

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Thursday, May 6, 1976 2:30 p.m.

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

PRAYERS

[Mr. Speaker in the Chair]

head: PRESENTING PETITIONS

MR. KUSHNER: Mr. Speaker, I beg to present to this Legislature this petition with 1,000 signatures of concerned Albertans. Albertans to this Legislature.

The Foothills Hospital in dismissing Dr. George Abouna without charging him with incompetence has denied the transplant patients the surgeon of their choice. We request the Government of Alberta reinstate Dr. Abouna immediately in the Foothills Hospital.

**head: PRESENTING REPORTS BY
STANDING AND SELECT COMMITTEES**

MR. HORSMAN: Mr. Speaker, as chairman of the Private Bills Committee, I hereby report that Standing Order 77 concerning the publication of notice of application in *The Alberta Gazette* and newspapers has been complied with in respect to the following petitions:

Of Northwestern Utilities Limited for an act respecting a certain agreement between the City of Edmonton and Northern Alberta Natural Gas Development Company Limited, and dated the 16th day of November 1915;

Of the Mennonite Mutual Relief Insurance Company Limited for an act to amend The Mennonite Mutual Relief Insurance Company Act;

Of the Certified General Accountants Association of Alberta for an act to incorporate the Certified General Accountants Association of Alberta.

The petition of the Alberta Real Estate Association for an act to incorporate the Real Estate Association has been referred to the Private Bills Committee for consideration pursuant to Standing Order 81(2).

head: INTRODUCTION OF VISITORS

MR. NOTLEY: Mr. Speaker, I'm delighted today to have the opportunity of introducing some 31 students from St. Thomas More Separate School in Fairview. They've come some 350 miles to visit the city of Edmonton, and they are taking the afternoon to tour the Legislature building. They are accompanied by their teacher, Mr. Jim Olson, and they're seated in the public gallery. I would ask them to stand and be recognized by the members of the House.

MR. ADAIR: Mr. Speaker, it's my pleasure also to introduce some students from the great north country, and particularly from the constituency of Peace River: 31 students from the Grade 7 class of the Rosary School in the town of Manning, accompanied by their teachers: Sylvia Pynglo, Wendell Derringer, and Lucy Vant Erve; along with parents: Enid Simpson, Katherine Yasinski, Peter Dechant, and Ed Jaeger. I would ask that they stand and be recognized by this Assembly.

DR. McCRIMMON: Mr. Speaker, it is my privilege today to introduce to you, and through you to the members of this Assembly, 30 Grade 9 students from St. Augustine School in Ponoka, accompanied by their teacher, Mr. Norman Thackeray. They are seated in the public gallery. I would ask that they stand now and receive the recognition of the House.

DR. PAPROSKI: Mr. Speaker, I'm delighted to introduce to you, and through you to members of the Assembly, some 30 bright young students from Westmount Junior High School located in the constituency of Edmonton Kingsway, accompanied, of course, by a bright young teacher, Mrs. H. Rogers. I congratulate them for taking an interest in the legislative process and democracy in action, and welcome them to the Assembly. I would ask them to rise and be recognized. They are located in the members gallery.

MR. TAYLOR: Mr. Speaker, I have great pleasure in introducing to you, and through you to hon. members of the Legislature, Mr. and Mrs. Tom Taylor of Calgary, and Mrs. Taylor's mother, Mrs. Walter Frey of Josephburg. I would ask these visitors to stand and be recognized.

head: TABLING RETURNS AND REPORTS

DR. HORNER: Mr. Speaker, I'd like to table the response to Motion for a Return 159.

MR. GETTY: Mr. Speaker, I'd like to file copies of three research reports: first, the reconnaissance field survey for potential forest nursery sites northeast of Edmonton; secondly, Recommended Procedures for Forest Regeneration Surveys in Alberta; and thirdly, Current Range Management on Forest Lands in Alberta.

MISS HUNLEY: Mr. Speaker, I wish to table the answer to Motion for a Return 167.

MR. LEITCH: Mr. Speaker, I wish to file copies of loan agreements between Canada-Cities Service Ltd., Cities Service Company and the Government of Alberta, together with the debentures attached to the loan agreements, both of which relate to the lending of \$100 million by the Government of Alberta with respect to the Syncrude project.

Mr. Speaker, I would also like to file similar agreements and debentures between Gulf Oil Canada Limited and Her Majesty in Right of the Province of Alberta. The loan agreements have been executed by Gulf Oil Canada Limited. The debenture to which they refer has not, but will be executed within the

next while, Mr. Speaker. When it is, I will file the executed copies of the debentures for information of members of the Assembly.

Mr. Speaker, I would also like to file two letters to me from A. E. Ames & Co., both dated April 23, 1976. One relates to the Gulf Oil debenture, and the other relates to the Canada-Cities Service debenture. These letters arise because we retained A. E. Ames & Co. as our advisors in connection with the negotiation of the loan agreements and the debentures. The essence of the letters is that the debentures are consistent with normal commercial practice.

For the assistance of members of the Assembly, I would also like to call their attention to two or three of the principal terms of the debenture. The first is the interest rate. With respect to the Gulf Oil debenture, that is 8.125 per cent. With respect to the Canada-Cities Service debenture, it is 8.375 per cent. In addition, Mr. Speaker, the interest that accrues during the construction period will be cancelled in the event that there is an exercise of the conversion privilege which the provincial government has under the terms of the debenture.

The conversion privilege I just referred to, Mr. Speaker, begins roughly at the time of production [at] the plant and extends for a period of five years. This is very important both as to the length of time and the fact that it can be converted without penalty any time during that five years.

MR. SPEAKER: In view of the explanation of the hon. minister having been somewhat in the nature of a ministerial announcement, it might be appropriate to afford the Leader of the Opposition an opportunity to comment at this time, if he wishes.

