

Title: Wednesday, November 25, 1987 pa

[Chairman: Mr. Pashak]

[10:03 a.m.]

MR. CHAIRMAN: I'll call this first meeting of our fall sitting to order. I'd like to welcome everyone back. Brian has his hand up already.

MR. DOWNEY: Hi, Barry.

MR. CHAIRMAN: Hi, Brian. If you'll wait just for a moment, please, while I introduce our special guests, then I'll take your names. Everybody seems to be anxious to get off the mark this morning.

We have with us again the Auditor General, Mr. Donald Salmon, and his guest is Nick Shandro, who does the audit for the Recreation and Parks department. Today our special guest is the Minister of Recreation and Parks, the Hon. Norm Weiss. He's brought a fair representation from his department with him. Would you like to introduce your members, Mr. Weiss?

MR. WEISS: Thank you, Mr. Chairman. I would like that opportunity. I feel that while we're strong in representation, we're here really at your call. We feel it's an important enough matter and agenda to review that if there were specific concerns or areas that you wished to address, I felt the people that are responsible for those directly should have that opportunity, both to share in the exchange or the opportunity to provide the answers. I realize it takes time away from their schedules, but we feel it's a highly important enough matter that we would bring them here to try to answer and address the concerns that you have.

So starting on my right, we have Julian Nowicki, who is the assistant deputy minister of the recreation development division. Beside Julian is Carol Shields, who most of you have met, I'm sure, my executive assistant, and to my immediate right is Dr. Barry Mitchelson, the deputy minister of the department. To the left is David Rehill, the executive director of the finance and administration division, and beside David is John Weins, the manager of financial planning and management. In the back row, if we could start there, is Chuck Moser to the right. Chuck is certainly no stranger to many of us, having worked in the department for many years, and who is now director of the Recreation, Parks and Wildlife Foundation. Sitting beside Chuck is Mal Clewes, assistant director of the Alberta Sport Council, which is of course one of the two Crown agencies, the Recreation, Parks and Wildlife Foundation and the Alberta Sport Council, under the department. Next to him is Donn Kline, the assistant deputy minister of the provincial parks division, and sitting beside Donn is Ed Marshall, managing director of Kananaskis Country. Last, but certainly one of the most important, especially at this time of the year, is Sherri Thorsen, director of the Olympic Secretariat; I might add that the pin is with her compliments, not mine. So that's our staff complement, Mr. Chairman.

MR. CHAIRMAN: Thank you very much, Mr. Minister. Now we have a little bit of formality to go through. We'll approve the minutes, then I'll invite you to make an opening statement, if you'd care to.

Would anybody care to move the adoption of the minutes of our last meeting, which was Wednesday, June 10, 1987? Moved by Mr. Musgrave, seconded by Mr. Alger. Any discussion? Those in favour of adopting the minutes, then, as circulated?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Agreed. Motion carried. Okay.

Mr. Weiss, would you care to make an opening statement about your department? Maybe I should explain, first of all, that we try to restrict our questions to actual items that do appear in the public accounts for the period 1985-86.

MR. WEISS: Thank you, Mr. Chairman, and to members of the committee. I would like to accept your opportunity and invitation to pass on a few remarks. I feel that perhaps some of the areas that I would address in my remarks might indirectly answer some of the queries or concerns that may be addressed but certainly would not wish to take away any of those direct questions. That's why we're here, as we said earlier: to try and provide those answers. I'd like to try and provide some highlights of what we believe were very important in the '85-86 fiscal year.

Before we review the activities of the Recreation and Parks ministry in general, I'd like to focus on what we term some internal matters first. We believe that fiscal constraint has continued within the department, and we'll continue in that direction. We're happy to report that we've underexpended in several areas of the department's budget. I think that reflects in many areas in particular, where we have come in at less than anticipated budget requirements. A discretionary freeze on recruitment to a number of positions and consolidation and streamlining of operations has directly resulted in, we believe, significant manpower reductions.

Streamlining of services continued with the reorganization of the department's finance and administration division. In the recreation development division, internal reorganization helped to improve the functional alignment between client groups and organizational service centres. These measures, combined with a new capital expenditure monitoring system, we believe have improved cost effectiveness and budget controls for the department. I would certainly welcome comments from members, and in particular the Auditor General, as it relates to those areas, because we believe we are on a proper goal in that direction.

In planned construction and upgrading of provincial parks economic conditions favoured very competitive bids, and we were able to save considerably on estimated contract costs. So while the downturn in the economy in some areas might have had some direct reflection on activities, we significantly gained through these, as indicated by the savings that were then passed on to the taxpayers and citizens of Alberta.

Continued efforts to privatize operation and maintenance services resulted in a 70 percent increase in private-sector contracts, for a total of \$1.3 million. Now, that's not an increased cost; that's an increased amount of dollars that were allocated and expended for improved facilities in the areas of parks. All these efforts have contributed to achievement within the overall Alberta government objectives of creating a leaner, more efficient civil service and of stimulating private-sector opportunities, which we support very strongly.

I'd also like to take a few minutes to highlight some of the achievements of Recreation and Parks during the fiscal year 1985-86. Probably the most important undertaking by the department has been the formulation of a comprehensive long-term policy statement, which I believe will affect the programs, priorities, and services offered by the department in the years to come. The policy was drafted from extensive public input from 20 open houses in 17 locations in the province and from three regional forums, many of which I attended and many of which some of your members as well, Mr. Chairman, would have had

the opportunity to participate in.

A second unique function of the department is its role as co-ordinator of Alberta's involvement in the 1988 Olympic Winter Games, to be held in Calgary February 13 to February 28, 1988. In 1985-86 construction on all Alberta government Olympic projects was well under way and proceeding on schedule. Along with construction projects the Olympic Secretariat continued to co-ordinate a variety of technical support projects. They included environmental management and monitoring, weather data collection and interpretation, and public communications regarding Alberta's participation in the games.

Mr. Chairman, I wish to be specific to that as it relates to Alberta's participation, because many hon. members, I'm sure, will query some of the media attention that's been played with regard to some of the other events. Please keep in mind that we're involved strictly with Alberta's role, because it is a Canada-wide and international games function.

Through the provincial parks system we're pleased to report a significant contribution to Alberta's tourism industry, one that we believe we can work very closely with. In 1986 a study of the economic contribution of the parks system to the Alberta economy was conducted. The study revealed that park-related expenditures generated some \$60.1 million in household income and some 2,700 person-years of employment in the previous fiscal year. Those numbers, we're pleased to say, Mr. Chairman, are expected to grow.

In 1985-86 the parks system hosted approximately 4.6 million visitors in total. Think of it: 4.6 is twice the total population if you use an approximation of 2.3 million Albertans, so double that population visited the parks system in total. Of those, some 1.48 million stayed overnight, and some 2.63 million day-use visitors experienced Alberta's great outdoors in provincial park settings. Kananaskis Country recreational area alone reported a 14 percent increase in visitor traffic. Service and facility improvements were made in our parks in 1985-86. The campground reservation and self-registration systems were streamlined. Our volunteer base of campground hosts and park volunteers was expanded to add to the good-host image of the park systems.

Twenty-three provincial parks and recreation areas were upgraded or reconstructed to varying degrees. Of these, the following five projects were major multiyear upgrading projects: Garner Lake, Saskatoon Island, Long Lake, Sir Winston Churchill, and Rochon Sands as well, Mr. Chairman, which I had the privilege of attending with one of your hon. members.

