

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Wednesday, April 14, 1976 2:30 p.m.**

[The House met at 2:30 p.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS**Bill 35****The Alberta Heritage
Savings Trust Fund Act**

MR. LOUGHEED: Mr. Speaker, I beg leave to introduce Bill No. 35, The Alberta Heritage Savings Trust Fund Act. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

Mr. Speaker, because of the nature of the legislation, I trust the members would concur in slightly more detail than usual in introduction. Mr. Speaker, the purpose of Bill 35 is established and set forth in the preamble to the effect that:

Whereas there is a limited supply of non-renewable resources and therefore revenues from the sale of those resources will ultimately be reduced; and

that

... the Legislature of Alberta considers it appropriate that a substantial portion of those revenues be set aside and invested for the benefit of the people of Alberta in future years.

Mr. Speaker, hon. members will recall that a bill to the same effect, being Bill No. 74, was introduced last fall and allowed to die on the Order Paper so we'd have the opportunity for input over the course of the winter months.

Mr. Speaker, as introduced today, Bill 35 is basically the same bill with only one major change. It provides for the establishment of the Alberta heritage savings trust fund and the initial appropriation of \$1.5 billion of revenues from resources of a non-renewable nature.

It provides for the appropriation of 30 per cent of the non-renewable resource revenues in each fiscal year hereafter under certain conditions.

It establishes three divisions. [The first is] a capital projects division of up to 20 per cent of the fund. It is provided in the bill that this division will not require immediate return. There will be an annual appropriation act of the Legislature with regard to the capital projects division.

The second, Mr. Speaker, is the Canada investment division, again providing for a portion of up to 15 per cent of the fund. It essentially involves loans to other provincial governments.

The third is the Alberta investment division. It would be investments made by an investment committee which will be the full elected cabinet of the

Government of Alberta. The investments will also be made in accordance with any directions of the Legislative Assembly. The investments of the Alberta investment division must yield a reasonable return or profit, and must tend to strengthen and diversify the economy of Alberta.

Mr. Speaker, the bill further provides that anything not so invested in the three divisions will be invested by the Provincial Treasurer in essentially the same manner as at present under The Financial Administration Act. The bill further provides that the income accruing to the fund will remain in the fund.

Mr. Speaker, the bill further provides for quarterly reports of the investments of the fund to the members and to the Clerk of the Assembly to be made public; for an audited statement of the trust fund by the Provincial Auditor; for an annual report by the Provincial Treasurer; and for the distribution of that annual report to the Members of the Legislative Assembly and to be tabled in the House, and of course to be made public forthwith.

Mr. Speaker, the bill further provides for a select standing committee of 15 Members of the Legislative Assembly, which will review the annual report of the trust fund and make recommendations on its investments.

Mr. Speaker, the major change in the bill, from the bill introduced last fall, is contained in Section 5. After a transitional period, the 30 per cent non-renewable resource revenue will not automatically roll into the trust fund. The government will be obligated to come to the Legislature each year to seek a special act of the Legislature to authorize in advance the 30 per cent transfer of non-renewable resource revenue for the next fiscal year. Essentially, Mr. Speaker, it will work this way: the annual report will be made available in the summer months at the end of a fiscal year after the audit has been completed. The select standing committee will review this report. In the fall session, it will table its report with recommendations. The government will then present a special act for the approval and authorization of the Legislature for 30 per cent of the non-renewable resource revenue for the next fiscal year.

Mr. Speaker, in this way the Legislature will, in essence, control the tap and hold the purse strings. I want to make it clear that this special act for the 30 per cent non-renewable resource revenue to be appropriated annually in advance should not be confused with the other act for the capital projects division which is referred to in the legislation. In short, two acts will be presented each year in the Legislature.

Mr. Speaker, the changes reflect input and recommendations we've received during the winter, as well as at our own annual meeting. It has a good balance between the needed investment flexibility and the unique circumstances, and provides legislative control.

The act provides legislative control, Mr. Speaker, in four ways: first, an act with regard to the capital projects division each year; secondly, by the recommendations regarding any investments by the select standing committee of the Legislature; thirdly, under the Alberta investment division, the investments are subject to any directions of the Legislature — and I particularly refer hon. members to Section 6(4)(a) of

the act; and, finally, each year no further funds are presented or transferred to the fund without a special act passed by the Legislature after the transitional period in advance of the transfer.

Mr. Speaker, I am indeed proud to be associated with a first in parliamentary democracy.

[Leave granted; Bill 35 introduced and read a first time]

head: **INTRODUCTION OF VISITORS**

DR. HORNER: Mr. Speaker, we have today in your gallery the distinguished mayor of the city of Edmonton, who is at the Legislature to conclude an agreement relative to studies of rail relocation in the city of Edmonton among the Government of Alberta, the city, and the federal government. These studies are related to the Canadian Pacific Railway yards in south Edmonton primarily, and the trackage of the Canadian Pacific Railway through the city. We're very happy we've been able to play some part in these studies for the advancement of transportation in the city of Edmonton.

He is accompanied today by my very distinguished Assistant Deputy Minister of Urban Transportation, Mr. Leo LeClerc. I would ask them both to stand and be recognized by the House.

MR. TRYNCHY: Mr. Speaker, it's my pleasure today to introduce to you, and to the House, some 36 Grade 12 students from Grand Trunk High School in Evansburg, and some students from the Niton School. They're accompanied by their bus driver, and teachers, Mr. Allison from the Grand Trunk School, and Mr. Smythe from the Niton School. They're seated in the members gallery. I'd ask that they rise and be welcomed by the House.

MR. KING: Mr. Speaker, I beg leave to introduce to you, and through you to the members of the Assembly, 30 students from Highlands Junior High School, who are accompanied this afternoon on their visit to the Assembly by their teacher, Miss Sylvia Crough. They are seated in the public gallery.

I might point out to the hon. members that Highlands Junior High School is not located in the constituency of Edmonton Highlands. It is in fact in the constituency of Edmonton Beverly, something I will never understand as long as I live. So they are here this afternoon from both the constituency of the hon. member Mr. Diachuk and from my own.

I would like to ask them to rise to be recognized by the members of the Assembly.

MR. ASHTON: Mr. Speaker, it's my pleasure to introduce some 60 students from Braemar Elementary School in the heart of Ottewell. They are accompanied by their teachers and a parent. They are seated in both galleries. I'll now ask them all to stand and be recognized.

head: **TABLING RETURNS AND REPORTS**

MR. YURKO: Mr. Speaker, in order to clear up some of the misunderstanding with respect to this project, I

beg leave to table a report, the *Airdrie Mobile Home Subdivision*, a conceptual proposal prepared by the Calgary Regional Planning Commission in consultation with Underwood, McClellan & Associates Limited, September 1975.

DR. HORNER: Mr. Speaker, inasmuch as the annual meeting of Pacific Western Airlines Ltd. will take place April 20, I thought it appropriate to table the annual report for 1975 of Pacific Western Airlines. We're making a copy available to each of the members of the Assembly.

MR. RUSSELL: Mr. Speaker, I'd like to table a copy of the Environment Conservation Authority [report] on The Use of Pesticides and Herbicides in Alberta, and file Volumes III, IV, and V of the proceedings of the hearings.

MR. SCHMID: Mr. Speaker, I would like to table the final report on the study of the Calgary Philharmonic and the Edmonton Symphony prepared by Winspear, Higgins, Stevenson & Co., management consultants. Mr. Speaker, I would like to mention that two amounts have been deleted from the report, which were the personal salaries of the managers of the respective symphonies, and one sentence referring to information that one of the managers had given. If they desire, this information can be made available to the members by the management of the symphony societies.

MR. FARRAN: Mr. Speaker, I beg leave to table the answer to Motion for Return No. 155 from the hon. Member for Drumheller.

ORAL QUESTION PERIOD

head: **Mobile Homes — Airdrie**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Education. Perhaps it's timely in light of the tabling performed this afternoon by the Minister of Housing and Public Works.

I'd like to ask the Minister of Education if he was involved with officials from Calgary School Division No. 41 with respect to the proposed mobile-home development in Airdrie prior to the announcement. Or were officials of his department involved in discussions with the Calgary rural school division prior to the announcement?

MR. KOZIAK: Mr. Speaker, I didn't quite catch one aspect of the question. I wonder if the hon. Leader of the Opposition would indicate which announcement he's talking about, and the time that . . .

MR. CLARK: It is in regard to the mobile-home subdivision development in Airdrie, for which Calgary School Division No. 41 has the responsibility for providing educational facilities.

MR. KOZIAK: Mr. Speaker, I appreciate the subject matter of the question. The hon. Leader of the Opposition referred to a date and some announcement. I wasn't sure which announcement.

MR. CLARK: Mr. Speaker, I'm referring to the announcement by the Minister of Housing and Public Works, with regard to the proposed mobile-home subdivision at Airdrie. Were there discussions between the minister and the Calgary rural school division prior to that announcement?

MR. KOZIAK: I imagine that the hon. Leader of the Opposition is referring to an initial announcement made some time ago by the minister in his capacity with the Alberta Housing Corporation. Members of the department and I have had discussions with the jurisdiction subsequent to that time, though at this moment I can't recall whether there were any prior to that.

MR. CLARK: Mr. Speaker, a supplementary question then to the minister. In light of the discussions that have taken place since that time, is the minister in a position to assure the House and the Calgary rural school division that there will be adequate funding of school construction in Airdrie to meet the needs of the expected 1,100 children who will be moving into the Airdrie school system as a result of the mobile-home development?

MR. KOZIAK: Mr. Speaker, the school buildings branch looks at statements of need from various school jurisdictions. If the need is there, it provides funds in accordance with the regulations and support prices this government provides in the area of school construction — which are very substantial, I might add, particularly relative to some of the neighboring provinces.

MR. CLARK: Mr. Speaker, perhaps I might pose a supplementary question to the minister. Have the department and the minister given consideration to front-end financing for the Airdrie school, in light of the fact that as a result of this subdivision the student population in Airdrie is going to be doubled? There was no consultation with the school board prior to the announcement.

MR. KOZIAK: Mr. Speaker, I don't know how clear I can be. If the need is there, the Department of Education, through the school buildings branch, will be providing the necessary funding to the level of support we provide for school construction. We do this throughout the province of Alberta.

MR. CLARK: Mr. Speaker, a supplementary then to the minister. As a result of the proposed Airdrie subdivision, has the minister had discussions with officials in his department regarding special front-end funding for the Calgary rural school board?

MR. KOZIAK: Mr. Speaker, the school building regulations don't provide for special treatment for any board. They provide for equal treatment across the province, with certain exceptions. The primary exception would be the additional support that we provide for the construction of schools that are certain distances away from major construction areas in the province. So there are jurisdictions that receive greater support because of their distance from major construction areas. Apart from that, all school jurisdictions are treated equally.

MR. CLARK: Mr. Speaker, might I direct a supplementary question then to the Minister of Municipal Affairs? I recognize that the minister's officials have been, and are now, down in the Airdrie area.

As a result of his officials studying the problem in Airdrie, is the minister in a position to indicate to the Assembly that the residents of the Calgary rural school division will not have to bear a large portion of the supplementary costs for education at Airdrie, as a result of the mobile-home subdivision being developed there and the smaller assessment base?

MR. JOHNSTON: Mr. Speaker, my officials have been down there discussing with the town of Airdrie and school officials the question of assessment, and specifically the question of how mobile homes affect assessment relative to standard family accommodation. We believe we have satisfied the concerns of the county and the school district, and we believe we have also satisfied them about the financial burden which will be borne by the town of Airdrie.

MR. CLARK: Mr. Speaker, might I direct a supplementary to the Minister of Transportation and ask if he's in a position to indicate to the House what sort of flyover, underpass, or overpass the Department of Transportation is prepared to develop at Airdrie so that the mobile-home subdivision, which would be east of the highway, will be able to be joined to Airdrie, which is on the west side of the highway?

DR. HORNER: Mr. Speaker, the hon. leader is quite aware that there is now a very suitable overpass at Airdrie. If additional needs are demonstrated, we will have a look at them in the future.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister asked the officials of his department to look specifically at the need for a special provision at Airdrie, as a result of the decision by the government to go ahead with the mobile-home park? There's been representation from the area.

DR. HORNER: Mr. Speaker, as I've said, there is a suitable overpass that will connect the various parts of the town. If that development goes ahead, in the future we'll have a look at additional overpasses. But I would say that it is not in the immediate planning.

MR. CLARK: Mr. Speaker, perhaps I might have one further question to the minister. There is an overpass. We're talking in terms of a flyover, some means for people to get to the other side of the road. The overpass is in the north part of town.

AN HON. MEMBER: Maybe PWA?

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Housing and Public Works. Is the minister in a position to indicate to the Legislature that Airdrie's sewage problem and the negotiations between his department and the Airdrie area are contingent upon the mobile-home subdivision going ahead?

MR. YURKO: Mr. Speaker, as a result of a specific decision to place the highways shops in Airdrie and the fact that Airdrie is expected to grow, last summer

a water line was brought to the town of Airdrie which has considerably greater capacity than the existing town [requires]. In addition to this, a study was made of the drainage of the lagoon systems. It was recommended that the lagoon system be drained into the Calgary sewage system. As a result, there was need to provide financing to take the sewage system from Airdrie to the Calgary system. By the way, the city of Calgary approved the connection of such a system.