MR. CLARK: Mr. Speaker, in light of the complications and the long time it's taken the government to come to some agreement, I think we'll take the opportunity to respond tomorrow or later in the session.

head: **ORAL QUESTION PERIOD**

Sexsmith Rapeseed Plant

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Agriculture. What is the status of the application to the ADC by the rapeseed plant at Sexsmith for financial assistance in the form of operating money?

MR. MOORE: Mr. Speaker, that matter has been considered by the board of directors of the Agricultural Development Corporation and is now before the cabinet.

Freight Rates — Rapeseed

MR. CLARK: Mr. Speaker, could I ask a supplementary question of the minister? Is it the intention of the government to arrive at a conclusion on the ADC recommendations prior to some, if I can use the term "straightening out" of the freight rate issue that your colleague is working on?

MR. MOORE: Mr. Speaker, I'm afraid I could not give a time frame. It's only been within the last week that the Executive Council has had an opportunity to consider the recommendations of the Ag. Development Corporation in that regard. I'm not aware, and I don't believe the Minister of Transportation is either, when the whole subject of freight rates with respect to oil and meal will be resolved. So I simply can't answer that at this time.

MR. CLARK: Mr. Speaker, then a supplementary question to the Minister of Transportation. In light of the most recent utterances by the federal Minister of Transport, is the minister in a position to shed any light on where negotiations now stand between the three prairie provinces and the feds on this issue — not only the Sexsmith plant but also the Lloydminster situation?

DR. HORNER: Mr. Speaker, I might respond in this way: I'm sure the hon. leader is aware of the communique relative to this matter that was issued in Medicine Hat. We have had a response from the federal Minister of Transport that he has made public, as I understand, in the form of a telex to the premiers asking for a response to his considerations.

We have had initial meetings, indeed today, with the crushers in this province. We will be following that up with consultation with the ministers and the industry in both Saskatchewan and Manitoba to ascertain the various steps we intend to take in the next very short while.

I might say that we're disappointed that the costing information which was promised to us arrived the day before the federal order in council was passed. That's not very useful consultation on behalf of the federal government. I think Mr. Lang should be aware that not only are we a little bit upset with the timing, but in fact the costing information we have received has not been very good. We intend to go back to the CTC in a very definite way, with the co-operation of the industry, to get some firm facts relative to costing.

We would hope also that Mr. Lang might make available to the industry the railways' costing information. If it is in the public interest, he can do so not only under the public information act passed relative to costs, but in fact according to the Railway Act. My suggestion, Mr. Speaker, is that this whole matter is very much in the public interest at the moment. We'll be asking Mr. Lang to use his power to allow the industry to have a look at some of the railway costing data, as well as the provinces.

MR. CLARK: Mr. Speaker, a follow-up supplementary question to the minister. Is it the intention of the Government of Alberta to make public the costing information that the province of Alberta got from the feds, albeit one day before the federal order in council went through?

DR. HORNER: The difficulty we have in that matter, Mr. Speaker, as the hon. leader may be aware, is that the federal legislation relative to costing information is based on the provincial governments keeping it confidential. That's why we are going the other route. We suggest to him that in the public interest he can order the information to be made public or

made available at least to the industry itself. But the federal legislation as it now stands has that confidentiality factor in it.

MR. CLARK: Mr. Speaker, then I'd like to ask a question of the Minister of Agriculture or the Minister of Transportation. Have the ministers been involved in discussions with the Alberta Wheat Pool and its principals concerning the future of the plant in the Edmonton vicinity?

I might pose a second question. In light of the action of the federal government, is that organization now giving some thought to locating that plant in central Canada?

DR. HORNER: Mr. Speaker, we have had discussions with the Alberta Wheat Pool and its principals. Indeed, they were part of the discussions we had today. We consider them part of the crushing industry in Alberta.

I think all should be aware that the crux of the matter has to come back to the anomaly of the rates between finished and raw product. The promise we had from Mr. Marchand in February 1975 was the basis on which the Alberta Food Products plant was going to go ahead. They have spent a substantial amount of money in planning and have some equipment on order. They are in a holding pattern, hopefully waiting for all of us — and by us I mean government and industry — to try to resolve the matter.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Transportation. Earlier during question period the minister indicated that the Alberta government was developing a contingency plan, if he wasn't successful in shedding some light upon Mr. Lang.

My question to the minister is: have the elements of that contingency plan been discussed with the Alberta Wheat Pool and the rapeseed plant in Lloydminster? We'll leave it there.

DR. HORNER: Mr. Speaker, can I put it this way: both my colleague, the Minister of Agriculture, and I have spent considerable time today in discussions with the four major crushers in Alberta relative to the problem. Part of those discussions is an effort to explore alternatives and contingency plans relative to the crushing industry in Alberta.

Hospital Operations

MR. CLARK: Mr. Speaker, I'd like to direct my second question to one of the representatives on the Alberta Hospital Visitors Committee, the Member for Calgary Mountain View, and ask if he has received representation regarding the bed situation at the Foothills Hospital in Calgary, in his capacity as a member of the Visitors Committee.

MR. KUSHNER: Mr. Speaker, I'd refer this to the Minister of Hospitals and Medical Care.

MR. MINIELY: Mr. Speaker, I'm not sure whether the hon. leader is referring to a representation to the Hospital Visitors Committee. In subsequent indication of the situation to my office, I have received

nothing from the Hospital Visitors Committee regarding the Foothills Hospital. However, I think the Foothills Hospital has made public announcements as to what it is doing. Those have been reported to the citizens of Calgary and southern Alberta. That's about all I can say on the matter at the present time.

MR. CLARK: Mr. Speaker, perhaps I should rephrase the question. My question to the hon. member is: has the hon. Member for Calgary Mountain View received representation regarding the deteriorating situation of the closure of beds in the Foothills Hospital at Calgary, in his role as a member of the Hospital Visitors Committee?