Mr. Chairman, if I may be so bold, I feel that the staff of the department are to be commended for their efforts in improving service and facilities within provincial parks and, at the same time, reducing overall expenditures, which we feel is so very important in today's economy. Our good-host image is very important in attracting new and repeat visitors to the parks, and I feel that the department staff have done a good job in creating and promoting that image and have accepted that responsibility.

To return to the program highlights, the recreation development division has had what I term a good year in 1985-86. The division co-ordinated Alberta's representation at the Canada games and at the Arctic Winter Games, two very significant and special events. The international sports exchange program continued with Heilongjiang, China, and Hokkaido, Japan, and a new agreement was signed between Alberta and Kangwon, Korea. I might note that in last night's media, Mr. Chairman, I see the federal government as well have just signed a new agreement with Czechoslovakia.

The division also co-ordinated Alberta activities in conjunction with International Youth Year. They developed resource material, staged youth leadership seminars, administered youth project grants, and hosted a provincewide conference for our young people to discuss the issues facing them. All those items are of course contained within the overall budget items that may be discussed or questions raised.

As mentioned earlier, the recreation development division carried out a functional reorganization that placed greater emphasis on support to provincial recreation and sports associations through such expansions as the Percy Page Centre. Now, to those who have not had the opportunity, I would encourage them, and particularly those from Edmonton, to visit the Percy Page Centre. I believe it is Canada's, if not North America's, finest facility that's providing recreation amenities to the youth and the future leaders of our province.

More emphasis was put on the training of volunteers, and the division made a major thrust into leisure life-style awareness. I'd like to mention, Mr. Chairman, that that word is probably going to play a significant lead role in our lives in the future: leisure life-style programs.

In 1985-86 we paid out some 2,752 grants to service providers in some 338 municipalities representing a total of some \$47,243,000. Just think of it: \$47 million in grants provided to 338 municipalities. These grants provided tremendous opportunities for Albertans to pursue the recreation and, important as well, the cultural activities of their choice in their communities. Funds were also provided for the capital development of 24 new municipal recreation areas, in the operation of 41 other previously constructed municipal recreation areas. The most important facet of it, Mr. Chairman, and to members of your committee, is that the capital moneys provided amounted to some \$1.5 million. But as well, there is the extended operation funding ongoing to these communities. These recreation areas provided extremely beneficial recreation and tourism support to those municipalities in rural Alberta.

Capital park development continued in Medicine Hat, Lethbridge, Lloydminster, Red Deer, and Grande Prairie through the urban parks program, and some more than \$22 million is provided to the five cities to complete these projects. Additionally, nearly \$3 million was provided to operate portions of the urban parks completed in previous years of the program. That, I believe, is the most significant part of the program, the ongoing commitment to the operational costs.

More importantly to those in the city of Edmonton, the Capital City Recreation Park in Edmonton continued to operate very successfully through funds provided by a \$2.2 million grant to the city of Edmonton.

As you may be aware, Alberta is ranked by Sport Canada as having one of the strongest sport development programs in the nation. By the 1987-88 fiscal year -- and I realize that's not what we're looking at, Mr. Chairman, but I think it's significant -- the Alberta Sport Council is looking to increase fund-raising and corporate sponsorship in the face of projected withdrawal of general revenue funds from program support. So while our direction is to reduce their funds, we believe we can maintain the same program delivery by involving the private sector in a very strong way. I'll be very shortly wrapping up my remarks, Mr. Chairman, but I felt it was very important that we address that ongoing commitment as well.

The Alberta Sport Council is pursuing its objective of having 20 percent of Canada's national teams consist of Albertans. In 1984, when the Alberta game plan was conceived, only two Al-

bertans represented Canada at the Olympic Winter Games in Sarajevo. With the 1988 Olympic Winter Games rapidly approaching, 21 Albertans have already met the Olympic standard and will likely compete in Calgary. So some 21 Albertans out of our program will be competing in the Olympics. An additional 37 Albertans, some of whom could represent Canada in Calgary's Olympic Winter Games, are on national seniors' teams.

I'd like to move on to the Recreation, Parks and Wildlife Foundation, which is one of the other Crown-operated agencies within the department, and wish to note that some 800,000 Albertans benefited through foundation funding during the fiscal year 1985-86; 800,000 Albertans were directly affected by program delivery through the RPW Foundation. The foundation ensures that all geographic areas of the province are given an opportunity to share in lottery proceeds for recreation, parks, or wildlife projects.

In conclusion, Mr. Chairman, Alberta Recreation and Parks has striven for what we believe is strong, sound fiscal responsibility and fiscal management in all of its operations and programs. We are certainly open to criticism and questions, and that's what we are here for. The ministry has exercised and will continue to exercise initiative and effective management techniques in delivering programs and services to all citizens of Alberta. I thank you, Mr. Chairman, for providing me the opportunity for those remarks, and as I've indicated earlier, I brought the staff that are directly responsible and would hope that the hon. members of your committee feel free to ask the questions that relate to the different departments. I certainly would be pleased to redirect those and would try and answer any questions as they relate to policy or to the management and operation of the department directly myself, but feel specifically that where those are involved in program delivery and are accountable for those financial concerns, they too should be held accountable, and that's why they're here. So, Mr. Chairman, with those remarks we certainly look forward to receiving questions and input from your committee.

MR. CHAIRMAN: Thank you very much, hon. minister, for your rather comprehensive opening statement. I'll now turn to members of the committee for questions. Mr. Downey is the first one to be recognized.

MR. DOWNEY: Thank you, Mr. Chairman. To the minister: public accounts for the previous year, the '84-85 year, show Kananaskis Country expenditures at \$9.1 million, some 7 percent less than the almost \$9.8 million expended in 1985-86. In view of the fact that we thought that the project was nearing completion, I wonder if you could explain the increase in expenditures.

MR. WEISS: Well, I'd certainly be pleased to open with a few remarks and pass on to Mr. Ed Marshall for a supplementary and to conclude the response. To clarify, Mr. Chairman, through to the hon. member, when he does say, and I don't want to quote it exactly... I'm sure I don't have it exact, but he thought it was all complete; there'd be no further expansion. I believe I have reported through to the House and in the Assembly on another occasion, Mr. Chairman, that I have said that I hoped it would never be complete. In stating that, I believe we have an ongoing commitment to all Albertans to see the growth of that park developed in other stages. The preliminary stage of development of some \$200 million-plus has been completed,

and there will be ongoing moneys expended at all times, for there are areas that we could be looking at to expand new parks and facilities within the overall Kananaskis Country itself. So I'd like to make sure those remarks are clear. We're not looking to major dollars at this point for projects, but keep in mind that we have the village itself that we are completing; the three hotels that are in place now, involving the private sector; as well, of course the facilities that we are developing for the Olympic Games themselves with the ski facilities at Mount Allan and Nakiska. But specifically to the answer as to the dollars, I'd like to ask Mr. Marshall to respond to the member.

MR. MARSHALL: Mr. Chairman, Mr. Minister, ladies and gentlemen, more and more facilities have come on stream in Kananaskis Country. Major project work, there's no doubt about it, is slowing down, but we do have more and more visitors and they need to be looked after. As these facilities come on stream, we have to of course provide for their care and we have to provide for the care and the keep and the safety and the security of more and more visitors every year. In the year which we are really dealing with, the increase over the previous year was nearly 15 percent. Now, our increases since then are even greater. But the people just keep pouring in any one of our nine entrances. We have to look after them and take care of their security and safety and clean up after them, and it simply takes more people and costs more money to do it. I hope that will satisfy the question.

MR. CHAIRMAN: Mr. Downey has two supplementaries.