A financing scheme has been worked out which is related to the fact that some front-end financing is needed to make the entire sewage system viable. This is related to the fact that the town of Airdrie has to expand to spread the costs over a larger population than it now has. On the basis of that requirement, I did indicate to the town of Airdrie that if the sewage system was to be financed to some degree by the Alberta Housing Corporation, it would be contingent upon increasing the base upon which those charges are spread.

I might also indicate, for the hon. member's information, that in the preparation of the concept of a mobile-home park east of the highway, a pedestrian overpass was provided so children have access from one side of the highway to the other.

MR. CLARK: Mr. Speaker, a further supplementary question to the . . .

MR. SPEAKER: Might this be the last supplementary on this point.

MR. CLARK: Yes, it might be.

Mr. Speaker, the supplementary question to the minister: is the minister then indicating to the Assembly that there will be a flyover or pedestrian overpass from the east side of the highway to the west side?

MR. YURKO: Mr. Speaker, I thought I indicated that the entire subject was a proposal at this time and has yet to receive the approval of the Calgary Regional Planning Commission. But provision has been made in the proposal for a pedestrian walk-way so that children can get across the highway.

Department of Advanced Education and Manpower

MR. CLARK: Mr. Speaker, I wonder if I might direct a question to the Minister of Advanced Education and Manpower. Is he in a position to indicate to the Assembly that the Deputy Minister of Advanced Education and Manpower will be leaving the department and assuming a senior position with the University of Alberta?

DR. HOHOL: No, Mr. Speaker, I'm not in that position.

MR. CLARK: Is the Department of Advanced Education and Manpower actually seeking a chief deputy minister at this time?

DR. HOHOL: No, it is not, Mr. Speaker.

Heritage Fund

MR. NOTLEY: A question if I may to the hon. Premier. It concerns Bill 35. Mr. Speaker, I'm asking the questions to ascertain policy so members might be able to review the act over the break.

Mr. Speaker, my question to the hon. Premier is: is it the position of the government that after the initial period of time has passed, there will in fact be a request each year for legislative approval for money to be transferred to the heritage savings trust fund? Or would it possibly be that in some years there would not be any bill coming in, and money would not be transferred during those particular years?

MR. LOUGHEED: Mr. Speaker, certainly the present contemplation would be that in every year beyond the '77-78 transitional period a bill would be introduced in the Legislature, pursuant to Section 5, to transfer 30 per cent of the non-renewable resource revenue. Of course that bill will be presented; it will be up to the Legislature whether it concurs or not.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. Is it the intention of the government that the bill presented, pursuant to this section, will be restricted to 30 per cent? Could it be 25 per cent or 15 per cent?

I point that out, Mr. Speaker, in view of the fact that in all likelihood this would be the year before the next election.

MR. LOUGHEED: Mr. Speaker, our concern, by the implication of the hon. member, is of course the other way. The bill will provide 30 per cent, and that's the way the act is framed. Now, the Legislature may amend that. Frankly, I would hope they would not.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. One of the reasons we have a heritage trust fund is that we have higher royalties. We had hearings on the question of royalties in 1972.

Will the government entertain the proposition of adjourning the House for a few days so that we could hear representation in committee from people throughout the province on the heritage trust fund before the bill is passed by the House?

MR. LOUGHEED: Mr. Speaker, no, we have no intention of doing that. I don't think the circumstances are truly comparative. I think the government has done perhaps even more than one could expect in such circumstances. We've delayed for some time the actual establishment of the fund. We made it a basic part of our mandate, as I expressed in this House on February 14, 1975, and was responded to by the people of the province after considerable discussion during the ensuing 39 days.

We presented a statement on March 12, in the budget speech, and that had wide distribution. There have been frequent discussions that I am sure all members have been involved in. We laid Bill 74 before this Legislative Assembly last fall, allowed it to die on the Order Paper to have the input, and we bring it back now and accept our responsibilities as elected representatives.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Premier. Will it be the intention of the Premier, when he speaks on second reading, to outline the projected investments in the section dealing with investments in other provinces, and to give an inventory of the investments which are now being seriously entertained by the cabinet?

MR. LOUGHEED: Mr. Speaker, I think I can answer the hon. Member for Spirit River-Fairview on that question by saying that at this time no investments outside the province are contemplated by the provincial government.

MR. NOTLEY: I beg your pardon?

AN HON. MEMBER: That's at this time.

MR. NOTLEY: At this time.

Can the Premier advise the Assembly whether at this point in time any mechanism has been set up by Executive Council to review the merits of various investments, both outside Alberta and within the province as well? Is any mechanism, any committee, any task force, any agency presently refining possible investment projects for cabinet consideration?

MR. LOUGHEED: Mr. Speaker, in discussing this matter, the government concluded that it would not be appropriate to get involved in such mechanisms in advance of the Legislature of Alberta approving Bill 35, and we have not done so. We felt we were in a sound position in taking that point of view, because over the course of the last year and a half, the Treasury Department — there are times when perhaps not enough credit is given — and its very effective group have been investing at a very effective rate of return these funds that with the approval of the Legislature will go into the trust fund forthwith, or in due course.

So our view is that we're in a position — and I think a very fortunate position — of being able to consider the legislation over the course of the next weeks and pass it. We won't even feel any pressure to make rapid decisions with regard to investments, because of the fact that they can shift very appropriately into Section 9 of the act.

MR. TAYLOR: Supplementary to the hon. Premier. With reference to the special act, has the government given any consideration to placing the 30 per cent in the Alberta heritage fund, with the interest accruing to general revenue for special purposes?

MR. LOUGHEED: Mr. Speaker, that matter was considered. As provided by the act, it was concluded that the income would remain in the trust fund and not be transferred to the general revenue of the province. Having regard to the difficulty of preserving capital in times of inflation, having regard to the restrictions that may be placed on the fund by the Legislature, pursuant to directions in Section 6(4)(a), it's felt that it would be appropriate for at least the foreseeable future to have the income within the trust fund accumulate in the trust fund and not be transferred to the general revenue fund. We recognize, of course, that we can't bind future legislatures

on that matter. But that would be the hope of government today.

MR. TAYLOR: One further supplementary to the hon. Premier. Will the priorities on investment be confined to or directed from the Alberta heritage fund? In what way might this affect investments from other revenues, the general revenue of the province?

MR. LOUGHEED: Mr. Speaker, if I understood the import of that question, it was to the effect that obviously other investments would still be made from the general revenue fund by the Provincial Treasurer, pursuant to The Financial Administration Act, and whether priority would be given to the investments made particularly in the Alberta investment division.

I think I can say that the general nature of our policy at the moment would be carried through, and that is that the additional funds which may from time to time occur in the general revenue fund would be invested along the current lines by the Provincial Treasurer, which is in the short-term money market. But that could change, depending upon the market conditions that may exist from time to time. In the Alberta investment division we would look for somewhat different investments, although not exclusively.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier. It deals with the question of the role of the Department of the Provincial Treasurer, and from the Premier's comments.

Does the government look to the Treasury Department as, perhaps, the venting vehicle for requests and proposals for possible heritage funding which come to the cabinet?

MR. LOUGHEED: Mr. Speaker, I think it's safe to say that 75 members of the Legislative Assembly will also be vehicles for such requests, as they have been in the past and, I am sure, will be in the future. If I follow the hon. leader's question, in terms of formal requests of that nature, it may be that they will flow through the Provincial Treasurer's department and through the Provincial Treasurer, although we want to leave open our options on the actual administrative vehicle that may be involved.

There is no intention — I should make this absolutely clear — there is no government intention for any sort of delegation of the ultimate financial responsibility for this fund to any people who are not elected. Elected people will retain this fund.

MR. R. SPEAKER: Mr. Speaker, a question for clarification to the Premier. We have a commitment from the Premier that, during each budgetary session such as this one, the Premier or one of his cabinet ministers will automatically present this special act to the Legislature. It's an automatic thing. It isn't going to be determined prior to each session. Is that correct?

MR. LOUGHEED: Mr. Speaker, yes, I would like to confirm that, and I believe that confirms the answer to the first question. It would be something that we would do and present. Essentially I don't want to refer to the specific section in the act, but that provision is there. Now, as I say, it's ultimately up to

the Legislature whether or not it in fact passes the special act. But the obligation to present the special act is there. The only way around that is an amendment to The Alberta Heritage Savings Trust Fund Act. In short, the government is obligated to present a special act to the Legislature.

I should make the timing clear to the hon. Member for Little Bow. Insofar as the spring session involves the general revenue fund and the normal budget, and because of the fiscal year and the desire to have the special act in due course after a transitional period in advance of the fiscal year, the concept would be that it would be in the fall session of the Legislature, when the Legislature would be dealing with the special act for the next succeeding fiscal year relative to the 30 per cent non-renewable resource revenue. Secondly, it would also be presented with the capital projects division act at the same time and, hopefully, the report of the select standing committee would be tabled in the House as provided by Section 13(4) of the act.

If we look at it this way, and perhaps I could explain it, if there was any view of the Legislature to change that position, then it should be an amendment to The Alberta Heritage Savings Trust Fund Act itself.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. As things stand then, unless an amendment which would change Bill 35 as presently set out is proposed to the Legislature, the act which is introduced in the fall would automatically be 30 per cent of the natural resource revenue.

MR. LOUGHEED: Yes, that's right, Mr. Speaker. But we have to add the obvious qualification that the Legislature itself, after the act was introduced, could amend the act. I would hope it would not, but it could.

MR. NOTLEY: Mr. Speaker, one final supplementary question to the hon. Provincial Treasurer. Pursuant to Section 4 of the act, is the Provincial Treasurer in a position to advise the Assembly whether the government has determined what historical assets of the province will be transferred?

In other words, obviously some of this is going to be in liquid assets, some will be in historical assets. At this point in time, is the Treasurer in a position to advise us what that transfer will in fact represent?

MR. LEITCH: Mr. Speaker, that's an item I would suggest we could pursue more profitably when we reach committee stage in the Legislature's review of the bill.

SOME HON. MEMBERS: Agreed.

Hunter Testing

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Recreation, Parks and Wildlife. In view of the proposed federal legislation on gun control, is the department considering mandatory training and testing before issuing hunting licences?

MR. ADAIR: Mr. Speaker, in response to an annual request from the provincial fish and game associations, we are reviewing the possibility of mandatory

hunter testing. I'd like to say hunter testing rather than training, at this stage.

MR. TAYLOR: A supplementary. Has the department considered commencing this at certain age levels, rather than trying to do the whole group at once; to start with new hunters and then go on to the younger ones, et cetera?

MR. ADAIR: Mr. Speaker, if we do go with that particular program, we would be looking at a phasing-in situation. I would think you might consider new hunters first and possibly offenders, those who have violated the act, rather than those who have hunted for a good number of years and obey the laws.

Dairy Industry

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. Will there be any changes in the provincial government dairy policy as a result of the dairy policy announced yesterday by the federal government? What effect will this have on Alberta dairy farmers?

MR. MOORE: Mr. Speaker, yes indeed. There will be some changes with respect to industrial milk quotas in Alberta as a result of the changes announced by Ottawa. The changes which will take place will largely fall in the area of the Alberta Dairy Control Board asking industrial milk producers to reduce sharply their output of industrial milk. Based on production during the last quarter of the 1975-76 dairy year, the province of Alberta produced in the neighborhood of 28 million pounds of butterfat. As indicated some days ago in the Legislature, Mr. Speaker, our quota has been cut to 23.9 million pounds of butterfat for the new dairy year.

This will require that a decision be made which will affect all industrial milk producers to some degree. I will be having discussions with the chairman of the Dairy Control Board later this week, and again next week, in order to finalize what those cuts in production might be in Alberta and how they would affect individual producers. It's my hope that before the end of April we may be able to advise producers in that regard after having received the final policy from Ottawa.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Will it be the government's position that the cut in quota would be uniform; in other words a percentage cut among all producers? Or will there be a weighting formula so the percentage cut would be smaller for the smaller producers and slightly greater for the larger producers?

MR. MOORE: Mr. Speaker, that is a difficult area. Generally speaking, the quota is based on the production of an individual producer for a dairy year. Appreciate that we have a good number of producers in Alberta who came into production during the course of the last year and were not in full production for a full year. It stands to reason, Mr. Speaker, that those individuals should be treated in a different way from those who were in production for the full dairy year.

The question of whether we would treat larger

producers differently than smaller producers is one that I don't have an answer to today, but will be discussing with the Dairy Control Board. Mr. Speaker, we have to bear in mind during those discussions that it was the larger producers who, because of their production during the last dairy year, allowed Alberta to maintain its share of the Canadian quota. Once again, it's difficult to penalize people who were in full production for the year, when it was their production that helped us get the 23.9 million pounds that we do have.

Accident Claims Fund

MR. KUSHNER: Mr. Speaker, I was going to direct my question to the Solicitor General, but since we have two generals in this House, I wish to direct it to the Attorney General. I wonder if I'm correct. I hope I am. This is with reference to the unsatisfied judgment fund. Speaking of funds, today is certainly going to mark a great day for this Legislature.