MR. MINIELY: Mr. Speaker, I'm not sure the question is relevant to the role of the hon. Member for Calgary Mountain View as a member of the Hospital Visitors Committee, which acts in an advisory capacity to the Ministry of Hospitals and Medical Care.

If the hon. leader has a question relative to the situation at the Foothills Hospital, I'd be quite happy to answer accurately.

MR. CLARK: Mr. Speaker, a supplementary question then to one of the members on the Hospital Visitors Committee, the Member for Edmonton Norwood. In her capacity on the Visitors Committee, will the hon. member be monitoring the quality of care at ASH/Deerhome at Red Deer in the course of the next year?

MRS. CHICHAK: Mr. Speaker, I'd like to refer this question to the minister, because as a member of the committee which acts in an advisory capacity . . .

MR. SPEAKER: The member isn't required to give any reasons for such a request.

MRS. CHICHAK: Mr. Speaker, I would just refer the matter to the minister because, as advisor to the minister, he would have any current information that ought to be relayed to him.

MR. MINIELY: Mr. Speaker, again the Hospital Visitors Committee is an advisory committee to the ministry of Hospitals and Medical Care. They regularly visit hospitals and a variety of institutions in Alberta and report their overall view. The annual report is tabled before members of the Assembly. I tabled that during the course of the current sitting.

The individual reports sometimes involve personality conflicts, such as were experienced in Stony Plain. In my view this is not the kind of information that would be tabled in the Legislature. In order not to harm innocent Albertans in certain situations that exist in institutions, that would be from the Hospital Visitors Committee to me as the Minister of Hospitals and Medical Care. The annual report is tabled before the Assembly for the information of all members.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Has the minister given a directive to the hon. Member for Calgary Mountain View to review the situation at the Foothills Hospital? As a member of the Hospital Visitors Committee, is the recommendation of the petition presented to the House an

official view? Is that the advice that has been given to the minister?

MR. MINIELY: Mr. Speaker, I can assure the hon. member that the hon. Member for Calgary Mountain View needs no encouragement, either with his role as a member of the Hospital Visitors Committee, or as an MLA. He keeps me very informed of his views with respect to the situation in the Foothills Hospital. In fact I can assure you all the MLAs on the government side are talking to me constantly about this situation.

Land Banking

DR. PAPROSKI: Mr. Speaker, my question is to the Minister of Housing and Public Works. It is stated in the editorial in the *Journal* today that the minister warned the city of Edmonton against rising lot prices in land banked in Mill Woods. It also indicated that more affordable homes for more people is a challenge.

Does the minister have information to indicate that the government in fact is following this policy direction?

MR. YURKO: Mr. Speaker, I also read the editorial and I was a little surprised at it, since in the letter I sent to the mayor I referred to the fact that the Alberta Housing Corporation was presently, at this time, negotiating with the city to bring on additional lots in Mill Woods, and undertaking virtually all, or all, the front-end financing.

We were looking at the possibility of bringing about 1,000 to 1,300 additional lots on stream this year. That negotiation would be considerably jeopardized by the city establishing a policy of generating a considerable amount of profit per lot marketed in Mill Woods.

Syncrude Debentures

DR. McCRIMMON: Mr. Speaker, I would like to direct my question to the hon. Provincial Treasurer. In light of the announcement the hon. minister made a few moments ago, why is there the difference between 8.125 and 8.375 as far as the Gulf and Cities Service debentures are concerned?

MR. LEITCH: Mr. Speaker, borrowings of the size we're dealing with in these debentures are normally made in the money markets of the world such as New York or London. Those markets have an established credit-rating system. The higher one's credit rating, the lower the interest rate one pays to borrow funds. In this particular case and in that rating system, Gulf has a somewhat higher credit rating than does Cities Service and would ordinarily be able to borrow funds at .5 per cent or so cheaper than could Cities Service. That was carried over into our dealings with those two companies in accordance with our commitment in Winnipeg to lend sums in accordance with usual commercial practice.

DR. McCRIMMON: Mr. Speaker, a supplementary to the hon. minister. In light of the fact that the current interest rate is considerably higher than 8.125 or 8.375, what is the reason for the differential between

8.125 and 8.375 and the going interest rate, which I understand runs at 10, 11 per cent?

MR. LEITCH: Mr. Speaker, again, in accordance with usual commercial practice, the interest rate paid by a borrower is always appreciably lower when we're dealing with a convertible rate; that is, where the lender has the right to convert the debt to an equity ownership, which is the case with each of these debentures. The difference between normal debt borrowing and debt borrowing where there is a conversion rate is about 2 to 3 per cent, and that is about the difference in this particular case. In fact, I think the difference here is somewhat closer to 2 per cent than it is to 3 per cent.

Research Council

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Member for Edmonton Jasper Place, who is a member of the Research Council. Could the member indicate whether the Research Council has equity in any companies in Alberta?

MR. YOUNG: Mr. Speaker, I'm a member of the Research Council, not the chairman. I'd refer the question to the chairman of the Research Council, the hon. Minister of Business Development and Tourism.

MR. DOWLING: Mr. Speaker, in my brief term of office as the chairman, my understanding is that they do have equity positions in some companies. I don't recall the name, but they have joint ownership with the research council of Ontario in a project. There are others. I can't be any more specific than that. They do hold equity interest in some.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Is the Research Council presently conducting, or does it plan to conduct, feasibility studies on coal gasification?

MR. DOWLING: Mr. Speaker, yes they are. As a matter of fact, through the Department of Energy and Natural Resources money could be set aside this year so a pilot project could be under way through the Research Council as well. At the University of Alberta site they are in the process now of building a unit in a lab to determine what they can do with *in situ* mining operations. I would invite all members to visit that plant, have a look at what they are doing, and see what they plan for the future.

