resources project; on my left is Dr. Walter Turch, who is the Associate Director of Finance, Statistics, and Legislation for the Department of Education.

I understand that you have competition for your time as a committee today, and I might say that I have suffered the same problem. I want to begin by apologizing that my presentation will not be what I had originally hoped it would be in terms of giving you a rather detailed overview of the project and of its accomplishment. In spite of the fact that I can't go into such detail today, I would still like to spend just a couple of minutes on a more general overview, then ask if you have any questions or observations to direct to the project.

This began in 1977 with a budget of approximately \$8.4 million, and consisted of four projects, plus sub-projects. One was called Books for Young Readers, that is, students basically in grades 4, 5, and 6. One was Western Canadian Literature for Youth, grades 7 to 12. One was Alberta Literature for Senior Students and Adults, for grades 10 to 12 and for adults. One was the so-called Kanata Kit project. One was the junior atlas of Alberta. One was the relief model of Alberta, and one was the Flora and Fauna Kit of Alberta.

The intent might be described as follows: we wanted to collect high-quality material that had as its context Canada or, particularly, Alberta. And we wanted to produce that material for use as learning resources in our schools. Beyond collecting such material as already existed, we also wanted to originate high-quality material about western Canada and, particularly, Alberta. So the project, in the sub-projects I have described, was an attempt to gather together high-quality material that would be useful as instructional materials in our schools. In that regard, I think it has been very well received.

On another occasion you heard me speak about copyright searches, contacting authors, the process of contracting with authors to write original material. You heard me describe the work of the advisory committees, so I won't repeat that this afternoon. Suffice it to say that at this moment there is only one project which is not completed; that is, the Kanata Kit project. There are eight of those kits which are still in various stages of production, but all are close to wrap-up. All the other projects and sub-projects have been completed. We expect the Kanata Kits to be concluded, to be distributed, and we expect to be completely invoiced -- in other words, we expect the project will be at an end as of March 31, 1981, the end of this fiscal year.

In the course of this, there is one piece of information that I have to convey to members of the committee. On our original budget we have an overrun -- we have exceeded our budget by \$1,150,000. Members should be aware that we will be requesting a supplementary appropriation of the Legislature for this amount. The original budget for what was conceived to be a three-year project included a 6 per cent per annum inflationary factor. Unfortunately, we have been working with particularly unstable materials; I mean unstable in terms of the economic market for them. Paper, other supplies that have been directly associated with this project have increased in cost at a rate considerably beyond the 6 per cent per annum we budgeted. It has been more in the order of 13 per cent.

In addition to that, on the basis of accounting information we made a decision last year to extend the distribution of the material to senior citizen homes, nursing homes, auxiliary hospitals, prisons. The cost of extending the distribution to these additional institutions also resulted in an increase in the budget.

So the approximately 13 per cent overrun is a function of those two considerations.

Having said that, I would like to say that I think the project has been extremely well received by teachers and students throughout the province. There has been considerable interest in the reproduction of some of the materials. I believe a member of the committee asked a question about this the last time I appeared before the committee. We presently have the civil law section of the Attorney General's Department examining the legal implications of allowing other publishing houses or interests, perhaps other educational institutions, to reproduce some of this material to meet future requirements. Members will recall that when the project began, we made the deliberate decision that we would attempt to use the project as a means of fostering the creative writing and publishing industry in the province. So we are not interested in maintaining the copyright -- let me rephrase that. We are interested in maintaining the copyright with the Crown in right of Alberta, but we are not interested in continuing to have the Crown in right of Alberta produce these materials indefinitely into the future.

So what we're trying to do is look at the copyright situation with a view to providing a generous royalty arrangement or licensing arrangement that would allow others to produce these materials on condition they were done at reasonable cost without there being a cost payable to the government of Alberta. I hope I was clear on that.

I'd like to conclude as I did on the other occasion. At the height of the project we had 35 people directly on staff. At the present time we have eight. I would like to pay public tribute to the people who have been involved in this project. I think it has been extremely well handled from start to finish. I credit the staff, not only the eight who remain but the others who were previously with us, for having contributed directly and substantially to the success of the project and having contributed to the very positive way in which it was received by people throughout the province.

With those remarks, Mr. Chairman, I would welcome questions or observations.

MR CHAIRMAN: Thank you, Mr. Minister. Questions?

MR R CLARK: Mr. Chairman, to the minister. Mr. Minister, if I got the figures properly, the original budget was \$8.4 million and you have a \$1.5 million overrun?

MR KING: No, \$1.15 million.

MR R CLARK: Very good. That's why the math didn't work out.

MRS FYFE: Through you, Mr. Chairman. Last year I asked Mr. King whether we would be receiving copies of the section Alberta Literature for Young Adults, or whatever that one section is called. We received them. I think they were very impressive. The distribution I have been able to give them has been limited; I don't exactly have a library. But I think they have been very well received.

I do want to make a comment related to the extension of the distribution into the senior citizen homes. I guess one of the greatest advantages in visiting the homes and finding some of the reaction is that some of the books have larger print. That certainly is very suitable for those who experience eye strain and are looking for sources of books they can read. So for some seniors who are rather desperate to find reading material, they were very well received and I think the extension was very well justified.

I can only say that my comments are positive. I think the project in my constituency has been well received and has been very successful. I congratulate you and your staff who have done it.