We have compulsory insurance in Alberta, but when we buy our licences we pay a dollar towards that fund. Is it going to be discontinued now? Has that fund really been effective, Mr. Speaker?

MR. FOSTER: Mr. Speaker, I'm not aware of any discussions, plans, or initiatives to delete the fund or reduce the drivers' contribution to it. Whether the fund has been effective is, perhaps, a matter of some debate at the moment. I'm sorry it wasn't raised in the course of my estimates. But I'd be happy to look at it in somewhat more detail, and discuss it with the member at his convenience, if he'd like.

Highway Campsites

MR. TRYNCHY: Mr. Speaker, my question is to the Minister of Transportation. Could the minister advise the House if he is considering transferring the highway campsites of his department to the Department of Recreation, Parks and Wildlife?

DR. HORNER: Mr. Speaker, relative to the question of campsites, we've had a committee composed of three departments. That committee is continuing to work. In the meantime, the major campsites under Alberta Transportation will remain there.

MR. TRYNCHY: A supplementary, Mr. Speaker. I wonder if the minister is considering approaching senior citizens in certain areas to see if these groups would be interested in looking after some of our government campsites.

DR. HORNER: Yes we are, Mr. Speaker. I would like to emphasize that we're talking about senior citizens' clubs rather than individuals looking after these campsites. The response by a number of clubs has been very enthusiastic in a variety of areas. We're following that up.

MR. TRYNCHY: A final supplementary, Mr. Speaker. Are any policies now in effect in this regard?

DR. HORNER: Well, the district engineers in the various areas of the province have been authorized to enter negotiations in the various areas with senior citizens' clubs which might be interested. I'd advise all members of the Legislature that if they have clubs that are interested and in suitable locations, they should direct their senior citizens' clubs to get in touch with the district engineers in the various areas.

MR. TAYLOR: A supplementary to the hon. minister. Would a club that is approved have the right to charge a fee to those who want to use the campsite?

DR. HORNER: Well, Mr. Speaker, we would not anticipate that at the present time. Rather than use day labor as we have in the past, we would enter into a contract, with regard to the upkeep, with a particular club. There would be no change in charging the public for the use of the campsites.

Heritage Fund (continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Premier. It deals again with the heritage trust fund. A word of explanation, Mr. Speaker. I notice there's been an addition to Section 3 of the act. Subsection (3) has been added, allowing the Lieutenant-Governor to make rules governing calling of meetings, the quorum at meetings, and, generally, the conduct of the committee's business and affairs.

Mr. Speaker, the question I'd pose to the Premier is: does the government anticipate the establishment of investment subcommittees under this particular clause?

MR. LOUGHEED: Mr. Speaker, no. The intention is not to have investment subcommittees that would have any sort of force of law or regulation. Because of the nature of the parliamentary system, there is a situation where the president of the Executive Council, with perhaps only one other person sitting at the table, can sign a document that can be full and valid. It was the feeling, therefore, that it would be desirable in this situation that there be rules that would govern the nature of the quorum, the timing of meetings, and notices of that nature. It would be a more official sort of investment committee situation than common parliamentary practice traditionally has with regard to the Executive Council. That's the only purpose for it. In due course, after they are established, naturally the rules will become public.

MR. NOTLEY: Mr. Speaker, is it the intention to table a preliminary set of rules in the House prior to the second reading? Or has the government given any consideration at this stage, for example, to the quorum? If they have given any consideration, would it be 10 members, 12, 15, whatever the case may be?

MR. LOUGHEED: Mr. Speaker, no, frankly, we haven't. We'd welcome any views or suggestions by Members of the Legislative Assembly on the matter.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier or perhaps to the Government House

Leader. With regard to the progress of Bill 35, is the Government House Leader in a position to indicate that Bill 35 will, in all likelihood, be dealt with after the estimates are completed? Does the government have a specific plan laid out as to when we'll be involved in second reading and committee work?

Candidly, I ask the question because I think it's advisable that we have a period of time for some response to the changes which the government has brought forward.

MR. HYNDMAN: Mr. Speaker, with regard to second reading of this bill, it's the general plan of the government to proceed with that on Friday, April 23, and perhaps continuing on Monday, April 26, with committee study in the area of the second week in May.

Howse Pass Route

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Transportation. In view of the fact that construction on the Howse Pass route comes under the federal government and the B.C. government, has the hon. minister had any indication from either of these governments that some construction will be started this year?

DR. HORNER: No, Mr. Speaker. We haven't had any indication of that from the federal government, but we have made representations, as we said we would, at the opening of the David Thompson Highway. I think that both the hon. member and I will have to continue our representations to the federal government relative to the Howse Pass route.

Energy Corridor

MR. NOTLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Energy and Natural Resources. It concerns the much talked about energy corridor.

Mr. Speaker, is the Minister of Energy able to advise the Assembly whether the eastern route is still being considered by the government? Or has that in fact been abandoned?

MR. LOUGHEED: Mr. Speaker, I'm somewhat confused. The hon. member is looking far to my right, and the Minister of Energy and Natural Resources is absent today. I presume he meant some other minister.

MR. NOTLEY: I meant the Minister of the Environment. I'm sorry. I wondered why he wasn't looking at me.

MR. RUSSELL: I seldom look at the member, but I don't know what that's got to do with it.

Mr. Speaker, the work is progressing on the first phase of what has been called the energy corridor; that is, the route that will be most directly affected by the impending Syncrude project. Some acquisitions have in fact been made in that leg of the route between Fort McMurray and Edmonton. We're also working very closely with the pipeline division of the Alberta Energy Company in establishing a continuous easement for the pipeline through there.

No work is being done on the rest of the corridor, from the Skaro junction eastward, at the present time.

MR. NOTLEY: Mr. Speaker, now that I have the minister's rapt attention, is the government considering the central corridor, and that the eastern corridor concept will in fact be abandoned?

MR. RUSSELL: No, I certainly didn't mean to leave the impression that there's any sense of abandonment, Mr. Speaker. It's a sense of timing. The former government made one or two land acquisitions in the part east of Edmonton that I'd mentioned, but it became apparent it just makes more sense to phase it. The route, the location, and the land acquisitions that have been made remain in place. Certainly, it's the intention of the government to proceed with that on an orderly basis.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the government in a position to advise the Assembly what timetable it's looking at at the present time, and what "an orderly basis" means in terms of projections?

MR. RUSSELL: Not at this time, Mr. Speaker.

MR. APPLEBY: A supplementary question to the minister, Mr. Speaker. Is the government proceeding now with a plan of obtaining easements, rather than outright purchase of land?

MR. RUSSELL: Mr. Speaker, no. It's a combination of both. We're leaving easements to the Alberta Energy Company pipeline division. Voluntary sales are being handled by my department. In most cases, the vendors are electing to remain on the land on a lease-back basis.

Cattle Diseases

MR. MOORE: Mr. Speaker, I'd like to respond to two questions which were asked yesterday. The first was from the hon. Member for Pincher Creek-Crowsnest, who is not here today. At any rate, it was with regard to questions about the diseases anaplasmosis and bluetongue. I'll say very briefly that anaplasmosis is not present in Alberta or in Canada. Bluetongue is not present in Alberta, but one herd of infected American cattle has been found in B.C. They are now being eliminated.

Bull Semen

MR. MOORE: On the question with regard to the export of bull semen to Australia, export from Canada has been suspended. Exports to New Zealand have not, but they will only accept old semen which has already been drawn.

Civil Servants as Witnesses

MR. MOORE: Mr. Speaker, I wanted to respond as well to a question and an accusation made yesterday

by the hon. Member for Spirit River-Fairview. He asked a question of the hon. Premier. His statement in [unofficial] Hansard says as follows:

Recently an employee of the Department of Agriculture acted as a consultant to Pacific Petroleums Ltd. in a surface rights court case tried recently in Vegreville.

I want to advise the Assembly that on March 1, I received a letter directed to me as Minister of Agriculture from Emery Jamieson, the solicitors for Pacific Petroleums, wherein they ask if members of the department would be available to testify as expert witnesses in a court case. I asked the Deputy Minister of Agriculture, Dr. O'Donoghue, to reply to that letter. In answering part of the question posed by the hon. Member for Spirit River-Fairview, I would read one paragraph from that letter.

It is my understanding that the courts do have the right to subpoena any civil servant as a witness. There are internal guidelines which are intended to distinguish between activities related to their job responsibilities and aspects that relate to expert witness testimony or to the individual as a private citizen. This may further be clarified by stating that the employee attends court without any deduction of pay and allowances in the first instance, with witness fees or expenses returned to the Provincial Treasurer, or is on official leave of absence and retains such payment.

Mr. Speaker, four Department of Agriculture personnel were subpoenaed to appear at this action. They were subpoenaed by the solicitors for the defendants, Pacific Petroleums and Alberta Surveying Services Ltd.

The four people were: Dr. John Taylor, livestock supervisor, who spent four days, from April 5 to 8, in court. He appeared as an expert witness to assist the court on matters of sheep husbandry and did not accept a fee. Dr. G. R. Whenham of the veterinary services division appeared on the morning of April 7. As well, he did not accept a fee. Mr. Robert Park, district agriculturist at Wainwright, appeared the same morning to certify signatures on documents which had been provided. He did not accept a fee. Mr. Dwight Rodtka, predator specialist from Rocky Mountain House, appeared the same day. He did not accept a fee, but submitted a bill to the solicitor for his expenses. The amount of the bill was \$91.56, and the Provincial Treasurer has been instructed that that payment be made.

Mr. Speaker, in summation, the accusations contained in the hon. member's question yesterday are entirely unfounded. Members of the department staff only appeared after being subpoenaed as expert witnesses.

Federal-Provincial Housing Discussions

MR. YURKO: Mr. Speaker, if I may, the hon. Member for Spirit River-Fairview yesterday asked me whether an agreement had been signed between the Alberta Housing Corporation and the Central Mortgage and Housing Corporation with respect to Section 44(1)(b).

I would like to advise the House that this agreement has not yet been signed. However, we are meeting tomorrow with representatives of the federal government to discuss further this particular

agreement.

I might also suggest, though, that any funding available from the federal government is being used under Section 43, with the subsidies provided under Section 44. I might also indicate to the House that the extent of capital required in this area is much greater than any supplied by the federal government. It is indeed being supplied by the provincial government, with the subsidies split on a 50-50 basis.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister able to advise the Assembly what the reasons are for the delay in signing, in view of the fact that it is tomorrow you are meeting to sign this particular section?

MR. YURKO: Mr. Speaker, we didn't see any real need to sign this agreement rapidly, so we're taking the time necessary to consider all ramifications. All the funding provided by the federal government in this area is in fact being used under Section 43, with subsidies under Section 44. The only reason for Section 44(1)(b) is that it permits ownership by non-profit organizations, whereas we are using all the money available here in terms of public housing.

Civil Servants as Witnesses (continued)

MR. NOTLEY: Mr. Speaker, I have one supplementary question concerning Dr. Taylor, for the hon. Minister of Agriculture. Can the minister advise the House whether Dr. Taylor in fact testified on all four days of the trial?

MR. MOORE: I'm sorry, Mr. Speaker, I cannot. The information I have is that he spent four days in court, from April 5 to 8, 1976. He appeared as an expert witness to assist the court on matters of sheep husbandry.

ORDERS OF THE DAY

MISS HUNLEY: Mr. Speaker, may I ask for unanimous leave of the House to read a brief statement?

HON. MEMBERS: Agreed.

MISS HUNLEY: Mr. Speaker, Monday, April 19, will mark the sixtieth anniversary of a significant event in Alberta history. On that date in 1916, suffrage was granted to the women of Alberta.

The passing of an act to provide for equal suffrage did not signal the beginning of women's contribution to the building of this fine country. The stories of their skill, courage, devotion, and bravery were already an integral part of our historical tapestry.

During the 13 years after the granting of suffrage, five Alberta women worked with untiring devotion to achieve their ultimate victory in the now famous Persons Case. The impact of that victory resounded throughout the entire British empire.

It is an accepted fact that human wisdom, skill, dedication, and enterprise cannot be legislated. But through wise and judicious legislation, we make possible the optimum use of these valuable

resources.

For that reason, I invite all members of the Alberta Legislative Assembly, on behalf of the people they represent, to recognize the importance of the sixtieth anniversary of universal suffrage in Alberta.

Thank you, Mr. Speaker.

MR. CLARK: Agreed.

head: **GOVERNMENT MOTIONS**

2. Mr. Hyndman proposed the following motion to the Assembly:

Be it resolved that the Assembly do stand adjourned from Wednesday, April 14, at 5:30 p.m. until Wednesday, April 21, at 2:30 p.m., Standing Order 3(1) notwithstanding.

[Motion carried]

[Mr. Speaker left the Chair]

Committee of Supply

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of Supply will now come to order.

Department of Recreation, Parks and Wildlife

MR. CHAIRMAN: Are there any general questions to the minister?

MR. TAYLOR: Mr. Chairman, I would like to mention one or two points in connection with this, although most of the points had a pretty thorough going over in committee. I would, however, like to deal for a moment or so with the matter of amateur boxing. Many people in Canada wonder why Canadian boxers have not done well throughout the years at the Olympics. It's not that we don't have very able young boxers, equal to those found anywhere in the world. It's not because we don't have very able coaches, equal to those found anywhere in the world. In my view it's because we have not provided an opportunity for our young boxers to compete. You can't take a young lad who has had a handful of bouts to a trial like the Olympics and expect him to do very well in his first few attempts.