Fingerprinting Treasury Employees

MR. NOTLEY: Mr. Speaker, I'd like to direct my question to the hon. Provincial Treasurer. Can he confirm there is now widespread fingerprinting of Department of Treasury employees?

MR. LEITCH: Mr. Speaker, I don't have any information in that respect. If the hon. member has some information he would like to give me, I would be pleased to check it out.

Coal Policy

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Energy. Has any consideration been given to mining the eastern slopes by deep-seam mining only?

MR. GETTY: Mr. Speaker, I would have to say that I'm sure consideration is being given to all types of known techniques for mining coal deposits in Alberta. But to respond specifically to the hon. member, I would prefer to do some personal research on it and reply to him.

Land Banking
(continued)

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Housing. A few moments ago the minister referred to a letter he had sent to the mayor of Edmonton. Has the minister received a response to that letter at this time?

MR. YURKO: Mr. Speaker, since the letter went to the mayor I have had two telephone conversations with him.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Would the minister confirm his position to maintain the lots in Mill Woods at a lower cost, rather than at the \$9,600 plus cost? If so, what steps does the minister foresee to accomplish this goal? Was it part of the discussions with the mayor?

MR. YURKO: Mr. Speaker, in terms of transferring public land owned by either the Alberta Housing Corporation or the government to a developer, whether in Fort McMurray or any other town or in fact the city of Edmonton, the general policy the Alberta Housing Corporation attempts to follow is to transfer the land at cost, that's amortizing all the costs associated with the purchase of that land and the cost of on-site and off-site development.

It's not always easy to calculate the entire range of costs that are reflected in the price of a lot. But this is the ... [not recorded] and when the lot is transferred to an individual, the individual can in fact be screened for a number of reasons. Nevertheless, when the land is transferred to a builder for speculative building, there are procedures which can deviate slightly from cost. There are instances where in fact this strict policy — as indicated, to transfer land to individuals — has been deviated from with respect to builders.

Of course, the situation in Edmonton with the lots in Mill Woods is that the list of potential homeowners with the city of Edmonton is large, over 2,000. So all the existing lots that will be put on the market this year by the city of Edmonton, approximately 800, will be allocated directly to individuals. This is the area of concern to both the Housing Corporation and me, that a policy would be established unilaterally by the city to generate considerable profit on the basis of this land banked by the provincial government.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In the letter there is an indication that

with regard to the leasing of land and moneys available — and I'm not sure if there is legislation available to look after this, relative to funding.

Are funds for leased land available under the Alberta home mortgage corporation? I understand that is a problem.

MR. YURKO: Mr. Speaker, there are instances when mortgage money is indeed provided for the accommodation structure which is rented or leased, if you wish. In areas such as mobile-home parks, this is in fact done. Generally, for the normal type of subdivision with a normal type of house construction, financial institutions will not change their regulations in terms of lending mortgage money [for] a house on leased land. They insist that the owner of the house own the land, and lend money on a package basis rather than on a broken basis.

This is generally the policy the Alberta Housing Corporation has been following. As of now, it may or may not be the policy of the Alberta home mortgage corporation, which has not come into being as yet.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister. In your letter you indicate tenancy would be from a period of one year, and you're allotting ...

MR. SPEAKER: Would the hon. member please use the ordinary parliamentary form in referring to members.

MR. R. SPEAKER: I'm sorry, Mr. Speaker. My apology. Is the minister considering legislation requiring this tenancy for a minimum period of one year in the houses and lots in provincial land banks?

MR. YURKO: Mr. Speaker, I think the actual matter was quoted out of context. I believe I indicated in the letter that if there was difficulty with speculation, a number of different methods could be used in screening the applicant to satisfy and minimize the degree of speculation. I indicated that such things as income, building within a certain limit of time, and one-year residency could be used as conditions imposed on the sale until, for example, a mortgage can be finalized. Nevertheless, this matter is now under discussion within the Alberta Housing Corporation and the policy division of the Department of Housing and Public Works.

Whether legislation is needed for such a requirement is questionable at this time. The general opinion of officials is that it can certainly be done by regulations tied to the first mortgage, if nothing else, and that exceptions could always be made. When an individual had to sell because he was transferred or in fact moved from one area to another, the minister or some other official could make that exception as appropriate. The intent of any such regulation or guideline would be for minimizing speculation with respect to the entire government policy of supplying housing and minimum-cost lots to the low- and middle-income people in our society.

Riverdale

MR. KING: Mr. Speaker, my question is to the hon. Minister of Housing and Public Works. I wonder if he

could advise whether concern about the possibility of flooding in the Riverdale community precludes the Alberta Housing Corporation from providing mortgage money for homes in Riverdale.

MR. YURKO: Mr. Speaker, as I remember the situation, and perhaps it might need some verification, the flooding frequency in the Edmonton flats — it might be verified by the Minister of the Environment — but the figures I remember from when I was in Environment were that the flooding frequency was once in 50 years. This may have been reduced somewhat by the construction of the Bighorn Dam. Such a flooding frequency is comparable to other areas in Alberta such as areas of Calgary, Bowness, Fort McMurray, and others. It is not necessarily a high frequency.

Analysing the situation in the Alberta Housing Corporation, the decision was made that the river flats area would not be considered any different from any other part of Alberta with respect to first mortgages on housing, as we considered the risks to be comparable to other areas where we were providing mortgage money.

MR. KING: A supplementary, Mr. Speaker. Aside from mortgage funds available through existing programs, would the minister be prepared to consider experimental financial support for the Sundance Housing Co-operative Ltd. in Riverdale in order that some units could be reserved for senior citizens' housing and accommodation to facilitate an age and income mix?