MR. DOWNEY: Supplementary, Mr. Chairman. The minister, in his opening remarks, dealt with the subject of private contracting of capital and services. In response to the comments I've just heard, I'm wondering: in the '85-86 estimates, what portion of Kananaskis Country operations is being privately contracted?

MR. WEISS: Well, Mr. Chairman, I'm not trying to avoid or be specific, but I wanted to clarify. When you talk about privatization, we put more emphasis in the later years on privatization than we had in the years '84-85, '85-86. But in doing so, we're not going to neglect maintaining the standards and the guidelines that we believe we have in place. We're not going to take away the responsibilities we believe we have to all citizens of Alberta and to this Assembly in maintaining those standards.

The areas of privatization that we generally refer to are such areas as outside work with regard to, say, grass cutting, washrooms, maintenance areas such as that. As far as the overall expenditure, perhaps Mr. Marshall may comment. I don't know if he'd even have that figure as it relates to exact dollars, but there are areas that we go out and we use the private sector wherever possible, and we're going to continue to do so. But we are now on a more concentrated effort to try and involve the private sector. So, Mr. Marshall, perhaps if you have those figures, you could provide them, but I'm not sure whether you'd have that with you.

MR. MARSHALL: Mr. Chairman, Mr. Minister, ladies and gentlemen, I really couldn't give it to you on the percentage basis that you asked for. We could produce the figure if it was important, but I think in general terms I would answer you by saying that all the things that can be done by the private sector we try to have done by the private sector. In terms of operating

of facilities, there's no point in even considering the private sector unless it has a possibility of being an economically viable operation. We have some of them, and of course we call for private-sector operation wherever that exists. Generally it works out very well, and we monitor these operations to ensure the delivery of the highest standard possible. With respect to other things which are not, so to speak, enterprises in terms of serving our visitors, we also go to the private sector. I think, for example, of ambulance service, hauling garbage, cleanup of picnic sites, and so on, which we offer on a contract basis. Whenever there's an opportunity to have somebody outside government do whatever needs to be done, I would assure the committee that that is done.

MR. CHAIRMAN: I just want to point out to members of your group, hon. minister, that unless you feel more comfortable about rising, it's not necessary, because of the way the microphones operate. If you feel more comfortable, that's fine.

MR. WEISS: Mr. Chairman, can I supplement that with a small response, because I think it should be pointed out and Mr. Marshall perhaps omitted it. Mount Kidd recreation vehicle park within Kananaskis Country is perhaps one of the largest and most successful privately operated parks in, I would even go as far as to say, North America, if we were to make comparisons, from what we've heard, and from others that have come up and looked at it and have looked at it both from the amenities side of it, the delivery side of it, and the overall maintenance and operation. We're very pleased with that type of facility and the way it's being operated.

MR. CHAIRMAN: Any further supplementaries, Mr. Downey?

MR. DOWNEY: Thank you, Mr. Chairman. No further supplementaries.

MR. CHAIRMAN: Mr. Musgrove.

MR. MUSGROVE: Oh, thank you, Mr. Chairman. I certainly commend the minister for his restraint in bringing some of these programs under budget, particularly in the years of restraint. But I notice that it's a bit confusing on some of them. I refer to page 20.5, where we have, for example, the municipal grants. Now, I'm not sure what municipal grants we're talking about. I would have to believe that that's not the municipal recreation area. But I notice they were approximately \$2 million underspent, and it's not balanced over on the unexpended column. I wonder if we could have the minister explain that.

MR. WEISS: Well, Mr. Chairman, I'd love to try. First of all, with the hon. member drawing to attention the fact that it isn't carried through. This standard procedure is one that's implemented throughout this system, and while it becomes an accumulative total, it isn't necessarily individually carried forth. I'm looking at the page, and I see what he's referring to. But one of course has to make the automatic calculation of: if you look at the 2.2.5 municipal grants, to see it was estimated at funds provided at some \$57 million versus the expended sum of some \$55 million -- I guess that's what the hon. member refers to -- it should be pointed out that there are really two grants that come under this particular category, one being the community recreation cultural grant program, and that was underspent by some \$1.7 million. Now, the reason for that is that various com-

munities or municipalities actually did not require that funding -- I shouldn't say necessarily required. Applications did not come forth to pick up those funds individually from those areas. Those were for the recreation and culture facility development and programming.

So it is not our responsibility just to go out and hand money. We believe it has to be accountable for, and we in turn account for that. And if we account for it in a surplus manner, it is money that goes back and it's not funds that we can take and say, "Let's go out and do something with it because we've got money left in our pocket." We believe it's accountable in all directions.

The other portion of it relates to the urban parks program. As I referred to in the municipal recreation areas program with regard to operating grants, those particular items within the municipalities, it wasn't necessary that they be expended in all cases as some of them were ineligible for the operating grants. When I say ineligible, it wasn't that we were withholding any moneys. For example, a park that was maybe scheduled and budgeted to come on stream in January maybe wasn't completed until August or September of that year, and all of you are aware of when those facilities within your communities came on stream. So while the operating grants would have been budgeted for for that full 12-month period, it wasn't necessary that they receive then full operational funds for the period, only for which time they were entitled to as when they were open.

So it's not a case, Mr. Chairman, of withholding any moneys or not seeing that each municipality in the cases are receiving their funds. It's an accounting measure that when we program or estimate there'll be X number of parks completed in the following year, we have to of course build in those funds assuming that they'll be developed for that calendar period, and in this particular case some were not.

MR. MUSGROVE: Supplementary question then. The overexpenditures and underexpenditures in that vote, vote 2, would be interchangeable as far as . . . I notice at the bottom of the column there was an unexpended balance of \$2.635 million, and yet I notice, for instance, in point 2.3.8 there's an overexpenditure there of about, oh, something like \$96 million. Then when you go to 2.3.9, there's an underexpenditure of \$116 million. So those just balance out down the vote. Is that the way . . .

MR. WEISS: Mr. Chairman, I believe the member's really answered it within itself with the reallocation, but perhaps the assistant deputy minister, Julian Nowicki, could respond more specifically as to how we handle that internally with the reallocation.

MR. NOWICKI: Thank you, Mr. Minister. The money the hon. member is talking about is a reallocation of dollars within the subprogram, and basically it's taking money from the community recreation services element and putting it into the community recreation outdoor facilities element. We had a major increase in responsibilities managing the municipal recreation areas program. We simply transferred some money from one element into the other, so there was an overexpenditure in one and underexpenditure in another to balance out that particular subprogram.

MR. CHAIRMAN: Mr. Ady.

MR. ADY: Thank you, Mr. Chairman. My question relates to

vote 4 on page 20.6. It's down on 4.4.2. Could you enlarge on what you really built in athletes' village? You're very close on budget; I don't have any question with that. But could you just enlarge on what really happened there?

MR. WEISS: Well, Mr. Chairman, I think we built some pretty fine facilities, and I wish we could have more funds to carry this through in other communities. But I'm going to ask Ms Thorsen to respond directly, because she's so involved. I'm pleased she could be here today and share that with us. Sherri, would you mind, please?

MS THORSEN: Mr. Chairman, hon. member, the athletes' village program is one of five capital projects that the Alberta government made a commitment to support for the 1988 Olympic Winter Games. The project itself consists of housing units for both short-term housing of the athletes and officials for the Olympics as well as long-term student housing needs. I think the commitment made to this project is consistent with all of our commitments, which is to ensure that they not only meet the Olympic needs but that they serve a long-term benefit to Alberta and Albertans' use. So the athletes' village commitment is a total of \$16 million. This was the first year of construction relating to the program, and it consisted of building approximately 140 new housing units for the university, as well as providing a contribution towards the MacEwan Hall expansion program to allow counseling services to occur.