What young Canadian athletes need, I believe, is a chance for many competitions and international competitions. Today most countries of the world are providing their young boxers with that. They take them to this country, to that country, to the other country. An able boxer, a gold medal boxer, is not made by sitting back and waiting for bouts. He is made by participating in bouts with many different types of athletes.

I would like to suggest that in Alberta we probably have some of the ablest trainers and coaches in Canada. But even with men like Gordon Russell, Denis Belair, and Paul Hortie, we can't expect our

young boxers to do very well unless we provide them with some international competition in the years intervening between the Olympics or the Commonwealth Games and so on.

So my plea to the hon. minister is to take a special look at amateur boxing. In my view it is in a different category from many other amateur sports, and I would like to see a special category set out in which some money is provided to the excellent trainers and managers in this province to provide international competition for promising young boxers from Alberta.

MR. R. SPEAKER: I'm not sure this was covered in committee when I was there the other evening. This is with regard to the operation grants of recreation centres. At the present time, are a number of the centres in difficulty? I know some applications came in at an earlier date, and now some of the centres in the province are having some operational difficulties. I'd like the minister to comment on that. At the present time, is the position of government still very firm about entering the operation grant area?

The other question I wanted to lead into, Mr. Chairman, was with regard to private fish farms. I was thinking of the Allen Fish Farm just out of Calgary at Fish Creek. I'm not sure whether the fish hatchery in Calgary is operational at the present time or just what the development is there, but is there any conflict between those two operations?

MR. ADAIR: Mr. Chairman, I'm not just clear. Could the hon. member give me an indication as to what he refers to as the centres that might be having problems? Relative to the major facilities program, and I assume that's what the question was relating to, and the operational grants for that, no, I'm not aware of any we have provided funds for that are having difficulties as you explain. I think there is and has been some reference to some of the facilities built under the ag. society program that are having some difficulties. We're attempting to work with the Minister of Agriculture and the Minister of Municipal Affairs in trying to sort those out.

Relative to our program, I can state again very clearly and very adamantly that we are not about to get into operating with those who apply. As I said in subcommittee, one of the things we attempt to do with the officials in the field is to lay out reality as to what the operational costs may be if they are going to get into a facility of a certain size. Once they in fact place before us an application in which they can lay out the operational costs and how they are going to meet these and all the other requirements, they of course are approved. At that point, they know there will not be any operating [grants] from government. We leave that to the service clubs, to the municipal government, and to the people who, in effect, will be paying for the services they are demanding in the area. There have been some problems in the other area, but not in this one at this point.

Your second question was relating to the fish hatchery. It is operational in Calgary. Last year I believe it produced approximately 5.7 million rainbow trout. I am aware of the Allen fish hatchery, or the people who bought Happy Valley. At this point I can't really say whether they conflict in any way, shape, or form. I know that took place just a week ago, and I'm

looking at it right now. I haven't got the answer to your second question.

MR. TAYLOR: Mr. Chairman, could I deal with just two other items and then possibly the hon. minister can reply to all at the same time.

The second point I would like to have on record is the matter of Sport Alberta. In committee, the hon. minister agreed to supply me or the committee with information on Sport Alberta. I don't want to be overcritical of Sport Alberta, but I have to say I'm very disappointed in what has happened to Sport Alberta.

I had something to do with bringing Sport Alberta into being. At that time I envisioned this organization becoming a viable influence on and a tremendous help to amateur sport. Now I find that some amateur sports are so disappointed they are not even joining Sport Alberta. It appears to me that too much money is being spent on overhead and salaries and not enough help is being given to the amateur sports themselves. I would like to see the hon. minister take a pretty careful look at Sport Alberta to see what is going on. If the percentage between the overhead in their office and the help to amateur sports is in the vicinity of 50-50, or higher than 50 per cent for the overhead, I would suggest there's something radically wrong. As a matter of fact, normally the overhead of an organization should be not more than 10 per cent. If they're using more than 10 or 15 per cent to operate, in my view, the money is going to the wrong place.

Amateur sport does need some help. When we look at Russia and other communistic countries that pick up so many gold medals at our international athletic [meets], and realize that those people are wholly supported by government, I don't think we need to be a bit ashamed when the government does help amateur sport to help itself. I like the attitude of the present minister in that regard. I'm hoping we can make Sport Alberta a viable influence in helping our younger athletes in this province, particularly our amateur sports, of which there are a great many.

One of the former governments in B.C. provided Sport British Columbia with \$1 million on the understanding that they would live off the interest of that \$1 million. This was done by the former W.A.C. Bennett administration. Information that has come to me from that association is that they've done very well living off the interest of that \$1 million since that plan was put into effect. I think it is a very excellent plan. At some time in the future the people of British Columbia will still have the \$1 million. In the meantime, amateur sport is getting a real uplift through the interest from that investment. I think it's really worth while taking a look at something like that in the province of Alberta.

Just to sum up, I must say that I'm very interested in amateur sports, whatever the sport happens to be. Any assistance we can give young people particularly to develop prowess in the amateur sport of their choice redounds to the credit of our province and our nation. I might say that is so to a great extent when our young athletes are able to compete successfully and win gold, silver, and bronze medals at the international athletic [meets].

The other point I would just like to mention briefly is the matter of snowmobiling. It seems to me many people point their finger at snowmobiling. I just want

to emphasize that snowmobiling is an important industry in this province. It brings millions of dollars to our economy every year. Snowmobiling has provided a way for the average worker, the average Albertan, to enjoy winter. These people can't take their families to Hawaii and Florida, but they can get a snowmobile and every member of the family can enjoy the sport of winter. I think snowmobiling should have a proper place along with skiing, skating, and other winter sports.

The other day in reply to a question, the hon. minister mentioned that in the Kananaskis park consideration was being given to setting up certain areas for snowmobiles. I'm very happy to hear that. I hope this can be done in various parts of the province where damage to the environment will not result.

In that regard I find it difficult to follow the arguments of people who don't want snowmobiles to operate on large bodies of water when they're frozen over, because of damage to the environment. For the life of me I can't see how it's going to damage that ice. It makes me think of a little boy in my school in the country when I was teaching. He had a sheet of ice in his pasture. He was a little bit retarded. There was another sheet of ice in another pasture. The debating club was debating whether or not they should go to Robert's pasture to use that ice. Robert stood up and said, well, I don't want you wearing out the ice on my pasture. Really, about all the snowmobile does is wear out the ice. It doesn't do any damage as far as I can see.

I have attended some snowmobile meets, and I am always most pleased with the attitude of the snowmobilers. They don't want special consideration. But they do want to be considered in the overall provision of an area in which to enjoy their sport unhampered and unfettered.

MR. ADAIR: Mr. Chairman, first of all I certainly take note of the concerns you have about the boxing organization.

With regard to Sport Alberta, I think I should try to lay out two particular positions. One of them related to the concern about the amount of administrative costs for Sport Alberta. Sport Alberta is made up of a number of representatives of the provincial amateur sports associations. Those associations, in my opinion, do very well by way of Alberta government assistance. They get administrative costs for the specific organization: an annual amount of \$3,000. In a number of other areas they receive travel assistance for international competition. Twenty-five per cent of their travel assistance, if it meets the requirements of the department, can be paid; 10 per cent for Canadian and international competition. Assistance for hosting national championships and western Canada or international championships is available to the provincial amateur sports associations. So there is a large amount of money available to those organizations for those types of events. I speak of that being available to the boxing group. These are provincial organizations, again, not specific clubs. They can receive that money for their administration. They can receive percentages of their travel costs, as I stated, to go to international, western Canada, or national events.

Dealing with Sport Alberta specifically, the initial idea was to assist, promote, and organize amateur

sports in the province. At one point Sport Alberta then became involved in the concept of the Summer and Winter Games, or the Alberta Games. The managing director is a gentleman by the name of Mr. Ron Butlin who, I might add publicly, did an excellent job in promoting and carrying out the Summer Games of '74 in Calgary, the Summer Games of '75 in Red Deer, and just recently the Winter Games of '76 in Banff, where a tremendous number of athletes — and I say that in the proper sense of the word — from ages 85 down to 13 were able to participate. I really think that is the key to the Games concept.

Now there is no question about it: because of the acceptance by the people of Alberta of the Games, the thrust has maybe cast a shadow on the role of Sport Alberta in itself. I really think we do have to take a look at the role of Sport Alberta, those representatives selected and appointed by the amateur sports body, and what they are doing. Because the Games concept has possibly overshadowed the role they have to play, for some reason I'm not aware of at this point, they have chosen not to pursue the other avenues.

The annual budget this year for Sport Alberta is \$85,000. That covers the managing director and the operational costs of that group. A question in subcommittee related to what, in fact, they will do if we do not have games this summer. Obviously a tremendous amount of planning goes into the creation of any particular games. We'll be looking for applications and submissions from the various communities to host the next games, which will be the 1977 Summer Games.

At this point we've changed the system to every other year. We'll have the Summer Games in '77, the Winter Games in '78 — that has other reasons, it follows behind the Commonwealth Games — a Summer Games in '79, and so on. But that then allows us to assist Sport Alberta and that organization to receive those applications, sit down with those communities, and in fact lay out what the problems may be and what is expected of them. The Sport Alberta group and the policy committee for the games will in fact select the successful applicant and assist it in getting prepared. For example, at the Banff Winter Games, some 350 people in the immediate area were the host committee that did all the volunteer work that ensured the success of those games. That's a key part of the games concept, as well.

It's not just the participation of the athletes. It's the fact that in the regions, in the zones, in the communities, and right down to, in this case, about 1,300 to 1,500 athletes eventually ending up at Banff for the finals, some 35,000 to 40,000 athletes participated in the run-offs, if you can call them that, the zone finals, the semi-finals. Then 350 were involved in actually hosting and carrying out that particular event. They did it, of course, under the guidance of the gentleman who is in charge, really, to see that the games are carried out successfully, and he's the managing director of Sport Alberta.

So if I might just lay that before the House, there is a difference in the amount of money paid to Sport Alberta, transferred to Sport Alberta, for its operations, and the moneys paid to the various provincial amateur sports organizations. In effect that really isn't affected by that, in the sense that there are two

or a number of separate budgets. The individual provincial associations will apply for and receive their moneys. They then will apply as they select their winners, so to speak, to go on to western Canada, national, international events.

Add on top of that, of course, the recent announcement we made relative to the assistance that would be available for those training for Olympic or Commonwealth — and we have included the Olympiad for the Physically Disabled — international or national events, as well. So there are other funds besides what I've just mentioned that would be available to those selected by the provincial organizations to be representatives of the province of Alberta.

Now, in regard to snowmobiling, I appreciate the hon. member's remarks. We did indicate in subcommittee that we were in fact looking at a change, in that in the new larger parks we are structuring, we would be attempting to design areas where snowmobiling can take place.

Certainly the snowmobile is here. There's no question about it. That recognition is given in the sense that our parks planning people are looking at that. I think we can look at other areas as well that may in fact allow us to expand that role. But I really can't specifically state any of those at the moment, other than that we have our minds open as to how we can attempt to resolve that conflict.

MR. R. SPEAKER: Mr. Chairman, I'd like to pursue further with the minister the idea of the fish farms. In particular, I want to use the Allen Fish Farm as an example. The Allen Fish Farm was in my constituency until just a short time ago. Then he sold the farm there and moved into the Calgary area.

During the time it was there, I had the opportunity of purchasing fish from him for my own purposes. The day I arrived there, two of the officers from your department — and you weren't the minister at that time — arrived at the same time. They came to me first of all — I was not identifiable as an MLA, or maybe anything else — but were very rude, saying, "What are you doing here?" I said, "Well, I have my truck, and I'm here to pick up some fish."

So I didn't say very much about it, and I thought, well, I'll just observe what's going on. Following that, they inspected the total fish farm. It wasn't on the basis of courtesy. It was on the basis of inspectors from a police department. I was very upset about that. I didn't report it at that time to the minister. I feel neglectful in my responsibilities. I think I would have to the present minister.

But out of that came the feeling that the thrust of the department was that a person in the private fish farm business really was not there with the support of the department. It was someone trying to operate a private business, regardless of the department, and they were under the pressure of the department to come up to all kinds of standards and by-laws, et cetera. I felt there was not a thrust of support for private enterprise, but it was a sort of jealousy of the department wanting to do this. This was their area. It was up to the department, up to government, to supply fish to people, as such. I got that feeling. That was the impression.

Now the question I want to [ask] the minister is: is that the direction you are giving to your staff at this point in time? What steps do you take to support

private fish farms or private businesses such as this? Basically, let's start there.

MR. ADAIR: Mr. Chairman, first of all, I can't respond to what happened some time in the past.

MR. R. SPEAKER: I'm not asking you to.

MR. ADAIR: No, but I just make that comment to clarify the fact, if the fellows at that time were doing it.

But I just happen to have with me — and I'm sure you may have seen it — a pamphlet called *Game Fish Farming in Alberta*. We support the concept of assisting those who may want to get into it, by explaining in detail how they can and what is necessary to make a successful operation of fish farming.