MR. YURKO: Well, Mr. Speaker, I could certainly take under advisement the suggestion the member has made. However, it would probably be appropriate to indicate that there are two types of co-operatives. There is the construction and ongoing management co-operative. Then there is the construction co-operative that builds houses, if you wish, for five or 10 people and then dissolves. In the Alberta Housing Corporation, we have been addressing our minds to the construction co-operatives and are treating them as we would treat any individual. In other words, we are treating them individually and as a group of individuals, and providing mortgage money and front-end financing to them as individuals.

The resolution passed recently by the board of directors of Alberta Housing Corporation permits in most cases front-end financing of a lot if it is sold at cost. It permits front-end financing of up to 95 per cent of the cost of that lot. A prospective member of a construction co-op has to have only 5 per cent of the cost of the lot to finance the lot. He then has to carry that 5 per cent equity through the total construction period of the house. In this regard, it has made it much simpler for individuals in co-ops to build houses on their own.

MR. KING: A supplementary, Mr. Speaker. Would the minister be prepared to consider the Riverdale community for program support to encourage preservation and/or redevelopment of Riverdale as a residential community?

MR. YURKO: Well, Mr. Speaker, that's quite a complex question. I would suggest that redevelopment of the area is certainly a matter for the city of

Edmonton. It could indeed be considered as a neighborhood improvement program area. From my point of view, I can't really see why it hasn't been considered. Perhaps it has been considered by the city. If the city considered it seriously, I'm sure we would give it serious consideration.

Olympic Lottery

MR. GOGO: Mr. Speaker, my question is to the hon. Attorney General. Perhaps a short explanation is in order. The other day, the Minister of National Health and Welfare presented a \$2 million cheque to Edmonton, [part] of a \$9 million pledge for the operation of the Commonwealth Games. He indicated the balance could perhaps be raised either by running a lottery or by extending the Olympic lottery of Canada in Alberta.

As the authority for the sale of Olympic tickets ends on August 31 this year, my question to the hon. Attorney General is: has application been made to extend the Olympic lottery in Alberta after that date?

MR. SCHMID: Mr. Speaker, the way the present federal statute reads, the provinces have to give consent for the running of the Olympic lotteries in the respective provinces. The order in council states very specifically that the last lottery be run in the last part of August for the benefit of the Olympic Games in Montreal.

MR. GOGO: A supplementary to the Minister of Government Services also responsible for Culture, Mr. Speaker. It concerns the Olympic lottery.

I wonder if the minister would advise the House, or me, how much the 5 per cent of the gross proceeds of Olympic sales in Alberta amounted to in 1975.

MR. SPEAKER: Possibly the hon. member could put that question on the Order Paper.

Public Trustee

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Attorney General. It concerns the Public Trustee's office.

Mr. Speaker, my question is: can the Attorney General advise the Assembly what the policy is right now with respect to land sales being handled by the Public Trustee, as far as public opening of bids is concerned?

MR. FOSTER: Mr. Speaker, perhaps the hon. member could be somewhat more specific. I assume you're talking about land sales that take place in estates handled by the Public Trustee.

MR. NOTLEY: Mr. Speaker, with the leave of the House, perhaps I could explain. The problem was brought to my attention by a constituent. The question relates to the Public Trustee handling estates where bids are presented. Normally the approach has been to have open tendering, if you like. The bids have been opened in public. It is my understanding that has been changed. I would ask the minister why we've moved from opening of bids, if you like, to a closed situation.

MR. FOSTER: Mr. Speaker, I'm not personally familiar with the procedure to which the member referred, but I'd be happy to check and advise what the former practice was, what the current practice is, and if there's a difference, the reasons for it.

MR. NOTLEY: Mr. Speaker, one supplementary question for clarification. Is there no overall public policy then with respect to this matter?

MR. FOSTER: Mr. Speaker . . . [not recorded] understand we're talking about the sale of property owned by an estate, not the sale of property owned by the Crown. I can envisage circumstances where the persons responsible for the estate may feel they want to offer land for sale by way of tender and indicate they don't intend to accept any offers unless they're satisfactory — so no offer will necessarily be accepted — or that they'll deal with it in some particular way.

Mr. Speaker, I say to the House I'm not aware of all the various ways, if there are various ways, in which the Public Trustee disposes of estate property. I'd be happy to check. But I want to underline that this is not Crown property. This is private property.

Oil Sands Research

MR. CLARK: Mr. Speaker, I'd like to direct my question to the Minister of Energy and ask if the Oil Sands Technology and Research Authority has made its decisions with regard to those research projects which it will be funding.

I ask the question because of the statements made by Dr. Bowman, I believe, during the estimates when I think he said six weeks.

MR. GETTY: Mr. Speaker, in my discussions with Dr. Bowman he indicated he has reduced the list of some 21 applicants to what is now referred to as a "short list"; in other words, those the Authority feels merit funding.

However, that presentation has been made on a preliminary basis to the Energy Committee of cabinet. There are some additional considerations to be looked at. Then Dr. Bowman will be making a further recommendation to a cabinet committee and to cabinet, at which time I believe the Authority will make a public announcement. I think the timing of these various moves would allow the Authority to make its final decisions sometime during June.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is the minister in a position to indicate whether there's been any finalization of the portion of the initial \$100 million that will be allocated this first time around?

MR. GETTY: As indicated in committee study of the department's estimates, the Authority has set aside roughly \$75 million of the \$100 million for the initial *in situ* field studies. However, the applications don't necessarily fit the dollars that neatly. Therefore, some adjustments may be necessary. When there are, we have to deal with the financial implications. That is part of the assessment that will be going on with the Authority and with cabinet committees.