MR. ADY: Supplementary. When the Olympics are finished and this project is finished, is it projected that these will have some measure of being financially self-sustained, or are they continually to be subsidized by the department?

MR. WEISS: Well, Mr. Chairman, once again I'll refer back to Ms Thorsen, but that was part of the original development criteria, that there'd be an ongoing development not just in the facilities but in sports programs and others, that there'd be funding in place to ensure training programs and others. I don't want to be specific in that area, because that's indirectly away from your question. But as part of the guidelines we had to ensure that there'd be ongoing use and at whose expense, so that directly is a very, very appropriate question. Ms Thorsen, would you perhaps give them the specifics as to the end use of those facilities?

MS THORSEN: Mr. Chairman, hon. member, when we developed the number of units and made our financial commitment, we were very careful to ensure that those units would be in demand in 1988 by the University of Calgary so that occupancy rates would be high, and Advanced Education worked closely with us as it related to the operational funding that would be required by the university to support the needs. It's probably worth noting that with the popularity of this particular Winter Games we were going from 2,000 projected athletes and officials to 2,600. A request was made to expand the housing at the University of Calgary to accommodate the increased number of athletes coming to Canada, and it was felt that that was not a viable proposition for the university because it did not fit with the ongoing demand at the university in 1988.

MR. ADY: No further supplementaries.

MR. CHAIRMAN: Mr. Alger? He just left, I guess, did he?

He had another appointment. Mr. Heron.

MR. HERON: Thank you, Mr. Chairman. Mr. Minister, on a tour of the Kananaskis Country a year or two ago, we noticed a plaque, "For the use and recreation of Albertans" -- something to that extent. At that time we talked about 3 million guests at Kananaskis, and just a few moments ago you quoted a figure of 4.6 million. I'm wondering now to what extent are Albertans using that facility, given as it's my understanding that we do not advertise Kananaskis outside the province as a tourist attraction, that it's there for the use of Albertans. To what extent is that objective being fulfilled?

MR. WEISS: Well, Mr. Chairman, a very interesting question, because I believe that at one time, whether it was an indirect or direct procedure that was to be implemented, Kananaskis was developed for the citizens of Alberta. And yes, it's true, as the hon. member said, that it is dedicated to those citizens. Within the overall geographic area we've even tried to determine where visitors come from. Please keep in mind that with the nine access areas to the park, that's sometimes very difficult. Surveys are only surveys and, like polls, are not always accurate.

We've determined, though, that overall usage is primarily that of Albertans, but this trend has changed. As more and more people become aware and they, too, personally have said to their friends and to others, and through visitations and through Chambers of Commerce who are promoting and trying to develop tourism packages, and those in the tourism industry themselves who have undertaken to try and promote and sell packages within, we find that more and more visitors and users are people from outside the province and outside the country.

To be more specific, Mr. Chairman, to the hon. member: for example, with the development of the three new hotel facilities, there is no way we can limit or curtail their advertising or their marketing expertise to the degree that we say that you can't tell people from another province or another country that you can't come and stay in this facility. If one were to go -- for example, I had the occasion of recently being in eastern Canada and to pick up a hotel brochure at a CP hotel, noting that it had the CP hotel advertised in Kananaskis Country. Those brochures will become in use worldwide, and I don't know if we are ever going to control it.

I can say, though, that the extended use has been primarily for Albertans. The golf course was enjoyed for some many thousands of rounds of golf; I believe it's now up into the high 70s per users. The majority of them are Albertans. There are walk-on spots as well provided at that facility for Albertans.

MR. HERON: Thank you, Mr. Minister. Mr. Chairman, to pursue my line of questioning, which deals with usage of the parks and recreational facilities and their associated costs, I note that Mr. Marshall said a few moments ago that there was a 15 percent increase in usage and, in responding to Mr. Downey's question, a 7 to 8 percent increase in costs. To what extent do users' fees cover increased costs of operating Kananaskis Country in particular?

MR. WEISS: Well, Mr. Chairman, I defer that to Mr. Marshall and, before he responds, would like to point out that I perhaps am in error on the first portion of the question -- would not emphasize the economic benefits. As we outlined in our opening remarks on behalf of the department, the economic benefits of the tourism industry would come to and be enjoyed throughout

the business sector and to all Albertans, as it creates to that tourism industry. So it's not one that I'm going out and saying that we're promoting and selling a park outside of Alberta, but it's one that through national growth and development will be undertaken. But I believe Mr. Marshall should be able to provide the specific details as to those figures for you.

MR. MARSHALL: Mr. Chairman, minister, it's a little difficult to respond in terms of percentages because I just didn't come prepared to do that. I couldn't anticipate that kind of a question.

There's no doubt about it; Kananaskis Country revenues are increasing. They are going to start to increase even more so as a consequence of the general increase in camping fees. Until a short time ago, a basic campsite was only \$3, and that really wasn't very much money. In some cases there was almost more effort involved to collect it than the actual benefit of the \$3. Well, that's changing now. It changed last year, and it will change again next year. Those revenues are going to escalate somewhat substantially as far as camping is concerned.

In terms of the percentage of use -- the minister referred to this -- if you walk through the parking lot at the golf course, for instance, in high season, you'll find some out-of-province licence plates. There's no doubt about it. But by far the greatest number of plates are Alberta plates. Our only source of information as to where people come from is from those who will take time to register at a travel information centre and put down their address or at a visitors' centre or do it through licence plate counts. But if the number of users up to the time of the opening of the hotel wasn't something like over 85 percent Albertans, I'd be very, very surprised, on the basis of the information we have. Now, that's going to change, as the minister suggested, because people are going to fly in from all over the world to enjoy those hotels.

As far as we're concerned, Mr. Chairman, Kananaskis Country has yet to spend its first nickel on advertising outside of Alberta. Now, we do mail out brochures if somebody asks for them. If the Boy Scouts in Ontario want 1,300 brochures, well, we accommodate them. So my statement is nearly true. When I say we don't spend a nickel, we don't spend it directly, but we do provide information to people outside of Alberta who request it.

I think that covers the question as I understood it, Mr. Chairman.

MR. WEISS: Mr. Chairman, could I supplement that a little too? I think it should be clarified, the point with regards to revenues. We're not operating as a small business does: on one side you have the assets and the liabilities, and you take your projected income. I'm sure the Auditor General will substantiate the overall procedures on how income is handled, and while the Provincial Treasurer and I may disagree, it's still part of how the government operates, in that funds coming in as users' fees do not directly go to our department but in turn go to general revenue.

Now, that's not what we're saying, that we don't care what happens and we don't care how many dollars are generated, because we do. We were known, perhaps, throughout the industry as the bad guys last year because we introduced a new fee schedule on a three-year, modified basis. As Mr. Marshall has indicated, it will be going up this year as well. But in increasing the fees -- before I made what I thought was a very fair decision, it should be pointed out to all members of your committee, Mr. Chairman, that there were no fee increases for many, many,

many years, and Albertans enjoyed the lowest fee use of any parks system throughout North America. So what we have done is said: "Look, let's be realistic. We're providing some first-class facilities and amenities, but you and I as taxpayers can't afford that, either, without having to be realistic as to the user fee." And to those who are not using it in turn, then some were being subsidized. So what we've done is looked at it overall and as well tried to be fair to those in the private sector who are very adamant that we in turn were giving away services without being competitive.

I wanted to bring that point out, because it's not that we don't care about fees, it's just that we don't directly have the opportunity to spend those as we would like to have. I hope I see a smile over on that side.