So if there was a difference before, I think I can very emphatically state that there is now the co-operation of the department with any who want to get into that particular area, that we'd like to assist them to ensure they in fact become viable, that it is successful. By doing that, we're prepared to sit down with them. We've prepared this document that I tabled just last week in the House. I think that in part answers your question.

Again, relative to any specifics of the Allen Fish Farm, I would have to take them as notice and come back to you with that information. I haven't got anything that relates to just where they are or whether they've contacted the department. I don't know.

MR. R. SPEAKER: Has the minister or his department any plans in the coming years to expand, say, the Calgary fish hatchery or other locations in the province? If so, if the need is there or has been determined for this type of stock for our streams and so on, is the minister exploring potential private avenues through which fish can be hatched and made available for our streams and lakes?

MR. ADAIR: Yes, I think that's a good question, Mr. Chairman, relative to the future. Right at the moment, with the Sam Livingstone Fish Hatchery on stream and hopefully at full production this year, this gives me an excellent opportunity to point out that we may be experiencing some problems in the very near future relative to some federal regulations coming in force in January of '77 that may in fact eliminate our opportunity to bring in fish eggs from the U.S. market, so that we can place them in that hatchery and have it operating.

If that happens, we may, at some stage or another in the next couple of years, be operating at 20 to 35 per cent potential. That would be because we have some capability now to produce our own eggs. We are looking now at the opportunity to create the necessary rearing ponds so we can produce the adults that will produce the eggs, and we'll have rainbow trout based, owned, reared, and bred in Alberta. We may have a period where we won't have that. It will be a gray area.

At the annual Fish & Game Association meeting this summer, I was trying to explain that that problem exists. There's no sense in hiding it. We're laying it out there. We seek your assistance, members of the Legislature, when it comes to budgeting for the

necessary dollars that will be necessary to put the rearing ponds in place.

Now, as to future hatcheries, of course, we're looking at that constantly. At the moment, the Sam Livingstone Hatchery will handle what we will require. But I think the opportunity is certainly there if, for example, the Allen group or whoever it may be wanted to get into that, and we could complement each other. I think that's an excellent route to be going.

MR. R. SPEAKER: Mr. Chairman, to the minister. A few moments ago you made a comment with regard to reviewing the Allen purchase of the area just west of Calgary. What was the import of the minister's comment? Was that for an inspection? Or was that with the idea of trying to give them a hand?

MR. ADAIR: No, if they were looking for help, certainly I didn't want to leave that impression at all. I stated that I wasn't aware of exactly what had happened, other than what I had read in the *Journal*. But if they came to us, for example, we would certainly offer any assistance we may have. That would be the only area where we would be involved. We wouldn't be going in there and saying, this is what you've got to do. Obviously, they've got certain rules to meet. I'm sure there's no problem in that area. But if they are looking for additional assistance or information or resource people to assist in expanding and we can offer that service, we would do that.

MR. MANDEVILLE: Mr. Chairman, in subcommittee the minister indicated they're going to start on the pheasant hatchery in the Brooks area — I'm very pleased to hear it; it's been long awaited — that they have budgeted approximately \$950,000 for this year, and that it will be started in August.

Mr. Chairman, I would like to ask several questions in regard to the pheasant hatchery in Brooks. One, how much land have they purchased for the hatchery, and where is it located? Two, what was the price they paid for the land in question? Three, when will the first phase of the pheasant hatchery be in operation? When will they be releasing the first birds from the hatchery?

MR. ADAIR: First of all, Mr. Chairman, the site is just east of the Tillebrook provincial park, right alongside the Trans-Canada Highway. We have purchased 320 acres, and the cost of the land is \$160,000. Delightfully, I should change the amount we'll be spending this year. It's \$986,000, not \$950,000. So the other \$36,000 will be included in that, for the hon. member.

That will allow us, hopefully, in the spring of 1978, to raise 20,000 to 25,000 birds, [to be] released in the fall. So in '78, hopefully, we will have on stream the capacity to rear some 20,000 to 25,000 birds at that new hatchery in the Brooks area.

MR. MANDEVILLE: One supplementary question, Mr. Chairman. Did I understand the minister to indicate that when the third phase is completed, the entire project is going to cost up to \$5 million?

MR. ADAIR: If we complete it as we now have it laid out, that's right. It would be approximately \$5 million

if we reach a stage of producing 100,000 birds. That can be adjusted either way. If, for example, the decision were made to produce only 50,000 birds, that would be proportionately reduced — not necessarily in half, certainly not the way today's prices are. But it would reduce the actual cost of the total facility, possibly [to] somewhere in the area of \$3.5 to \$3.75 million.

But that was right. We were talking about the total production of approximately 100,000 birds. That would give us an estimated cost of approximately \$5 million.

MR. McCRAE: On the same subject, Mr. Chairman, might I congratulate the minister on going ahead with this project, for which all southern Albertans will commend him, recognizing the great recreational opportunity of hunting pheasant. Also, it's been on the drawing board for some time. Right now, we're pleased you are going ahead.

Mr. Minister, would you advise how long have we planned before we get it into full operation? That is, is it 25,000 by '78, and then by 1979 or 1981 we'll expect it to be up to the 100,000 birds, everything going well?

I want to say, Mr. Chairman, that I think it's important we get to that maximum number at the earliest opportunity, recognizing the increased hunting pressures because of added numbers of hunters every year and the extra recreational or off-job time most of us have. So there are two factors at least; that is, greater numbers of hunters and greater time to hunt, greater leisure time, plus a considerable reduction in the habitat potential. I don't think there is the opportunity of natural maintenance of the stock. So this stocking plan the minister is going ahead with is important. But I do think it is important that we reach the maximum capacity, and I wonder what your goal is in that area, Mr. Minister.

MR. ADAIR: Mr. Chairman, if I happen to be smiling when I say this, the goal can be reached very quickly with the co-operation of the members in this Assembly.

I really don't know. We're looking at approximately three to five years for that maximum, subject again to budgetary restraints and how these may in fact place us, relative to phases two, three, and four. Right now, we're concentrating on phase one. Hopefully, we'll be able to start producing the pheasants for the spring of 1978. If, in '77, the members happen to assist us with the request we make for funds, we'll carry that on. I think we could reach the maximum at the end of about three to three and a half years, subject to meeting all the conditions: that's money and everything else that would go with that.

The other question, if I might take the opportunity to expound a bit, Mr. Chairman, is the fact that in Alberta we now have private citizens the likes of a group called Upland Birds Alberta, who are gathering the support of the private sector, and moneys with that, and are working very co-operatively with the department, and we are assisting. We've assisted to the tune of \$25,000 to put up some rearing pens in the southern area.

The significance of that, I think, is the fact that we have a tremendous number of farmers working with the hunters in that project. Historically there has

been a hunter-farmer conflict. That is beginning, I think, to take [on] a more positive look with the inclusion of the hunters in the organization and in fact providing the opportunity for the pens, and even beyond that, the fact that we now have in the 4-H manuals a section on rearing pheasants so that young people involved in farming operations have the opportunity to understand the rearing and raising of pheasants and what they can do for them.

MR. McCRAE: Mr. Chairman, I'd like to ask the minister a further question. Let me congratulate you, Mr. Minister, on involving the private sector, the farm population, and the small town population in the program. I think that will be a very positive factor in maintaining the supply.

The question, Mr. Minister, is: have we any studies as to how many birds might be out there right now, and as to how many birds we need; that is, the breeding stock to maintain an adequate level for the number of hunters we project will be out there this year and in the years ahead? What capacity, really, do we need from a hatchery to help assist the natural growth or maintenance, the natural hatching type of thing?

MR. ADAIR: Part of the problem that relates to the maintenance level, Mr. Chairman, is of course a problem with habitat. We have, I think, an ongoing problem — we being the people of Alberta; the Department of Recreation, Parks and Wildlife; Upland Birds; and anyone interested in that area of hunting — and that's the maintenance of habitat area, or possibly the increase of habitat areas within the pheasant area.

I can't give you any specifics on those figures right now. I could get them if you'd like, hon. member, and provide them to you. But I would say, yes, we have some figures that can in fact give us an idea what we have to have to maintain a balance.

Of course, part of the capacity of the hatchery will also be for a put-and-take type of operation, where they would place pheasants in areas they won't survive in over the winter, but would be available for the hunting season. Some of that has previously been done in the Camrose area.

MR. MANDEVILLE: Mr. Chairman, I'd just like to make a recommendation to the minister. I would like him to have a look at it, for what he thought it was worth. In the past, we've been releasing these birds just before the pheasant season opens. We turn them loose close to the highways. They're the easiest birds to harvest, and they're usually the first birds harvested.

So I [take] another opportunity to congratulate the hon. minister. I think if he was to go ahead with the program, close the hunting season early, and then release that first hatch of birds so they can go out and produce for another year, release them after the pheasant season is closed and have some type of program to pay the farmers to feed the pheasants, I think this would increase our pheasant population so it would satisfy our hunters.

MR. GOGO: Mr. Chairman, I wonder if the minister could advise how many Albertans had licences to hunt pheasants last year. I didn't realize I was being

represented by the Member for Calgary Foothills as being in favor of it. But I guess that's a fait accompli. Could the minister indicate how many Albertans had licences last year, and perhaps how many in total, which would include those from outside the province?

MR. ADAIR: Mr. Chairman, I don't have those figures with me right now, but I can have them very shortly.

MR. GOGO: A supplementary. Just in observation, we went through the Attorney General's estimates the other day, and we found that we were committing \$2 per capita to legal aid, and now \$5 million — that's probably \$3.50 per capita — for pheasants, and we still give only 3 cents per capita to libraries.

MR. STROMBERG: I'd like to ask of the minister: I believe he indicated interest last year in the idea of the 4-H movement being in the business of rearing pheasants. I wonder if he could expand on that subject, go into it in further detail.

MR. ADAIR: Mr. Chairman, I expanded on it a moment ago, stating that in fact there was the opportunity in the 4-H manual for the young 4-Hers to get into the rearing of pheasants. I can get some specific details for you, if you'd like to ask me a little later.

Agreed to:

Vote 1 Total Program	\$1,618,810
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Vote 2

MR. HYLAND: Mr. Chairman, I'd like to ask the minister a question on 2.3, sports and fitness development. Mr. Minister, is this the part of the funding of your department that is going toward Shape-Up Alberta? Were they successful with their refinancing, as you were with the commitment you made to them at the kick-off in Medicine Hat? Who ended up with more? Who ended up with the greater increase?

MR. ADAIR: I'm afraid, Mr. Chairman, you're going to have to refresh my memory as to what we're talking about — who got more. I'm just not sure what you're referring to.

MR. HYLAND: I think anybody who saw the news in Medicine Hat that night — you were showing off your front. They were asking about financial aid to continue the program, and you made a commitment to try to lose weight. I was just wondering who made out better.

MR. ADAIR: Shape-Up Alberta made out better, Mr. Chairman. I haven't lost weight, I've still got that. I'm a candidate for that particular program.

We have the money in place for continuation of that particular program in the province.

Agreed to:

Vote 2 Total Program	\$28,945,560
Vote 3 Total Program	\$11,367,320
Vote 4 Total Program	\$8,683,080

Vote 5 Total Program	\$612,030
Departmental Total	\$51,226,800

MR. ADAIR: Mr. Chairman, if I may just respond to the question from the hon. Member for Lethbridge West about the number of licences. I wonder if you could get the attention of the hon. member. Relative to the pheasant licences of last year: the residents, 74,000; non-resident Canadian, 5,128; non-resident, non-Canadian, 998.

Department of Education

MR. KOZIAK: Mr. Chairman, first of all, before getting into the estimates, I would like to make two announcements. I'd like to make them this afternoon before the hon. members leave for the Easter break, because I'm sure the information I'll be supplying in these announcements will be of use in the discussions they will be having with their constituents.

The first announcement I'd like to make, Mr. Chairman, is in connection with the early childhood services program. I might add at the beginning that the early childhood services program, which was first developed under my extremely capable predecessor, has been a highly successful program and well accepted throughout this province.

I have the figures here as to the total enrolment in the early childhood services programs as of February 20, 1976, in the province. That is 26,690, which is fairly close to 90 per cent of all the children of the age who would be entitled to enrol in these programs.

The announcement I wish to make this afternoon is one which many members of this committee are awaiting because of discussions we had during the question period in the House some time ago — approximately a week or two ago. I recall that the hon. Leader of the Opposition and the hon. Member for Edmonton Calder both posed questions to me in this regard. That was in connection with the funding of those students in the province of Alberta in early childhood programs who are of the age of 5.5 years.

I'd like to outline some basic principles with respect to that overall matter. These principles involve an adjustment of the previous statement that 5.5-year-old children would not be funded in the forthcoming educational year commencing in September. These adjustments and basic principles are as follows. First, the age of children for which government support will be provided to regular early childhood services programs will be one year lower than the school entry age set by the school board in that particular jurisdiction.