MR. CLARK: Mr. Speaker, one last supplementary question to the minister. Referring once again to the subcommittee estimates on that occasion, I believe Dr. Bowman indicated that within six weeks a decision would have been made on whether the Authority would recommend a study of the question of a nuclear explosion.

My question to the minister really is: is the nuclear explosion prospect still on the short list?

MR. GETTY: To the best of my knowledge, it's not. However, Mr. Speaker, on the nuclear proposal, Dr. Bowman explained at that committee meeting that it was really a proposal to study the environmental effects of nuclear explosions where they have occurred in other places, not actually to have a nuclear explosion in the Alberta oil sands.

The only reason I'm hesitant about saying that it has disposed of the present nuclear proposal is that I'm not sure whether the Authority has informed the applicant yet of its final decision.

Milk Market Quota

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. Has the minister given consideration to placing a price ceiling on fluid milk quota that can be traded between dairy producers?

MR. MOORE: No, Mr. Speaker. That matter hasn't been under consideration, although I have discussed with the Dairy Control Board whether there is a method that can be used to control the price of industrial milk quota. Hon. members would understand that industrial milk quota has not recently been sold, but will now be available for transfer and sale.

I do know, however, that the Dairy Control Board provides a free advertising service to dairy producers who want to dispose of fluid milk or industrial milk quota. They recently implemented a practice of not advertising quota for sale when the asking price was in excess of \$16. That action was taken, Mr. Speaker, because quota prices have been rising rapidly in other parts of Canada. It's our understanding that in British Columbia some are selling for as high as \$70 per hundred. The Dairy Control Board felt that a free service which was being offered should not be extended to those individuals who, in their opinion, were asking excessively high prices for quota.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Does the Dairy Control Board have any specific mechanism for monitoring the price of quotas?

MR. MOORE: Yes, Mr. Speaker. The Dairy Control Board has to approve the sale and transfer of every quota sold. So in fact, by compiling their figures, they would know from time to time what the average price of fluid milk quotas is. As well, when industrial milk transfers become common, they will know whether industrial milk quota prices are moving up or down, and to what extent.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification. I took it from the hon. minister's answer that the Dairy Control Board is now

considering possible methods by which they can restrain too substantial increases in industrial milk quotas.

Two questions in one, Mr. Speaker. First of all, is the minister in a position to advise the House when we may expect a policy on this matter? Are there going to be any general guidelines as to limits? Obviously, we don't want to go as high as B.C.

MR. MOORE: Mr. Speaker, I've asked members of the Dairy Control Board to consider the matter of the effects of very high industrial milk quotas and what, if anything, might be done by the board to ensure those quota prices don't get out of hand. I don't expect any resolution on that matter, or any suggestions as to what might be done, until probably June, or maybe the early part of July. I asked them to look at it.

Certainly one of the things they are now doing, which is refusing to provide a free advertising service for quota over a certain level, is one small way in which you can assist in ensuring the prices don't get too high. I would expect, Mr. Speaker, that we will run into some great difficulty in trying to determine a method of legally and formally imposing an upper limit on quotas.

Inmate Employment

MR. TAYLOR: Mr. Speaker, my question is to the hon. Solicitor General. Are prisoners or inmates or guests, whatever you want to call them, in our correctional institutions who work outside for wages charged room and board?

MR. FARRAN: Yes, Mr. Speaker. To amplify what I explained to the hon. Member for Drumheller about two weeks ago, if they are working out and are housed by the institution, whether they're out on day parole or temporary absence for employment purposes, under the regulations they're charged \$4 a day or \$20 for a five-day week. They also pay any travel expenses to and from their place of employment. They reimburse the institution for any special clothing expense.

Some of their pay may be directed by the director to their dependent, and the balance is held in trust, just as it is for all other inmates, the interest accruing to the inmates' benefit fund and the capital being paid at the time of their release.

Drinking Age

MR. R. SPEAKER: Mr. Speaker, my question is to the Member for Lac La Biche-McMurray, who is on AADAC. At present Saskatchewan is considering increasing the drinking age. Ontario also has a report of a similar nature. Has the member or AADAC made any recommendations to government with regard to this matter?

MR. TESOLIN: Mr. Speaker, I'd like to thank the member for the question. I thought I was going to be left out. But I would like to refer it to the Minister of Social Services and Community Health.

MISS HUNLEY: No, Mr. Speaker, they have not.

MR. R. SPEAKER: Mr. Speaker, to the minister. As a matter of interest, is the minister or anyone in the department monitoring or considering such a change?

MISS HUNLEY: No, Mr. Speaker, we're not.

Dunvegan Historical Site

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. minister of culture. It concerns the Dunvegan historical site. I wonder if the minister could advise the Assembly of the reasons for the crating of the artifacts at the Dunvegan historical site.

MR. SCHMID: Mr. Speaker, I take the hon. member's question as notice and will inquire into the circumstances regarding the crating.

ORDERS OF THE DAY

MR. YURKO: Mr. Speaker, I wonder if I could have the unanimous leave of the House to revert to tabling of reports.

HON. MEMBERS: Agreed.

head: TABLING RETURNS AND REPORTS (reversion)

MR. YURKO: Mr. Speaker, I'd like to file with the Assembly the study report on the Gaetz Lakes area in Red Deer.

MR. MINIELY: Mr. Speaker, I would like to file one as well, the answer to Motion for a Return No. 102.

MR. SPEAKER: May the hon. Member for Spirit River-Fairview revert to Introduction of Visitors?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF VISITORS (reversion)

MR. NOTLEY: Mr. Speaker, I certainly welcome the opportunity to introduce the Hon. Ned Shillington and his assistant, Mr. Ashton Blackman. Mr. Shillington is the Minister of Co-operation and Co-operative Development in the province of Saskatchewan. Both gentlemen are seated in your gallery. I would ask them to stand and be recognized and welcomed by the members of the House.

head: WRITTEN QUESTIONS

183. Mr. Clark asked the government the following question:

- (1) Did any government department, board, or agency recommend or support Canadian Cane Equipment Ltd.'s application for a loan guarantee from the Alberta Export Agency; and if so, which government department, board, or agency?