MR. HERON: Thank you, Mr. Chairman. I was pleased to hear that we've had a 15 percent growth without advertising Kananaskis Country.

Let me just zero in again on usage and costs of park facilities and switch to the parks in the province generally. Yes, Mr. Minister, you said we have the lowest fee service in, perhaps, North America. In my endeavours, let's say, to see as much privatization as possible, I think I'd be remiss if I didn't focus in on the provincial parks. As a former mayor of a summer village and a person who has several lakes in my area and summer villages, it's often felt there's an unfair situation developed between those people who can buy a motor home and drive to a beautiful provincial campground and pay a fraction of the cost of operating it and a summer village that operates 300 lots and their tax base does not equal that of a park warden, his truck, and the supporting infrastructure funds.

So that said, I looked at vote 3, and I see where it cost some \$34 million to operate the parks and the revenues transferred in are some \$1.4 million, which says that even those taxpayers in the summer villages paying their taxes for a lot, often with just a trailer on it, are still being, if you wish, double taxed to the tune of about \$33 million. I was glad to hear that the camp users' fees increased very sharply last year, but I'm wondering to what extent you're going to continue with the cost recovery and the emphasis of privatizing some of these campgrounds and services they offer.

MR. WEISS: Well, Mr. Chairman, that's philosophical but, to a degree, very important. I can't speak to the municipal taxation that applies to villages or to others, and of course that would have to be dealt with by another ministry and their department. I can certainly say this, though. In some cases it's a matter of individuals' choice. As a former cabin owner and now as a motor home user, I believe I have an insight to both. In each case those were my decisions, with some pressure from my other half of the family.

We have gone to privatization in two areas on a test basis this last year: Crimson Lake and Carson-Pegasus. We'll be monitoring and looking at them very closely with regard to the rate structures and what we're charging. Please keep in mind that I don't think we'll ever reach the case that it would be break even on a user-pay basis. I would hope all hon. members would not want to adopt that cost measure because I believe that the park systems are there for Albertans and for people to enjoy. They're there for their families to enjoy. There are many, many families that use day park facilities throughout our system that can't afford -- and I say this sincerely -- to pay \$10 a day or \$10 a vehicle to go in with their families and their loved ones. I'm

just pleased that we, through the good graciousness of the Assembly and the members who support it when it comes to the estimates, are allowed to continue to develop those so that they're there for people to enjoy from all walks of life and not stipulated strictly on the fact they they've got so many dollars in their pockets and can buy an RV or not . . . The RV is going to have to pay their way. [some applause] I appreciate that, because I do believe that if an RV user has one, he or she is going to have to pay their way. But let's not put stumbling blocks for those who can enjoy the system, so let's never get to a complete, entire user-pay service.

To those that have an opportunity to enjoy and pay for a cabin, they, too, are going to have to share and pay their load with regard to taxation and others. I'm not saying that it's all equitable, but life isn't equitable either. But let's not lose sight of providing services for those that can't afford to. It's a preventive way of life-style. How many people learned to swim by going to the beach, that never had the opportunity to go to a pool? How many people learned to camp and fish or caught their first fish at a lake where we didn't charge? So let's not lose sight of that.

Mr. Chairman, I'm sorry to get off on a tangent, but I really believe it's an important philosophical question that I hope we don't ever change.

MR. CHAIRMAN: You've used your supplementals, Mr. Heron. We could carry on that debate forever. In spite of the fact that it is perhaps an interesting topic, I didn't permit, perhaps, a . . .

MR. HERON: I wasn't as prudent as the hon. minister in managing my resources. I should drop \$500 a year in taxes for a \$25 set of licence plates.

MR. CHAIRMAN: In any event, hon. members, I think our purpose here is to try to deal with public accounts and to save the philosophical and policy issues for the legislative sessions themselves. Mr. Moore.

MR. R. MOORE: Thanks, Mr. Chairman. The minister and his officials have certainly given a very thorough explanation of many areas, so I haven't too much concern other than when I go to Alberta Sport Council on page 87 of the Auditor General's report. I'd like to ask the minister or maybe one of his officials involved. The Auditor General had some concern about the audit and evaluation procedures, and I would like an explanation of just what those procedures are and what they're doing now that's different, since the Auditor General pointed out that there were some deficiencies in that area.

MR. WEISS: Well, I'll certainly be pleased to turn it over to Mr. Mal Clewes and ask him to respond directly to you, Mr. Moore.

MR. CLEWES: Could I have clarification of the question please, Mr. Moore?

MR. R. MOORE: Have you got the Auditor General's report?

MR. CHAIRMAN: If I might just read for a moment. If you turn to pages . . .

MR. R. MOORE: I'll read what the Auditor General said then,

if that would help, Mr. Chairman. It says:

In the management letter to the Council's Chairman at the conclusion of the 1985-86 audit, the Auditor General again recommended the Council develop and establish audit and evaluation of procedures in respect of the various sports associations' programs funded by the Council.

We'd just like to know -- you know, that recommendation was made by the Auditor General -- how those procedures are being carried out.

MR. CLEWES: Thank you, Mr. Chairman. Hon. member, in response to that recommendation, the council has developed a detailed program review and evaluation process with all of the provincial sport associations. In co-operation with personnel from the Department of Recreation and Parks, staff from the Alberta Sport Council sit down with individual associations on a regular basis and review their entire program. In addition to that, we expect a complete audited financial statement annually prior to delivering any further grants to any of these associations.

MR. R. MOORE: Supplementary, Mr. Chairman, just in that area. When I see a recommendation like that -- why I asked the question -- I wondered how the officials reacted to it, that they didn't go to the other extreme and put in so much red tape and reporting procedures. But you haven't done that. It's just a matter of consultation there with them.

MR. WEISS: Perhaps, Mr. Chairman, we could ask the deputy minister to respond, because I think it's a very important point.

DR. MITCHELSON: From a responsible management prospective, those clients which are provincial associations that receive funding by the two Crown agencies as well as the department, the expectation is that they will indicate to us what they propose to do. In other words, it's a program statement on an annual basis. They ask for funding as it relates to those program statements. If they fall within funding guidelines -- and this relates to moneys that would come from both Crown agencies as well as the department -- they are evaluated against those guidelines and given those moneys. The only other thing we would ask of them at the end of the expenditure period is that they would demonstrate that those moneys were used and expended against those programs.

What Mr. Clewes was saying is, "Well, we will sit down with them, and they will discuss with us the successes of those programs." We do not believe it's overly bureaucratic. I guess if there was a philosophical difference between ourselves and the Auditor General -- we believe the Auditor General's responsibility is fiscal. Our responsibility as managers is management review and program review. So if you're alluding to that kind of thing, we want the clients to do what they want to do with the moneys they have qualified for. We and they are responsible to look at program effectiveness.

MR. R. MOORE: Thanks very much. Mr. Chairman, I'm very pleased with that reply because that's exactly what I would hope would have happened: that there wouldn't be an overreaction and put a straitjacket on these organizations.

MR. CHAIRMAN: Mr. Brassard.

MR. BRASSARD: Thank you, Mr. Chairman. I certainly compliment you, Mr. Minister, on the fiscal restraint. I see you have

underexpended your funds in almost every area. In light of that, in section 3 on page 20.6 of the public accounts, volume 2, I notice that in that area you have an unexpended amount in excess of \$1.5 million. In light of such surplus could you expand on your department's rationale in closing a number of the smaller community-type campground facilities the following year? These facilities I feel have been very critical in some areas to people in the communities that can't go to places such as Kananaskis Country and so on. Also, I feel they're vital in advancing this good-host image that you referred to earlier to people who are passing through. Could you just develop the rationale in closing these campgrounds?