If I might enlarge on that for a moment, Mr. Chairman, that would mean that entry into the program in those jurisdictions where the admission age in Grade 1 is five years, six months on September 1, would then be four years, six months in such jurisdiction. In those jurisdictions — and there are some in the province in which the entry age for Grade 1 is five years, eight months — there would be a corresponding adjustment with respect to early childhood services in that jurisdiction, so the entry age would be four years, eight months.

Secondly, Mr. Chairman, government support will be provided for one year in early childhood services for all children enrolled. This would mean that those children who are 5.5 years of age on September 1,

who for one reason or another have not had an early childhood services program, and whose parents feel that that would be a desirable step before the child enters Grade 1, would also be supported in the normal grant structure.

Third, government support will be provided for up to three years for early childhood services for handicapped children. Some handicapped children are eligible for entry into an early childhood services program at age 3.5. Even at age 5.5, after two years in such a program, parents may find that the children would be better suited for a further year in the early childhood program, rather than entering Grade 1 at age 5.5. As well, under those circumstances, a 5.5-year-old child who is handicapped will be entitled to be counted for support in an early childhood program.

Government support will be provided — and this is the fourth principle — for a second year for emotionally and intellectually immature children at the option of parents, in consultation with ECS staff. So those parents who feel their child is not ready, either emotionally or intellectually, to enter Grade 1 at the age of 5.5, will have the option of continuing that child, in consultation first with ECS staff, for a second year of early childhood services program, rather than entering the Grade 1 stream.

In the initial year, there will be children in those jurisdictions that have an entry age into Grade 1 of five years, eight months. In the initial year, that would mean some children would be entitled to an early childhood program, so as not to interrupt the educational process of that child between early childhood services and Grade 1. This will be in the first year of this program. Following that, this problem should no longer arise, because the entry age in those jurisdictions where the school age is 5 years 8 months would be correspondingly one year below that. That would eliminate the problem.

I might add that these basic principles and procedures should effectively resolve the concerns I've had expressed to me by members of the Legislature, by parents, by members of the teaching profession, and by departmental officials. I know this is of great interest to probably all the members in this Assembly. Mr. Chairman, I've brought with me copies of the news release outlining these adjustments so members might have them in their possession prior to departing for the Easter break.

Before distributing those press releases, I would like to make one other announcement which will also be documented in the form of a press release and distributed to all members of the committee. That is in connection with support prices on school construction. The support prices will see a basic increase from \$29 for construction under 4,000 square feet and for the core schools to \$30.50 per square foot. For additions on permanent schools in the area of 4,001 to 8,000 square feet, the increase would be from \$28 to \$29.50 per square foot. For permanent construction in excess of 8,000 square feet, the increase would be from \$25 to \$26.50 per square foot.

In addition to this, Mr. Chairman, we've made certain adjustments to the ring system we have. This provides additional support for those jurisdictions which build schools that are set distances away from major construction areas in the province. Hon.

members will recall, the previous ring system which was in effect until December 31, 1975. I might add that these adjustments in support prices are effective January 1, 1976 for all tenders approved from that date.

The information I'm going to share with members now in connection with the ring system of additional support is also in effect from January 1, 1976. Previously, Mr. Chairman, the ring system provided an additional support of \$1 per square foot for those schools built between 50 and 100 miles from a major construction area. This was increased by \$1 for each additional 50 miles. The maximum additional support was \$4 per square foot for those jurisdictions building schools 201-plus miles away from major construction centres.

Mr. Chairman, we have changed the mileage in the rings, first of all, so those jurisdictions entitled to additional support will be those that fall within the first ring of 25 to 75 miles from a major construction area. We've moved the first ring and each subsequent ring 25 miles closer. We've added a fifth ring for those jurisdictions 226-plus miles from a major construction area. Those jurisdictions building schools at that distance from a major construction area would receive an additional \$5 per square foot in support.

Previous to this, Mr. Chairman, no additional support on the ring system was provided to portable schools. The announcement which I'm sharing now with members indicates there will now be a ring system in effect for additional support for portable schools. Basically, it will rely on the same mileage provided in the ring system on permanent construction. The additional support, however, will be one-half the additional support provided in permanent construction. A school built in the area of 26 to 75 miles would receive an additional 50 cents support on portable construction, as opposed to \$1 on permanent construction. A school built in excess of 225 miles from a major construction area would receive \$2.50 additional support for a portable, as opposed to \$5 for permanent construction. This takes into account some of the submissions I've received. There are additional costs in the area of portable construction, particularly in moving and transporting these portables from the vicinity of construction to the vicinity of use. There has been no change in support for free-standing portables, but \$1 has been added to the support price for the portables which are plugged into core schools. So that's gone up from \$18 to \$19.

I'm passing this information out now, Mr. Chairman. I might just refer hon. members to one error I've found in the second page of the release dealing with the construction support prices. That is the matter I last dealt with, the ring system of additional support for portables. The first ring is 26 to 75 miles, and not 175 miles as shown in the document. I think that will be clear once hon. members receive copies of this. If a page could assist, I could provide copies for distribution to hon. members.

Mr. Chairman, the \$513,582,510 budget of the Department of Education provides an overall 11.1 increase over forecast for total departmental expenditures of 1975-76. At the same time, Mr. Chairman, it provides an increase in the grants paid to school boards in the province, an increase again of 11.1 per cent over the amounts paid out in grants as forecast

for the '75-76 fiscal year. In fact, the school foundation program fund which appears on page 97 of the Estimates of Expenditure shows that the provincial government contribution to this fund has increased by 11.7 per cent over the forecast of the previous fiscal year. At the same time, there's been an increase of 8.3 per cent in the amount contributed to the school foundation program fund by property tax on commercial and industrial property. Mr. Chairman, I should point out that the 8.3 per cent reflected there is not an increase in taxation on individual properties in the form of an increased mill rate. The mill rate will remain exactly the same. This will flow from the result of new assessment being added during the past year.

The result in total for the school foundation program fund, Mr. Chairman, is an 11.3 per cent increase over the previous year. This is important because the grants paid out from this fund represent just about three-quarters of all the grants school boards in the province receive from this government. That is in the form of the school foundation program for pupil grants and the other items mentioned in the vote.

I would like to point out to the members of the committee, Mr. Chairman, that the budget reflects a number of new thrusts. First, the change of funding of private schools that provide educational services for children who are handicapped: there are substantial budget increases in grants to these schools, grants that will more closely approximate the level of funding that the department provides to school boards in the province for educational services for the same type of handicapped child. So the private schools are providing these services, in fact were providing these services when no one else dared to tread in this area.

The private schools that have shown the lead in this area, with the efforts of volunteers and those of good heart in our society, will in fact be provided with a level of support which will enable them to continue to provide a service for these handicapped children who require such educational services. It will enable private organizations, such as the Winifred Stewart [School] and others that I'm sure come to the minds of members of this committee, to in fact improve and increase the quality of service that is and can be provided for these children.

Another thrust that this budget will provide, Mr. Chairman, is an increase in the level of funding that private schools can expect from this government. The budget provides for an increase in grants to private schools from a level of one-third of the school foundation program fund grants that regular school boards receive, to a level of 40 per cent of those very same grants.

The budget also provides for the funding of two new transportation plans, the rural and the urban transportation plans that have been announced in this House and prior to the opening of this spring session.

The budget also provides for an increase in the level of funding for students in elementary and junior high school programs, an increase which reflects the minister's advisory committee on school finance recommendations, recommending a shift towards the elementary in the level of grants that are provided under the SFP program, a shift which will see a

narrowing between the grants provided for elementary school children and those provided at the high school level.

It also provides, Mr. Chairman, for funding of the really very substantial growth of special education teaching positions that we've seen in the last two years, providing for additional educational services for children who have handicaps and learning disabilities. We have seen an increase of approximately 60 per cent in the number of these teaching positions approved during the course of the last two years, and we will be able, within this budget, to continue to fund those teaching positions that have been approved thus far. In addition, we'll be able to fund further teaching positions that may be necessary for those children who have severe handicaps.

It provides, Mr. Chairman, for an anticipated increase in enrolment of approximately 1 per cent in September 1976, also for the shifts in funding that will develop as the bubble of population in our school system moves from the present Grade 6 to Grades 10 and 11 through the system.

At the same time as I mention the provision in the budget for an anticipated 1 per cent increase in enrolment in September 1976, I should caution members of the committee that we do not expect that increase to continue. In fact, projections would indicate that thereafter, probably commencing in the fall of 1977 but more surely in the fall of 1978, enrolments in this province will again be decreasing as the bubble of enlarged enrolments that presently exists in Grades 6 to 11 shifts through the system and is replaced by lower enrolments in the elementary grades than we see at the present time.

I would imagine, Mr. Chairman, that there would be a number of questions flowing from the budget, and I would be pleased to deal with them. However, perhaps I can dispose of some that might immediately come to mind.

The first one, of course, would be on page 91 under Vote 1, where we summarize by element the moneys appropriated to that vote, the provision for a 27.1 per cent increase in the minister's office. That, Mr. Chairman, would provide for additional clerical assistance to handle an increasing volume of correspondence and other material that is flowing into the office. To be honest, Mr. Chairman, I can give no assurance that it will be used, but the provision is there to ensure that, should the need arise, the people of the province of Alberta can in fact be accommodated as quickly as possible.

Another area where a question may arise is in relation to Votes 1 and 4 in total. These indicate a 19 per cent increase over forecast in Vote 1 and a 13.6 per cent increase over forecast in Vote 4, which would seem to be above the 11 per cent guidelines. I would refer members particularly to the fact that those percentages are calculated on forecast and not on estimates, so that in each case, the estimates for both votes were higher in '75-76 than forecast. In other words, the Assembly voted a greater sum than was in fact spent in those two votes for the previous fiscal year. Part of the reason is that positions which were not filled at the beginning of the year have subsequently been filled and will require the appropriate amount of funding in future.

Another question that may concern members is in Vote 2, Ref. No. 2.4, where the education opportuni-

ty fund shows an increase of only 1.2 per cent. That is in spite of the fact that we have increased the level of funding from \$23 to \$25 per elementary pupil under the education opportunity fund in accordance with the regulations thereunder. The reason for the small increase which is shown is again the fact that part of the expenditures that were attributable to the '74-75 fiscal year, and which should have been paid in the '74-75 fiscal year, were paid in the '75-76 fiscal year. So in actual fact, the moneys which will be going out to boards will be substantially greater than the 1.2 per cent which is shown.

I mentioned earlier, Mr. Chairman, that I expected a great deal of interest in the estimates of the Department of Education. I think I should leave some time for the hon. members to express their interest, and perhaps pose additional questions that I haven't had the opportunity to touch upon.

MR. NOTLEY: Mr. Chairman, a number of points. I was interested to see the announcement concerning early childhood services. Just giving it a cursory glance, it would seem to me that it does improve the situation somewhat.

Turning to the announcement today with respect to the support price for school building construction, I still don't think that's going to solve the problem in some of the more distant areas where the extra building costs are substantial.

One question I would put to the minister: I suppose that when we look at the ring system, we're talking about Edmonton and Calgary as the starting points. Or are we looking at smaller centres? Perhaps he could just clarify that, and then I'll go on.

MR. KOZIAK: There are major centres besides Edmonton and Calgary. These would include Lethbridge, Medicine Hat, Red Deer, Grande Prairie, and I hope that's exhaustive. I may have missed one.

MR. NOTLEY: And I assume Fort McMurray.

MR. KOZIAK: No, Fort McMurray is not included as a major construction centre.

MR. NOTLEY: Mr. Chairman, I was afraid that was the situation. It makes it somewhat more difficult for the more remote rural divisions. If we're looking at Grande Prairie, for example, as a major construction centre, a division like Smoky River or Spirit River or Peace River would start from Grande Prairie. By the time you get to Savanna, you're looking at 50 or 60 air miles. In actual fact, you're in a different world as far as construction costs are concerned.

I know it's difficult to come up with formulas that will solve these matters. But the fact of the matter remains that in some of the divisions I know better than others, there have been very serious problems with the present formula applied by the school buildings branch. It means a substantial unapproved cost which has to be picked up by the local ratepayers.

Mr. Chairman, I wanted to touch on several issues beyond the question of the school buildings branch and early childhood services. I was looking at the report of the department on supplementary requisitions, financial and fiscal report of Alberta school boards, fiscal year 1974. It's interesting to compare the supplementary requisitions in a number of our

areas in the province. If we look at school divisions, for example, Peace River has a supplementary requisition here of 22 mills . . .

MR. KOZIAK: I wonder if the hon. member could point out the page number.

MR. NOTLEY: We're looking at page 11. For members who want to follow, it's in the statistical book. We find supplementary requisitions. This is 1974 levels, somewhat higher as the result of increases in the supplementary requisition last year. But we find very substantial differences. Drumheller Valley has a supplementary requisition of 9. On the other hand, you've got 23.10 in Northland, 22.12 in Spirit River, 22.22 in the Yellowhead division. So there are very substantial differences in the supplementary requisition.

I was interested when I looked at Strathcona county, because it has a supplementary requisition of approximately 11 mills, I believe it is 11.48 mills. One can really appreciate that, with all the industrial assessment they have in Strathcona county.