- (2) Did any representative of the Alberta Export Agency attend the meeting of the board of directors of Canadian Cane Equipment Ltd. in Antigua in 1974; and if so, what is the name and relationship of this person to the Alberta Export Agency?
- (3) Who was the first financial administrator for the Alberta Export Agency?
- (4) Was any representative of the Department of Agriculture or the Alberta Export Agency a member of the board of directors of Canadian Cane Equipment Ltd. at the time that that company went into receivership in 1974; and if so, what is the name of that person?
- (5) Does the Alberta Export Agency now have on its staff any ex-employee of Canadian Cane Equipment Ltd.; and if so, what is the name of this person and his position with the Alberta Export Agency? Was this person ever an employee of the Department of Agriculture?

MR. SPEAKER: The question has been accepted by the hon. minister.

head: **MOTIONS FOR RETURNS**

MR. FOSTER: Mr. Speaker, I move that the following motions for returns stand and retain their places on the Order Paper: 175, 190, and 191.

[Motion carried]

181. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
The total number and aggregate amount of all loans made by any government department, Crown corporation, or government agency which have been guaranteed by a different government department, Crown corporation, or government agency in each of the fiscal years 1974-1975 and 1975-1976.

[Motion carried]

185. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
The details of a loan guarantee agreement made by the Alberta Export Agency to Canadian Cane Equipment Ltd. in 1973, including:
 - (1) the date of application for the guarantee,
 - (2) the amount requested to be guaranteed,
 - (3) the amount of the guarantee,
 - (4) the amounts and dates of all advances of the loan guarantee,
 - (5) the security given for the guarantee and its assessed value,
 - (6) the date when the guarantee agreement was signed.

[Motion carried]

186. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return

showing:

The terms of each employment contract and each contract for consulting services entered into between the Alberta Export Agency and any person, firm, or corporation during the periods

- (1) May 15, 1973, to March 31, 1974,
- (2) April 1, 1974, to March 31, 1975,
- (3) April 1, 1975, to March 31, 1976.

[Motion carried]

187. Mr. Notley proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
A list which gives, for each program and sub-program in the 1976-77 estimates, the estimated total payments under object of expenditure code No. 730, Grants to Businesses, with comparative forecast data for 1975-76.

[Motion carried]

188. Mr. Notley proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
A list which gives, for each program and sub-program in the 1976-77 estimates, the estimated total payments under object of expenditure code No. 430, Professional, Technical and Labor Services, with comparative forecast data for 1975-76.

[Motion carried]

189. Dr. Buck proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
 - (1) the total amount of money expended on the remodelling, renovating, and refurbishing of the Fort Saskatchewan Correctional Institution for the periods April 1, 1974, to March 31, 1975, and April 1, 1975, to March 31, 1976;
 - (2) the total amount of money expended on the remodelling, renovating, and refurbishing of the female section of the Fort Saskatchewan Correctional Institution for the periods April 1, 1974, to March 31, 1975, and April 1, 1975, to March 31, 1976;
 - (3) the names of the contractors who submitted tenders to undertake the remodelling, renovating, and refurbishing referred to in (1) and (2) and the amounts of the tenders;
 - (4) the names of the contractors who performed the remodelling, renovating, and refurbishing referred to in (1) and (2);
 - (5) the total amount of money paid to each contractor referred to in (4) and the specific service for which each sum of money was paid.

[Motion carried]

192. Mr. Taylor proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
The number of persons on March 31, 1976,

- (a) detained while awaiting court hearing,
- (b) serving a sentence,
- (c) employed as staff

in each of the following institutions:

- (1) Belmont Rehabilitation Centre,
- (2) Calgary Correctional Institution,
- (3) Fort Saskatchewan Correctional Institution,
- (4) Lethbridge Correctional Institution,
- (5) Peace River Correctional Institution,
- (6) Nordegg Forestry Camp.

[Motion carried]

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

1. Mr. R. Speaker proposed the following motion to the Assembly:

Be it resolved that the Legislative Assembly urge the government to increase its support of co-ordinated home care programs as an alternative to institutional health care.

MR. R. SPEAKER: Mr. Speaker, first of all I would like to make very clear the definition of the word "support" and our intent in using that word. I'm sure that in reviewing the resolution the first thing that comes to the minds of a number of members is that we on this side of the House want to expand the budget, that we want to increase the spending, and that we're not being particularly responsible in that area.

Mr. Speaker, I want to clear that up at this point in time, so that no one in the Assembly has to waste time arguing that point of view. That is not our intent. So if you have those notes at your disposal, dispose of them at the present time.

I'd like to define the word "support" in two ways. First of all, we wish to define "support" as a shift in priorities, so that money in lower priority areas, in our viewpoint, could be funnelled into this area of community-level programs, of home care programs. What are some examples? In our assessment we look at such programs as ACCESS, Government House — something like \$1 million — the Export Agency, the Bureau of Public Affairs. We think a large sum of money could be raised in those areas and placed into areas such as home care, where many individuals in Alberta would certainly benefit to a greater degree. That's the first definition of support.

What is the second one? The second definition of the word "support" is as follows: we feel that the government in their policy statement should be willing to place their position with regard to home care before the public. At the present time we are just not sure what that policy statement is. The Minister of Hospitals and Medical Care indicated earlier that he believes — and there really isn't any evidence — that home care programs reduce the costs of institutional care. We haven't seen anything beyond that. We don't know which direction the government wants to go. I think that is the kind of support we are looking for at the present time. The government should be willing to say, we don't support the program or, we do support it and we're going to do something about it.