MR KING: Thank you very much. It is the staff who deserve the commendation, and the last Legislature, which made the decision to initiate it. I only hooked up on the tail end of the project, but I'm pleased to hear that.

You also reminded me of one other comment I wanted to make earlier. Some of these materials were translated into French and Ukrainian. I make that comment in the context of the question of accessibility to the project. Because they have been translated into French and Ukrainian, there are elderly people as well as students in our immersion and bilingual programs who can use these as learning resources, which of course would not otherwise be the case.

MRS FYFE: Following up on that comment about translating into French, I had requested copies of books that had been translated into French. I believe I received three. Are there more being translated?

MR KING: No, there are only three that were translated as a result of the project. There are others that we are considering in the Department of Education for translation, but that will be done within the department's budget and not associated with the project itself.

MRS FYFE: Will the distribution of those materials be handled in the same way, through the department?

MR KING: They would probably be distributed through the school book branch of the department.

MRS FYFE: I'm not familiar with that process. Is that a cost to the school board?

MR KING: Yes, at cost.

MR R CLARK: I commended the minister on the project last year, and my thoughts haven't changed. I would have one observation and question. The observation would be that I'm pleased the minister recognizes that inflation of something like 13 per cent has hit the paper the department needed; I'm sure he recognizes school boards have the same problem.

The question I'd ask, Mr. Minister, is -- this project is winding down. I believe last year I posed the question to you: looking at the tail end of this project and recognizing the appropriate emphasis on Canadian content, is the department now looking at the next possible step in this area? Or is it the opinion of the department, or at least the minister, that sufficient emphasis

has been placed here and the department is not looking for additional resources from the fund?

MR KING: You have a number of different questions I'll have to answer in part. We are not at this time looking for additional funds from the Heritage Savings Trust Fund. We do, however, believe there has not yet been sufficient emphasis placed on this area of Canadian content and western Canadian perspective. So we are considering what would be follow-up activities. We are considering these both from the educational point of view and in conjunction with the Department of Economic Development. We are considering whether or not our model of involvement would be the same next time as it was last time. In other words, would we try to use it as a means of encouraging the development of a publishing industry in the province, which was part of the last model, or would we leave that consideration solely to the Department of Economic Development and just do the project however we could do it best, for strictly educational considerations. What I'm saying is that presuming we do additional work in this field, there is some question about whether or not we would do it in precisely the same way we did it last time. I think that answers the three parts of the question you raised.

MR R CLARK: Mr. Minister, what is the judgment of the department or the minister as to the amount of this \$9.5 million that got into the hands of the publishing industry? The reason I ask that is -- the next question obviously is what is the state of that sector today? I'm not asking from the standpoint of economic development, but does the minister have a feel as to whether that can now stand on its own?

MR KING: I'm trying to recall the report, which I believe I circulated to members of the committee after my last appearance, because I think you asked that question at that time. Certainly we have a report on that and can provide you with the original report. Perhaps it would not be too difficult to update it in the light of our experience in the last six or eight months. If I'm remembering the report correctly, and Dr. Nixon could correct me if I'm wrong, there was a considerable impact on various components of the publishing industry throughout western Canada generally; that is, Manitoba, Saskatchewan, Alberta, and British Columbia. But it was not overwhelmingly Alberta; in other words, our direct benefit from it, if I may use that phrase, didn't stand out overwhelmingly compared to the business that accrued to elements of the industry in the other three provinces, although I think that, as between the four of them, we did have slightly more of the business in Alberta than in the other three provinces.

The other thing that needs to be said as well is that the components of the industry which benefited most were the almost intangible parts of the industry: writers, the creative activities that don't have a big investment in capital plant or in labor and, therefore, the injection into the creative component of the industry doesn't have the same long-term impact that it would have had if there had been a lot more of it going to the printing industry as opposed to the writers.

MR R CLARK: I might ask the question (inaudible) printing itself.

MR KING: I don't have that information with me, but we could provide it to you.

MR CHAIRMAN: Any further questions of Mr. King? There don't appear to be any further questions, Mr. Minister. On behalf of those committee members who are

here, I would like to thank you and your departmental officials for joining us here today in the chambers.

A scheduling change, hon. members. We had originally scheduled the hon. Mr. Schmidt for 3:30. I have been able to determine that he will now be available in the chambers at 2 o'clock. Consequently, we'll stand adjourned until 2 o'clock.

MR R CLARK: Mr. Chairman, what is the intention you have for dealing with the matter I sent to you with regard to Terry Fox?

MR CHAIRMAN: We have four matters that merit pretty full examination: the deferred motion from Mr. Stewart, which was a deferral of Mr. Knaak's motion regarding public presentations; we have Mr. Knaak's question regarding ministerial obligation to bring material to the committee; we have also Mr. Sindlinger's question, and Mr. Clegg's legal response; as well as the resolution received this morning from Mr. Clark regarding the Terry Fox fund. Mr. Clark, my view is that these are such comparatively important matters that I would like to determine how many members of our committee will be here later in the afternoon. If we had a good representation, say, eight or nine members, then I would like to discuss all these matters. If you attach a certain priority to your resolution, I would be happy to schedule that first. On the other hand if, on our resumption at 2 o'clock, we still have a bare quorum or something not much larger, then I'm uneasy about raising that point for discussion.

With that, then, we are adjourned until 2 o'clock.

The meeting adjourned at 1:10 p.m.