But the problem the smaller divisions face is that without that kind of ready access to industrial assessment, when you increase the mill rate, it just doesn't bring in the same amount of money. So you have very substantial disparity in supplementary requisitions in the province. By and large, this disparity tends to penalize the more distant divisions, where your economic income is not as high as some of the wealthier parts of the province. With that in mind, it seems to me we either have to develop very rapidly a system of sharing industrial assessment in conjunction with Municipal Affairs so that school boards have access to the increased industrial assessment which is going to occur in the next few years in this province; or we have to go much further than we have with the program that was established last year for divisions with lower assessment.

In reviewing the budget I notice that the amount of money for the supplementary requisition equalization grant will amount to \$11 million, or 10 per cent less than the 1974-75 forecast expenditures. I would simply say, Mr. Minister, if we're going to have any kind of equity at all between rural and urban divisions and between those divisions that have substantial industrial assessment and those which don't have that kind of assessment, we either have to go the route of substantially improving the supplementary requisition equalization plan, or come to grips with this question of industrial tax sharing, not two, three, four, five, or 10 years down the road — it's been discussed for a long time now — but right away.

Mr. Chairman, when one looks over some of the additional increases . . . The minister pointed out that the equal opportunity fund was increased by somewhat more than 1.2 per cent. He mentioned the education opportunity fund 1.2 per cent figure was really because certain expenditures in the last financial year should have been applied the year before. That may be true. But even if you increase it from \$23 to \$25, what we're looking at is an 8 per cent increase, not an 11 per cent increase. In my view, if the education opportunity fund is a worth-while program, and I think it is, it seems to me it should have been increased by 11 per cent at the very least.

We can look at these figures. The school founda-

tion plan has been increased. But when we apply those figures to many of the divisions, we find it doesn't work out to anything like 11 or 12 per cent. [There's a] great difference in where the divisions have their greatest preponderance of students. If there is a large number in the senior high grades, then it's very easy that their increase doesn't work out to anything like 11 per cent.

I was talking to the head of the school committee for Flagstaff county, the past president of the ASTA, who the minister knows very well. He indicated to me that preliminary estimates for their county were 4.6 per cent. In other words, by the time they got through calculating all the grants from the province, all the income from the province of Alberta, they were looking at an increase of 4.6 per cent, a substantial difference from 11 per cent. Similarly, some of the districts in northern Alberta have also reported an increase substantially under 11 per cent.

Mr. Chairman, without going over the same issues we discussed during the resolution proposed by the hon. Leader of the Opposition, it seems to me we have to come to grips with this question of the disparity between rural and urban divisions. I thought, and I said before, that we were beginning that process when the programs were announced last year, the declining enrolment grants, the lower assessment grants, and the small school assistance. Those were steps in the right direction, no question about it; okay in principle, but not really adequate funds to live up to the measure of the problem. But, Mr. Chairman, when I look at the grants for this year and find we're either cutting back or at best maintaining the present level, then frankly, I just wonder how much commitment the government has towards dealing with the disparities that exist in the capacity of divisions in this province to provide equality of opportunity for education throughout the province.

Mr. Chairman, it seems to me the issue of rural disparities has not been resolved. I think it's an important part of the unfinished agenda that the minister should give very early attention to.

We can talk about the overall expenditures on education. There's really little doubt there has been a slow decrease in the amount of money which is being made available to education as a percentage of the total provincial budget. Similarly, there's an increase in the amount of funding required from supplementary requisition. If we look at between 1971 and 1976-77, this current budget, we'll find that provincial funding has increased substantially, 127.5 per cent. But during the same period of time, the local levy will have to increase 160.5 per cent. In other words, the local levy is increasing more substantially than the provincial share. Supplementary requisitions as a percentage of total provincial property tax funding of education have risen from 16.5 per cent in 1971-72 to 18.4 per cent in 1976-77.

So, Mr. Chairman, relating this to many of the divisions and counties in the province — and that includes the major cities for that matter too — divisions are really going to have two difficult choices. Choice number one is to attempt to increase their supplementary requisition to meet the costs of operating the school system. But if they go above 11 per cent, there can be a referendum for a plebiscite. We know what happens when plebiscites are held. The batting average last year, I believe, was 11 out of 13

plebiscites defeated. Probably it would be no better this time. So the likelihood of getting a plebiscite passed is very remote.

The second option they have to look at is the reduction in staff, and the slow deterioration of the quality of education. Frankly, I don't think we have that much fat anywhere in Alberta in our education system that we can continue to carve it off. I think we're getting down to the lean at this stage. When I hear that in Lac Ste. Anne county they have to lay off 11 teachers, I really wonder whether the quality of education is not going to suffer with 11 fewer teachers in the county. I know perfectly well it will suffer. When I see what's going to happen in some of the rural divisions where they have high schools that are providing a service but do not have a large number of students, unless some change is made, inevitably boards are going to have to try to close down those schools and bus the students to another school. I think, Mr. Chairman, that would be extremely unfortunate.

Mr. Chairman, as far as I'm concerned, [regarding] the Department of Education budget, while it indicates an increase, by the time you calculate the estimates and apply them to the divisions across the province, you find there are very serious problems, inequities between rural and urban, and I think generally a restriction of the quality of education throughout the province. I know this has been said before in the House, but I cannot think of a more important investment at this point in time than investment in the best possible school system and the proper funding of that system.

Before I close and invite the minister's comments, I'd just like to cite a couple of statistics on what is happening across Canada:

Expenditures on all levels of education in Alberta stood at 8.8 per cent of the gross provincial product in 1971. The Canadian average was 8.9 per cent in that year. By 1973 the level had fallen to 7.7 per cent, while the Canadian average stood at 8 per cent.

Mr. Chairman, frankly I think we can do better in terms of making money available to education. I think we can do better than the overall guidelines provided by the department. In addition to that, what in my view has to be entertained at this stage is a restructuring of the foundation plans, so that we have built into them some allowance for the higher costs in the more remote parts of the province. It costs an awful lot more to run a school in Spirit River than it does in Edmonton. The information the Grande Prairie school board obtained on a difference in heating costs and power rates was, I think, already documented in this House. [It] underscores the fact that added costs in some of these places are not presently being met by the current foundation plan, even with the three programs announced last year. The inevitable result, Mr. Minister, as you look over this document, is that those areas have to increase their supplementary requisition by more than some of the more favored areas of the province. In my view that isn't fair.

I think educational opportunity is sufficiently important that we have to make changes in our basic funding formula to accommodate the differences in costs that exist in supplying educational opportunity in the province.

MR. ZANDER: Mr. Chairman, I want to make a comment relative to the remarks made by the hon. Member for Spirit River-Fairview.

Perhaps there are inequities in the formula as to distribution of grants and moneys to schools in the outlying areas of the province. I have to agree that there are — there may be some. But basically, Mr. Chairman, being a former trustee, I could see that we're obviously building up in the school system. Let me give you some brief examples. Back about 1971 in this system there was a school superintendent and an assistant to the superintendent, commanding a salary of about \$24,000 to \$26,000. Today, in that same system, there is not only an assistant, but an assistant to an assistant, and an assistant to another assistant, and down the line. We find in this same system that we have a busing supervisor — according to the facts of the local councillor I spoke to last weekend — who located school bus routes where there were no bridges and no roads, and who commands a considerable salary.

Now, taking the superintendent or the assistant superintendent in a school system who commands a salary of about \$26,000 to \$30,000, for every assistant superintendent you place in that system, including the salary and all other costs for support staff or whatever he has, you're almost looking at \$100,000. Now, in this system, just briefly going over it, I find there is a waste of some \$700,000. A lot of money. And based on the assessment and the levy, although it is a fairly rich school system, it still amounts to over 8 mills of supplementary requisition. Just west of the city.

I know from past experience there has been an increase in the students, in the classrooms. New schools had to be built. But I can't imagine that we allow a system to grow in this manner, that we have to go to the taxing authorities and say to them, we have to require 8.5 mills to take and support a staff of this nature.

Let me also talk, Mr. Chairman, of my own town of Drayton Valley. This has been a comment continually, that we have teachers. I'm not afraid to mention the home economics teacher. A teacher we have on the payroll at \$16,000 a year or thereabouts is teaching five students.

If we are in a stage where we have to hold the line, we must certainly try to reorganize our school system in such a manner that we can hold the line.

Let me give you another example, Mr. Chairman. In this same system, although there are facilities, we are hauling children 14 miles to a high school centre. In the same area, we are hauling children back 12 more miles to another system. Then, further west, we're hauling them another 15 miles to another system. I think we have to be consistent. Mr. Chairman, in the county of Wetaskiwin — I'm not afraid to mention it — they saw fit to return their children to the original facilities in Alder Flats where they were first intended to go. [With] the busing and the cost of education there, I'm sure they were wise to take the bull by the horns and say, we have to put a stop to where each individual wants to send his child. I think that has to be recognized. Now the overlapping of bus systems in these jurisdictions and the one I mentioned — 40 miles to a high school, then back 12 miles to another one, and 15 miles to another one — certainly doesn't [make] for an economic system of

busing. I think we have to look at that part of it.

We have facilities in this province to handle most of the high school students. But because of demand by the taxpayer, it has become a practice that they haul their children 30 and 40 miles. They feel they get a different education. But, Mr. Chairman, in the little school I was educated in and just a few years back we were able to produce children who are now in law, education, medicine. They didn't have to have a glorified school and be hauled 40 or 80 miles to another school. But now the system demands, society demands that we take these children to a glorified high school, although this might be 40 or 50 miles away.

If the school boards or the school committees would sit down with a sincere intent to cut costs and not look forever on additional bucks coming out of government, I'm sure we could save millions of dollars in education today. There is a waste. As long as we're going to be able to pour more money into education — and when I take a look at the budget, not only of this one, but also of the Minister of Advanced Education, and add the figures together, we're nearing the \$1 billion mark in education. I think somewhere, sometime — and the time is now — we must say we've got to hold the line. If we don't, I think we'll find ourselves not only exceeding the \$1 billion, but also going beyond the \$1.5 billion mark in education.

MR. KOZIAK: Mr. Chairman, would the members prefer I respond after each member or after all members have had the opportunity to make their opening remarks?

MR. CHAIRMAN: Perhaps you could bring us up to date now, then we could start over again.

MR. KOZIAK: Just a few responses to the hon. Member for Spirit River-Fairview. In the area of school buildings, the level of support relative to the level that was not supported, if I recall correctly the figures for 1974 — I don't know if the figures are available yet for 1975 — I think approximately 93 per cent of the debentures issued in support of school construction during that year were supported by the provincial government, 7 per cent were supported locally. So overall, the level of support by the provincial government is extremely good relative to cost.

It's particularly interesting, Mr. Chairman, when you compare the level of support in other provinces. One that comes to mind is Saskatchewan. It has been brought to my attention that a plebiscite on school construction in the city of Saskatoon was recently defeated, a plebiscite which would have provided for new schools in new suburbs in the city of Saskatoon.

One of the interesting factors is that the provincial government of Saskatchewan only provides for 30 per cent of the cost of construction in the way of support, rather than the high level we provide. That of course has a bearing on overall school expenditures. That has a bearing on how we calculate the provincial contribution to educational expenditures, not only in this province but in other provinces as well.

In the matter of the supplementary requisition equalization grant, which was raised by the hon. member, the member is correct when he indicates

that the estimates would show a 10 per cent decrease in the funds provided. However, the important thing to remember is that those jurisdictions that rely on and will need these grants will not in fact see a 10 per cent decrease, unless circumstances in their assessment and pupil counts have changed. The reason for the decrease in actual funds in that vote, Mr. Chairman, is that at least one large system that comes to mind is leaving that particular club.

In other words, I think probably the largest system in the province, which received funds under this grant in the previous year, will no longer be receiving them, because the assessment has increased substantially relative to the number of pupils in that jurisdiction. So the formula is no longer applicable. In fact, the new formula for the supplementary requisition equalization grant provides grants to a 10 mill levy for each \$14,100 assessment per student. That compares with last year's \$14,500 per student, which is a very, very, very small change.

In the area of the educational opportunity fund, the hon. member mentions there has been an 8 per cent increase. I haven't checked his calculations to see if \$2 and \$23 is 8 per cent of what the calculation results in. But there are two features to that fund. [One is] the \$25 per student allocation to boards on an elementary basis, provided — there are certain provisions as to matching dollars, certain provisions as to approved programs, which I won't detail now.

But there's another feature of the fund over and above that, and that's the compensatory aspect. That provides additional funding for those jurisdictions which provide educational services for children with language deficiencies and things of that nature, where a compensatory type of education, because of the physical surroundings and what have you, demands a little bit more attention in the school system. So there's that second aspect of the educational opportunities fund which is also available, not to all boards but to those that are charged with the responsibility of educating students who fall within this area.

The discussion presently taking place as to the 11 per cent when it leaves the department and the 7 per cent when it reaches the school board is a very interesting one, Mr. Chairman. I'd like to make certain comments in that respect. Number one, out of the 1974-1975 budget of this provincial government — not the last one but the one previous — school boards in this province received a library grant of \$15 per student.

Now in fact that \$15 per student did not reach the boards until the 1975 calendar year, but those funds were paid out of the 1974-75 fiscal year. In determining the calculation of their grants this year relative to last year, it would be an error for boards to include that either as a grant or as a portion of the base on which the percentage is calculated.