MR. WEISS: Well, first of all, Mr. Chairman, I'd ask Donn Kline to respond. I hope you're not referring, though -- to the hon. member -- about municipal recreation areas that were closed in the '87 year, that you're specifically referring to closures that would be contained in '85-86, because there is a different rationale that should be given as to the reasons for those closed in latter years.

When we say "closed," we were looking, as responsible citizens of your money and ours, to come up with alternate means and methods of keeping those outlets open. Whereas there were some 23 outlets that were being forecast for closure, we're pleased to report that for about 17, 18 of those right now we've got contracts in place or near completion, that they will not be closed at all but they will be operated by service groups, communities, and others. But as it more specifically relates to this particular vote, I'd ask Donn Kline to respond directly.

MR. KLINE: Thank you, sir. With respect to the public accounts statement and the amount of funds left unexpended, the majority of that fund -- and you'll realize that that vote is for all the operation of provincial parks and provincial recreation areas -- is in the capital area, which are the amounts just above on the same page. These funds that were left unexpended tended to be funds which were either by way of some savings in contracting -- and we did manage to save a fair amount of money that year by favourable contracts for construction -- or, if your memory is good enough, you might recall that we had a very early winter set in that year, and a number of our contractors were not able to finish their contracts, so that money we had planned to expend in that construction year was required to be carried over and spent in the following fiscal year.

With respect to closures in that year, I'm sorry, my mind doesn't go back well enough to remember any that we completely closed that year other than some which we temporarily closed for the purposes of reconstruction or redevelopment. So the issue you asked about I think the minister addressed, with respect to the other years.

MR. CHAIRMAN: I thank you. Mr. Fischer.

MR. FISCHER: Thank you. My questions have already been answered earlier on. I would just like to say that we welcome the large support staff our minister brought today. It's refreshing to see our new faces.

MR. WEISS: I hope, Mr. Chairman, that isn't a reflection on my inability to try and answer the questions.

MR. CHAIRMAN: I don't think it was intended that way. Mr. Ewasiuk.

MR. EWASIUUK: Mr. Minister, I, too, want to congratulate you for the kind of work that's been done over the years in the development of our provincial parks. Certainly I think we as Albertans can be quite proud of the facilities we have in Alberta, and, of course, obviously Kananaskis Country has to be sort of the jewel in the accumulation of all the others that we have in the province.

I, however, would like to make, if I may, Mr. Chairman, just some observations relative to the park structure and the recreation areas in the province. About a month ago I had the opportunity to travel the northeastern part of the province with a group of other people, and during that period we had occasion to discuss a variety of interests with communities in that particular part of the country. One of those that they alluded to quite frequently was perhaps the lack of facilities relative to recreation and tourism in that part of the province. I'm sure you've heard that one before; however, I think to them it's a very significant concern. They alluded to things like people in Bonnyville . . .

MR. DOWNEY: Point of order, Mr. Chairman.

MR. CHAIRMAN: I'll hear your point of order.

MR. DOWNEY: Well, point of order, Mr. Chairman. I haven't heard a question yet. The hon. member is making a speech.

MR. CHAIRMAN: I showed some tolerance earlier with Mr. Heron, and I was prepared to let Mr. Ewasiuk have the same sort of loose rein, but I think I would like to caution the hon. member to try to make his remarks at least relevant to some aspect of the 1985-86 public accounts.

MR. EWASIUUK: Okay; thank you, Mr. Chairman. I, of course, think the minister is aware, and I just wanted to bring that to his attention again.

The other problem I've heard is relative to the fee structure and not a major concern. But certainly the seniors have been assessed a fee now to enter our parks. I've had some people complaining and objecting why seniors have been as a group . . .

MR. CHAIRMAN: Again, hon. member, that is not an item that's particularly germane to the accounts we have under review at the moment, I believe. However, the minister may answer that question if he wants to or if it's . . .

MR. WEISS: Well, Mr. Chairman, first of all, I would like to thank the hon. member for his remarks. I'll try and be conservative and democratic in my response, because I certainly support his overall views and will be alluding to that and be speaking further, hopefully through Heritage Savings Trust Fund committees and others. But I hope and believe that I have him and other hon. members on side as it relates to that.

With regards to the fee structure: yes, we do charge half the the normal park fee for seniors. I feel that's very fair and very appropriate. As well, our good host program, which is specifically related to in the '85-86 expenditure term, is there for those to use who so desire. For those seniors who wish to come within our parks system, they can stay 14 days at no charge if they were to be part of our good-host program. I do feel we have a fair system in place within our parks and, unfortunately, I can't accept the fact that anybody and everybody should use it at no charge.

I know there are provinces who are looking at, say, midweek

usage versus weekends. Those are areas that we're monitoring and are reviewing as well. But overall, with the half-fee price, if you were to calculate the number of days' usage by, say, a \$3.50-per-day charge, I think you'll still find it's very insignificant. If you did just 25 days at \$3.50, you're still under \$100 a season. That's pretty fair to have those facilities and amenities in place.

MR. EWASIUK: Can I ask some questions, Mr. Chairman? Again I think other people have alluded to the fact that this particular department is underbudget, and I think that's commendable. However, if I may direct questions to the minister on votes 1.0.3, 2.1.1, 2.4.1, 3.1.1, and 3.2.1 -- that's on page 20.5. Now, all of these are overruns relative to administrative support costs. I know some of them are minimal, but they are in fact overruns in that particular category. Is there a rationale or reasoning why it's in the support staff areas that we have overruns, Mr. Minister?

MR. WEISS: Well, Mr. Chairman, yes. I think we should be specific as they relate to it, in particular with regards to the minister's office, where there is a decrease, as was shown, but in other areas where there were slight increases. Perhaps we would have those items individually. May I ask both Mr. Dave Rehill and John Weins if they wish to supplement those.

MR. REHILL: Mr. Chairman, to the hon. member . . .

AN HON. MEMBER: We can't hear you, sir.

MR. REHILL: With respect to vote 1, there are two elements that are in fact over budget. The 1.0.3: there was an adjustment made within the budget, a transfer within the vote to accommodate a review of procedures within vote 1 to reflect changes that were required in the administrative support to support the changing department, looking at privatization, changes that were required in vote 1 to support a privatized mechanism within the department.

With respect to personnel services, 1.0.5: the change there simply reflects the movement of salary contingency moneys into the element. As the member is probably aware, the moneys that are established at the beginning of the year do not provide for salary adjustments that are made throughout the year, and moneys are in fact moved in on an annual basis that change the original budget. Those are the changes for vote 1. What was the other? Vote 3?

MR. EWASIUK: Mr. Chairman, I also looked at vote 2.1.1, again not a particularly insignificant increase there. In vote 2.4.1, again in administrative support, there was an increase over the budgeted amount. Also in 3.1.1 and 3.2.1. Again all of these are basically support components, and all of those seem to reflect an increase over the budgeted allocations. There seems to be a trend in all of them, all support areas, that there's an increase over the budgeted amounts.

MR. WEISS: Mr. Chairman, I will ask Mr. Rehill to continue. Please keep in mind, to the hon. member, that sometimes when programs are changed during a fiscal year, we have no control on sometimes how we're to catch up with those funds or to handle it internally. So some of the expenses are related back on the line item itself.

Mr. Rehill.