The second area where I found problems is relative to the support of debentures on school construction. Those jurisdictions that find they in fact haven't built any new facilities will find that due to repayment, in the same sense as mortgages are repaid on homes, the grants required from the provincial government to support debentures they are obligated to repay are in fact remaining constant or reducing as a result of principal repayments.

So it would again be an error for boards, in

determining the grants they received from the provincial government, to use as a base funds that are provided to support debentures.

Another area is the question of the enrolments this fall. As members of the Assembly and as members of this committee are well aware, we provide for grants to school boards on the basis of two counts in one fiscal year. In other words, we are now providing approximately half of the funds based on the September 30, 1975, count of pupils. The remaining half will be based on the September 30, 1976, count of pupils. In a calculation of all the enrolments as of September 30, 1975, if those students who are presently enrolled in Grades 9, 10, and 11 continue in school this fall, I notice that we can expect approximately a 5 per cent increase in the number of high school students in this province.

Now, upon reflection, that results in substantial funds to those boards which are in the position where the Grade 10 students, or the Grade 9 students entering Grade 10, are greater in number than previously. For example, on September 30, 1975, there were 31,039 students in Grade 12. At the same time, there were 36,661 students in Grade 9. Now we can expect that as the Grade 12 students graduate and leave the system and the students accelerate the one year this fall, in the high school area we're going to have 31,039 Grade Twelves replaced by 36,661 new students, students who bring with them a new category of grant, the grant which is provided to high school students.

I mention this, Mr. Chairman, because I fear that certain boards, in determining the calculation of their entitlement to grants, may not be taking into account their September 30, 1976 enrolments, and are merely making the calculation based on the enrolments they presently have, in September of 1975, without allowing for that change.

Those are the expectations we have in terms of enrolment for this fall. We expect a decline in the enrolment in elementary of approximately 1,000 students over all the province, from about 200,915 students to about 199,951. But we expect an increase of approximately 5,000 in high school. In junior high we expect an increase of approximately 300 students. That, of course, on a provincial basis, and then reflected in each board's budget, must be taken into account.

Of course, the argument that the percentage of the budget provided for education is slipping or is not slipping, whichever way you want to look at it, to my mind is an unfortunate one. It presupposes that if we were ever to find ourselves in the position of having to decrease our budget, we might also have to follow that rule. As I have mentioned during the course of debate on the budget, I think we have to take into account the total expenditures of the budget as we see it, and that just because 513 million and some thousands of dollars are provided to the Department of Education, that doesn't mean that the children who are being educated, the parents of the children who are being educated, the teachers who are teaching the children who are being educated, aren't benefiting from the other provisions in the budget. For example, as I mentioned during the budget debate, teachers age [and] must retire. They can look forward to a pension. They're going to be looking forward, particularly those who might require it, to housing for

senior citizens. Students in our system need health care. Teachers need health care. The provision . . .

MR. CLARK: Weren't they always needed?

MR. KOZIAK: Definitely. But as I'm sure the hon. Leader of the Opposition will recognize, these expenditures are necessary in order to provide that level of service not only for the students, not only for the teachers, but for all the population of the province of Alberta. I was going to mention, of course, as well, the protection that's provided through the Solicitor General's Department, the Attorney General's Department. These are equally relied upon and needed by school boards, by teachers, by parents, by students.

The other thing, of course, is that over the last five-year period we've seen a reduction of approximately 3,000 to 4,000 students in the student population. In that last five-year period, however, there has been a substantial increase in the overall population of the province of Alberta. So the demands that flow from such increase must be met. From that point of view, a percentage figure, I think, does not accurately portray the manner in which the needs of this province are met, and in fact, if one took the argument to the extreme, would probably mean we might not even need a Legislature. Because all we'd have to do is fix the percentages once, and from then on there's no flexibility, no ability to provide for those needs that arise in future years.

Supplementary requisition increases: well, as the hon. Member for Drayton Valley pointed out, there are many reasons why local school jurisdictions decide to increase a supplementary requisition. Some may be to provide services the electors in that area demand for their children, over and above those that are demanded in other areas. Some may be because of the level of staff, administrative or otherwise, that those jurisdictions feel is necessary to provide a better education for those children. Each jurisdiction has its own reasons for doing this. It would be impossible for the provincial government to attempt to fund the local requirements as determined by locally elected trustees in each of these jurisdictions according to the needs of local electors.

The question of the batting average of plebiscites in the past year, in order to be appreciated correctly, should be looked at against not those that were successful relative to those who went to vote, but those that were successful overall in the province. As hon. members of this Assembly appreciate, local jurisdictions that wish to exceed the guidelines must pass a by-law. That by-law is advertised, and if a sufficient number of electors demand it, a plebiscite is held. In determining the batting average, we must not look only at those jurisdictions in which a plebiscite was demanded. In many areas, the plebiscite was demanded for reasons other than taxation. We must look at the number of by-laws that were successful. When we take that into account, we find that the batting average of successful by-laws is much closer to 80 per cent than to the figure put forward by the hon. Member for Spirit River-Fairview.

The argument that education is an investment is one I heartily agree with. But as I mentioned in my budget debate, it's equally an investment for those

children who will be entering our school system years down the road. Those children who will be entering our school system when the eight- or nine-year expected life of our present conventional crude oil reserves expires will equally be entitled to an education. For those children, education equally will be an investment.

On this particularly eventful day when the Alberta Heritage Savings Trust Fund Act was introduced in this Assembly, it's gratifying and heartening for me that we can provide a source of revenue through this fund to provide the level and quality of education we now can provide for children in our system: an investment today and an investment years down the road.

The matter of staff reductions, raised by the hon. member, is determined by many factors. Staff reduction may be required because of decreased enrolment. I would be wary of commenting on any staff reductions a jurisdiction may be contemplating without having the information the jurisdiction has with respect to its present and anticipated enrolments.

MR. CLARK: Mr. Chairman, I'd like to confine my remarks at this time to the foundation program itself. If I recall the tenor of the approach the minister took at the Alberta School Trustees' conference in Calgary, and the announcement with regard to the 11 per cent, I think there's no question that a number of school trustees and other people assumed that 11 per cent would mean something rather close to 11 per cent. It may be that some school boards, from the minister's point of view, haven't enough foresight to think of the number of students they are going to have in their systems in September of this year and January next year. But I think we have in the province a number of school boards who are able to look ahead that number of months.

When I see comments from the Calgary Public Board that they're going to have a 7 per cent increase in their grants, and Red Deer Public is going to have something like 5.7 or 6 per cent, I just can't help but ask where the 11 per cent has gone. I doubt very much whether many systems anticipated the announcement that the unemployment insurance contribution was going to come from the foundation program.

I'd like the minister in the course of the next day — when he's had a chance to respond — to give us an explanation as far as the minister's advisory committee on the finance plan is concerned. The minister will recall that I raised that in the course of earlier discussion in the House. We had the minister's advisory committee report, then we had public meetings. I was at the one in Calgary. Five or six were held across the province. The people from the department, at least at the one in Calgary, seemed very sincere and genuine that the views from that group were going to have some real impact on what happened as to revamping the foundation program.

Then, within 10 days to two weeks — I think it was closer to a week — the Provincial Treasurer announced to all and sundry that we were going to have the 11 per cent guidelines across the province. It was, I think, very unfair to ask teachers, trustees, and other individuals across the province to come to meetings like that without setting down the guidelines the discussion should be around. There was no

indication at the meeting at Calgary, and I've talked to people who've attended the other meetings, that there were going to be these guidelines, restrictions, or anything. So the discussion didn't at all take into effect the realities or really what was going to be dealt with as far as reshaping the foundation program is concerned. Frankly I think that was a slap in the face. That's the kindest thing I can say to those people who took part in those comments.

The next comment I'd like to make deals with the changes in the foundation program as far as the transportation formula is concerned. Once again the minister announced this at the ASTA convention in Calgary. I think there was a considerable amount of glee among trustees until they got the fine print and started to look at some of the problems involved. Very specifically, I cite the situation of Calgary rural school division, which has a number of unique problems, not the least of which is the situation with the mobile-home park at Airdrie. There you have a situation where the department looked at their busing system in the last two years. In fact the department is held up to some other jurisdictions as one of the better busing systems in the province. In the last two years, the department gave a special grant of over \$100,000, if my information is correct, to the Calgary rural school division. Yet when you apply this new formula, it's going to hit them right between the eyes, to say the least. They're now talking with their ratepayers about charging a flat per year busing fee. That's a new part of our heritage in Alberta. We've got kids in rural areas who are going to pay, I think, \$25 a student per year for busing.

The third area I'd like to touch upon, as far as the foundation program goes, is in looking to the Department of Education for a certain amount of direction or leadership. I don't think it's unfair for school boards to look to the department for some sort of direction or leadership when it comes to living within certain guidelines. I know the department and the minister are well aware that the major expenditure any school system has centres around the teaching component, the professional staff. We can argue whether it's 60, 65, or 70 per cent, but it's within that ballpark. A budget of a board is committed that way.

It's interesting to look at the departmental estimates before us for '76-77. In those estimates the manpower costs for the Department of Education are 27.3 per cent over last year's estimates. Yet this same department is saying to school boards — well, initially the minister said live with 11 per cent. Now the 11 per cent is down to 7 or 8 per cent, depending on which board one talks to.

But I want to make the point that when you go from the estimates last year to the estimates this year, you'll find a total manpower cost increase of 27.3 per cent. Pretty candidly, I think it's very hard for the department and the minister to have much credibility with the school boards when that kind of thing is going on. The department is increasing its manpower costs during a period, I'm told, when there is very little staff increase in the department. Yet the departmental manpower costs are going up 27 per cent.

I raise this matter because school boards have to live with the budget they approved last year. They don't have the luxury of special warrants. They have the luxury of having to live with a deficit the following

year. When we see increases of this nature in the same department that's saying to school boards, you negotiate with your teachers and professional staff and live within 11 per cent, it just isn't credible. It does a disservice to the department to be moving in that direction.

Now I know the minister will get up and say to us, these increases were built in before the Provincial Treasurer announced the 11 per cent freeze. That may partially be so. But the fact is that the school boards have got to live with personnel increases that came into effect before that period of time, after they approved their budget. For the life of me, I just simply can't see the department giving leadership when we get involved in this kind of situation.

With regard to the foundation program, I was interested in the comments by the Member for Drayton Valley. Perhaps the minister could respond next Wednesday when we get back. It's amazing how quickly the county of Parkland missed his wisdom when he was a member of the county school committee. I can recall, when the hon. member was a member, the same jurisdiction had a somewhat different point of view than was exemplified here this afternoon.

But the point I really want to make, in regard to the comments made by the hon. Member for Drayton Valley, is that the county of Parkland certainly hasn't spent any money in the area of new construction in Stony Plain and Spruce View.

ANHON. MEMBER: Spruce Grove. [interjections]

MR. CLARK: Oh, come on. The hon. member from Wabamun is going to finally get up on his feet — perhaps next day. He should go out and talk to his constituents in Stony Plain and Spruce View, and familiarize himself with some of the problems they have there right now.

We also could get some kind of answers . . .

MR. CHAIRMAN: I think perhaps we could hold this over until next day. We've reached the hour of 5:30.

MR. HYNDMAN: Mr. Chairman, I move the committee rise, report progress, and beg leave to sit again.

[Motion carried]

[Dr. McCrimmon left the Chair]

[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of Supply has had under consideration the following resolution and begs to report same.

Resolved that a sum not exceeding \$51,226,800 be granted to Her Majesty for the fiscal year ending March 31, 1977, for the Department of Recreation, Parks and Wildlife.

Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, begs to report progress, and asks leave to sit again.

MR. SPEAKER: Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, just to review the probable business of the House after the Assembly returns on April 21: following the estimates of the Department of Education, we'll probably move to the estimates of the Department of Business Development and Tourism and the Department of Utilities and Telephones for the balance of the days on April 21, 22, and 23. As mentioned earlier today, second reading of The Alberta Heritage Savings Trust Fund Act will probably start Friday, April 23 and will continue the following Monday, [with] committee study of that bill during the weeks of May 10 and/or 17.

Following the resumption of the House on April 21, members of the Assembly should be ready to deal with all bills on the Order Paper at second reading and committee. It is the government's intention to move from time to time to second reading and committee study during the course of the days after April 21 and to do committee work and second reading work in addition to the completion of estimates on the Order Paper.

MR. CLARK: Mr. Speaker, I wonder if I might ask the Government House Leader a question. Is the Gov-

ernment House Leader in a position to indicate when the rest of the government's legislative program will be presented to us, in light of the fact that we're moving into the second reading question?

MR. HYNDMAN: Well, Mr. Speaker, a number of bills have been coming in at a regular pace over the course of the last four weeks. This will continue, beginning on April 21 with the balance of those bills which will be proceeded with coming in after April 21.

MR. CLARK: But when?

AN HON. MEMBER: From time to time.

MR. HYNDMAN: During the course of the days after April 21, within one to three weeks thereafter. Some bills will be held over till the fall session, only introduced during the spring session.

MR. SPEAKER: Before the Assembly adjourns, may I wish all my colleagues in the House a happy Easter.

The Assembly stands adjourned until Wednesday afternoon, April 21, at half past 2.

[The House rose at 5:34 p.m.]