MR. REHILL: As you pointed out, sir, all of these are administrative support areas. Generally, what that reflects is a high manpower cost on a basis relative to supply moneys that are associated with the function, so that when the salary increases are provided on an annual basis, there are really no moneys within those elements to draw from to compensate. So in fact you're looking at movement of moneys from one element to another to cover the manpower costs. Almost all of the adjustments that you're looking at in fact reflect manpower cost adjustments throughout the year.

MR. EWASIUK: In vote . . .

MR. CHAIRMAN: You've used your supplementals, Mr. Ewasiuk. I'll put your name down on the list again? Mr. Mitchell.

MR. MITCHELL: Thank you very much, Mr. Chairman. I too would like to add my congratulations to the minister and his staff for their presentation. I have personally been very impressed, and I have been particularly impressed with the minister, that he would choose to bring so many of his staff. That was a debate in our committee that we would in fact require it. It wasn't determined that we would require it, but I think it demonstrates good management principle that senior staff would want to be held accountable and would recognize the importance of that accountability process.

I would also like to say that I was very impressed by your impassioned statement concerning the financial structure of parks. You sounded refreshingly liberal at times, and this will get you in real trouble in your caucus. In any event . . .

MR. CHAIRMAN: [Inaudible] allow the representative from each party to make an opening philosophical statement, but I think we should get on with putting a question.

MR. MITCHELL: I have several questions I would like to ask. Concerning the management contract at the Kananaskis golf course, could the minister please indicate whether the professional shop was tendered? If so, how frequently is it tendered, and what is its value?

MR. WEISS: Certainly, Mr. Chairman, the overall facility is a good one with respect to management contracts. Yes, it was put out [inaudible] call. That has been in place prior to my assuming the responsibility as the role of the minister. But I've reviewed it; I'm aware of it. I believe the term of the contract is five years, with a further five-year renewal subject to the concurrence of the department, so that all areas are being covered and managed to the extent that we have laid out.

When you ask what specific dollars, it works on a gross basis. Of course, that's based once again on incomes that are derived through liquor sales -- that's part of the contract -- as well as the numbers and participants that use it and the gross income that's taken at that. So that does vary. It's a very substantive and a very healthy contract, to the hon. member.

MR. MITCHELL: Thank you, Mr. Minister. Concerning the project at Ribbon Creek, could you please comment on the land lease arrangement, which I understand has a value of \$4,500 per year returned to the government of Alberta, ballooning to \$10,000 per year by 2000. Do you feel that is adequate, or under what circumstances was it deemed to be adequate?

MR. CHAIRMAN: I'm not sure that question is in order . . .

MR. ADY: Is there a reference to a vote on that?

MR. CHAIRMAN: If you could make a reference to a vote.

MR. MITCHELL: I guess the question is being raised to the extent that the money hasn't yet been spent. Is that right? I would be asking that under vote 1, which would be a general departmental support services vote, because clearly that particular lease, it would seem to me, would have been the general responsibility of the minister's office.

MR. CHAIRMAN: And would it have been negotiated in that fiscal year, Mr. Minister?

MR. WEISS: Mr. Chairman, there's no attempt by myself not to answer, but it doesn't specifically relate to an '85-86 expenditure. I believe it was fully answered in the House by myself and other hon. members on other occasions, as it relates to the monetary value of the lease and the overall expenditures. Please don't interpret it as any way of trying to duck or avoid the question. It's just that it specifically isn't within the confines of the '85-86 expenditure year.

MR. CHAIRMAN: I restate for the benefit perhaps of the minister and for the members of the committee that our function here is to review the expenditures that took place during the 1985-86 fiscal year; that's the task of this committee. Mr. Mitchell.

MR. MITCHELL: I don't want to make an issue of it, and I accept the comment, but in fact I believe that Mr. Ghitter was brought in to structure that deal in November 1985, if I'm not mistaken, so it would be '85-86. I believe he was paid \$85,000 in early '86 for structuring the deal. You know, if it is a matter of record and you've answered it before, then I can certainly get it from those records.

With respect to the CRC grants, I think it's generally accepted that those are very, very valuable for community development. Not only that, but they have broader implications for job creation and particularly so since they are matching grants and the community puts up those grants. I wonder if the minister could comment on his commitment to those grants in the past and perhaps give us some idea what steps he is taking to ensure that -- and this is getting me out of '85-86, but I would really like to see your commitment to those grants, how you are defending them, what arguments you use in favour of them.

MR. WEISS: Well, Mr. Chairman, it does directly reflect the '85-86 expenditures, of course, because that was a very major portion of it and a very major portion of it within the department. I appreciate the hon. member's remarks as he refers to the valuable job creation and the most important component of it that I think is so significantly missed on many and many occasions: the matching portions of it. That is a very, very significant factor because it involves the municipalities and the community groups together.

Specifically it was a five-year program. Of course, in view of overall restraint we've had to look at how we can best meet the overall needs within the department. We're not immune to restraints as well. But in view of it being a five-year program from the '85-86 fiscal year, what we have done, Mr. Chairman,

and to all hon. members of your committee: we were very successful in convincing our colleagues through the Provincial Treasurer, the cabinet, the priorities committee, and others to extend the program from a five-year program to seven years. So the total funds that would be allocated, which were some \$241 million over the five years, would be extended to seven. So what we have done on a per capita basis, for those who are not familiar, is reduced perhaps in total, it would appear, the amount per capita from \$20 down to \$10 in the sixth and seventh years, but that is not a reduction in the overall program, because each community will still receive the total allotment or commitment that was made at the initial stages of the program, and I go back again, \$241 million.

So what it does mean is that we as citizens and MLAs, with regards to our respective communities and constituencies, have to go back and ensure that all are aware of what we're doing and assure those community groups that although they may not be able to do it this year, they would be able to look for it in the subsequent year. So we're really asking them to defer or perhaps carry or spread out this restraint as well. But those funds are in place, they're locked in place, and they are there for the citizens to enjoy to the tune of \$241 million. I'm very proud of what our department has done in that regard, sir.

MR. CHAIRMAN: A further supplemental?

MR. MITCHELL: I had three.

MR. CHAIRMAN: That was it? One I disallowed, so I was prepared to give you another one.

MR. MITCHELL: That's okay.

MR. SHRAKE: Mr. Chairman, on page 20.6, section 5, Kananaskis Country, I gather we've bashed that over a bit, but in '86 in trying to get the hotel village going at Ribbon Creek, I understand we spent some funds preparing the sites. Could you tell me what that figure is? Is that part of the 5.3.2?

MR. WEISS: Certainly, Mr. Chairman. I'd defer that through to Mr. Ed Marshall, managing director of Kananaskis.

MR. MARSHALL: Pardon me, Mr. Chairman. Is that 5.3.2 you're looking at?

MR. SHRAKE: I'm just asking if this is where the sums of money are that we spent on the preparation of the site at Ribbon Creek back in '86 when we tried to get the hotel village going.

MR. MARSHALL: I'm not supposed to stand up. I'm just getting used to that, Mr. Chairman.

MR. CHAIRMAN: No, no. You can stand if you wish.

MR. MARSHALL: I need an anchor or something.

Mr. Chairman, Mr. Minister, ladies and gentlemen. The capital works associated with the Kananaskis Village are really performed by Public Works, Supply and Services, and the funding for those works is under the Heritage Savings Trust Fund. It's not part of this document at all.

MR. SHRAKE: So the expenditure on that site wouldn't be in these figures down on 5.3.2 then?

MR. MARSHALL: Would be?

MR. SHRAKE: No, I see them now that you mention them. It wouldn't be those construction funds for preparing the site. I was just wondering what those figures were, but I gather that didn't come within the Department of Recreation and Parks under this budget then.

MR. MARSHALL: Well, Mr. Chairman, the expenditures by our department relative to the Kananaskis Village are what I would call soft moneys as opposed to hard moneys. You're talking about construction, and I'm . . .

MR. SHRAKE: But mostly in preparing the site. I [not recorded] some work done in preparing the site, in getting it ready so these hotels could go into the area.

MR. MARSHALL: There's work relative to consulting work and survey work and that kind of thing, which is more our kind. That's what I mean by soft as opposed to actually bricks and mortar, which fall within the responsibility of Public Works.

MR. SHRAKE: Well, as I understand, some of the grading and preparing of the site -- this would be a certain amount of construction-type work -- was done by us to get the site ready. I was just wondering: are those figures in this budget, or are they somewhere under the Heritage Savings Trust Fund?

MR. MARSHALL: Those are in fact under Heritage Savings Trust Fund budget.

MR. SHRAKE: Thank you.

MR. CHAIRMAN: Mr. Ewasiuk.

MR. EWASIUK: Thank you, Mr. Chairman. Under vote 3, provincial parks, operations, and maintenance, from 3.1.4 to 3.1.7, are listed the four regions of the province and the expenditures relative to operations and maintenance. The question I have is: what's the explanation why there is about \$2 million less money in budget and spent in the north region relative to the other three regions?

MR. WEISS: Mr. Chairman, there might be a matter of conflict if I answer that, because as a member for the north, I would sure question that too. So I'd like to refer it to Donn Kline. I'm well aware of it, but I think he should explain it to the hon. member.

MR. KLINE: Well, thank you. I think the answer there is a fairly straightforward one in that that region -- and I should point out that the northern region doesn't include anything on the east side of the national park that sticks down into our province from the Northwest Territories, so our minister's constituency is not included there. But that northern region is a significantly smaller region in terms of the number of sites to be operated and the complexity and the high cost of the sites. It's much more a region that services the local recreational needs of the people in that northern part of the province, so that whereas the budget may be smaller, they're still impacting a group relative to the size of their population. It's about in proportion in scale.

MR. WEISS: Perhaps, Mr. Chairman, I could ask the deputy

minister, Dr. Barry Mitchelson, to supplement that as well.

DR. MITCHELSON: I think it's important to understand that on all of our sites we have particular standards, both capital standards and operation standards. So when we go in to maintain a site or operate a site, it is operated against a standard. So the standard would be applied whether it would be in the east or west or north or south as it relates to the site. We attempt -- so that we then are providing equal opportunities and equal services wherever we are in the province.

To go beyond that Donn's explanation is exactly correct. We have fewer facilities there. We have larger facilities, smaller facilities, but in an aggregate sense it takes less to operate in the northern region than it does because we have fewer facilities, but our objective is to operate them all to the same standard, depending on the size of the facilities and the amenities at each facility.

[Mr. R. Moore in the Chair]

MR. WEISS: And if I could just further supplement -- because I think it's very important to the member's first portion of his questions -- that it may be less now; let's hope that we can increase it to more later.

MR. EWASIUK: Okay. Mr. Chairman, my next question is on vote 5.1.3, Alpine Village Association. I see there were no estimates in the account. However, we did expend \$171,400. Could you give us a reasoning for that, please?

MR. WEISS: Yes, Mr. Chairman, it's a matter of the timing of when the structure of the association came into place. But to be more specific, I would also ask Mr. Ed Marshall to respond directly to the member.

MR. MARSHALL: Mr. Chairman, ladies and gentlemen, the entire alpine village at the Ribbon Creek development rather went into limbo for a while. We were to have had three hotels built at the site, and we didn't have three developers who were ready to go at the same time. There were different directions as to how we might go about getting these three developers, and when the budgets were made for that year it didn't look that they would go quite as quickly as they did in that year. The government had a commitment towards funding part of the cost of the resort association in its early years, so we simply had to reach in and transfer those funds once the hotels got under way as the government's contribution of the first money to the resort association. That's why it appears as an expenditure, but we really hadn't asked for those funds in that year.

MR. EWASIUK: Can I have another supplementary? In following up on that response, Mr. Chairman, I understand if there's any surplus of those funds, they should be reverted to the province. Has indeed any portion of the \$171,000 been reverted that was allocated -- the 75 percent of the membership fees, I guess, of the Ribbon Creek resort association? Or is that money being held by the association in trust funds or something?

MR. MARSHALL: Mr. Chairman, I don't imagine that over the period of years the resort association is ever going to have any surplus. It's always going to be a little bit behind. There's a commitment for the funds of the association for this and that use that exceeds the funds available. It's my expectation that what

is going to have to be assessed to the various members of the association is going to have to go up as the years go on. But again we're in the situation where we're in our initial stages of growth, and I just cannot see where we're going to have any surplus funds at all. If something else occurs, well, certainly you'd have to look at it. But in terms of needs and of available dollars, the association is really behind rather than being ahead.

MR. DEPUTY CHAIRMAN: Thank you. No, you have had your three, unfortunately. Maybe four, I think, if my counting was right.

Mr. Pashak.

MR. PASHAK: You're too tough as a chairman. I'd like to follow up on a question that Mr. Moore raised earlier. The Auditor General did express a reservation about the verification of moneys received, I guess by way of donation, to the Alberta Sport Council. Now, I don't know whether that's just a technical reservation or whether it's something that the department can deal with.

MR. WEISS: We'd be pleased to address that. We believe it's well in hand, and Dr. Barry Mitchelson, the deputy minister, will respond.

DR. MITCHELSON: I think it's a technical reservation that occurs in all auditor's statements as it relates to funds that might be generated, in this case by either Crown corporation as it relates to private-sector contributions.

MR. DEPUTY CHAIRMAN: Mr. Mitchell. I might point out that we're running really short of time, and I would ask Mr. Mitchell if he would deal directly with the vote, page, and be precise so that we . . .

MR. MITCHELL: Well, I really wanted to ask a question which relates to a point made by the minister and one of his management staff concerning the weight of Alberta tourists versus outside-of-Alberta tourists. The point was made that they're not advertising. What's the plan to do that? Is it a plan to advertise outside Alberta to promote travel to Alberta?

[Mr. Pashak in the Chair]

MR. WEISS: Mr. Chairman, through to the hon. member, there are no specific funds being allocated in that regard. Please keep in mind that the Olympics itself is a world international event that is being advertised, and Kananaskis is part of that because of the events that are taking place within the boundaries. But specifically we're not going with any direct communications in that regard. Dr. Mitchelson would like to supplement that as well.

DR. MITCHELSON: I think from a department perspective we see ourself as a resource and a service to Albertans. We do work, however, very closely with the Department of Tourism as it relates to them developing their strategies both within province and outside province as it would relate to presenting Alberta to potential visitors. So that way, even though it's done indirectly, we are involved and very supportive of their initiatives.

MR. CHAIRMAN: We're rapidly drawing to the end of our time that's been set aside. Before I recognize Mr. Moore, I'd just like to thank the hon. minister for coming here today and bringing so many representatives from his department with him. I'm sure the committee members really appreciated that and the time you had to give up for meeting with us.

The next meeting will be next Wednesday at 10 o'clock. The Hon. Larry Shaben will be in attendance.

MR. R. MOORE: I want to thank you and your officials for being here and the well-presented overview when you came here. The next meeting has already been announced, so I move that we adjourn.

MR. CHAIRMAN: A motion to adjourn has been moved.

AN HON. MEMBER: Question.

MR. CHAIRMAN: Question. All those in favour? Carried.

[The committee adjourned at 11:31 a.m.]