Mr. Speaker, those are the two definitions of

"support" that I would like to use as the frame of reference for my remarks this afternoon.

Let's look at the first definition: shift of priority. From preliminary information and examination, and from my past experience, we feel that shifting from institutional care to community care is less expensive to the taxpayer looking at it at face value. We feel this point of view should certainly be pursued. We look back to 1974-75, for example, and home care costs were just over \$4; nursing home beds were \$18 a day; auxiliary hospital beds in the area of \$35 per day; active treatment hospital beds — I think the figure raised in the Assembly the other evening was over \$100 a day. Mr. Speaker, we can see that community-level care or home care is certainly a lot less expensive on that basis.

When we examine the budget, we find that something like \$611,000 is spent on home care through preventive social services. That involves such programs as Meals on Wheels, outpatient services, home repairs, physiotherapists, nutrition consultants, handymen, and I'm sure there are other variations.

At the same time, through the Minister of Housing and Public Works — and certainly this program has a lot of merit — we spend something like \$30 million to do physical repair on the homes of senior citizens. That's good. A lot of the senior citizens are certainly receptive to the program and are very happy it is happening. But it does say something about our priorities when we examine the house of the individual relative to his physical and mental care. Some senior citizens do need personal contact with other persons.

That \$611,000 isn't even good interest on the money we spend on the homes of the senior citizens. We ask, just where is the priority in that kind of spending? Aren't there lower priority items somewhere else in the budget where we can increase that amount of money to reach out and help people in their homes for their physical and mental care? I think that should be a consideration of government.

The other point I would like to make is in regard to priority shifts within the hospitals themselves. We've discussed this with the Minister of Hospitals and Medical Care. Boards have shifted priorities. They've examined certain areas and said, here's an area where we can reduce the number of active beds in our hospitals. But one of the other things they are also saying is that when we reduce the bed opportunity in the hospitals, there should be somebody in the community who takes up the slack and is able to give care at the home level. But really our budget or allocation to the local hospital boards doesn't indicate that type of thing.

The global budget to the hospital doesn't say, what type of work are you doing with the community? How do you help home care or community-level care? It doesn't really say that type of thing, nor does it give that type of incentive to local hospital boards. I think it's an area that has to be examined. Mr. Speaker, that is why we felt it was very important to place this resolution on the Order Paper at this time.

The second point I made was with regard to putting forth a policy by government. Other people besides me are concerned about this. First of all I would like to quote from the 1975 report of the Edmonton home care program, which was presented to the government. On page 16 of that report we read their point

of view:

Future developments with the Edmonton Home Care Program and Coordinated Home Care throughout the Province will be uncertain until the Alberta Government determines a policy position with regards to the role of coordinated home care in our health care and social service delivery system.

Mr. Speaker, these people are active in the field, have had some very basic experience with home care, and understand it. They recognize that government really hasn't got a policy in this area, has not developed it. They may be doing research, but I'm not aware of it. Nor is a group such as this aware of that particular research. Mr. Speaker, they see there is need for direction at this point in time.

I also quote the intent of the government from the Speech from the Throne earlier this year. The government stated its support for this kind of program, but we don't see any elaboration or sophistication of the proposal regarding home care. I'd like to quote from a summary of the throne speech. It says:

The Throne Speech stated that "To have a life of independence and dignity, our older Albertans deserve greater financial security and appropriate health care and housing." More specifically, the government said a senior citizens' community service program would be established through the department of health and social development (social services and community health) and that: "It will provide financial support to communities to aid them in piloting and setting up home support services such as 'meals on wheels' and home repair services to help older people maintain an independent life."

Now the government has indicated a program to look after the repair services of the homes. But I'm not sure there is a significant increase in finance for Meals on Wheels or other home care programs. The intent seems to be there, but it is not clear in the area we are discussing at the present time.

There are certainly other persons who support a home care program. I would like to quote from one of two articles I have. This is an article from the *Calgary Albertan* of January 23, 1976:

The board of the Red Deer General Hospital has voiced strong disapproval of a provincial government decision to limit the home care program to an 11 per cent budget increase.

They go on to speak about their support of that type of program. We can also read, on page 14 of the Edmonton home care report, of their support for this particular type of program. I would like to quote from that report:

The Home Care Program continues to be a focal point of coordination for a number of community home services. Inquiries from the public are frequent and there appears to be a growing understanding of the nature and scope of the Program. The willingness of many agencies, institutions, and helping professions to cooperate and participate is an indication of the interest in and support of our Program. Physicians, social workers, community agencies, and individuals on the Program have expressed satisfaction with the services and appreciation of being able to keep many individuals and families together in the home.

Certainly I think that last part is very, very significant.

Another supportive piece of information for this type of policy was in the brief presented to the hon. Minister of Hospitals and Medical Care by the graduate class of nurses from the University of Alberta. I'd like to quote from page 2 of their brief presented to the minister on April 20:

The quality of health care is questionable when beds, budgets and staff are cut. Of particular concern is that community based services, which we as baccalaureate graduates are particularly qualified to enter, are not being expanded to cover existing health needs as well as those arising out of institutional cut-backs. The recent task force on continuing education recommended that the future mode of delivering services be restructured through increased fiscal and manpower resources to provide more adequate health promotion, health maintenance, and disease prevention and rehabilitative services. These types of community based, comprehensive care services are not being instituted. As a result, the new baccalaureate nursing graduates, available manpower, are not being used optimally.

Mr. Speaker, in summarizing my remarks and in support of this brief, I'd like to say we really haven't had a clear position from government on this matter. We feel that not only members of the Legislature but certainly the hospital boards and the community-level workers need this kind of direction from government at the present time; not only direction, but certainly we need to have the government recognize that there needs to be a reassessment of the priorities in government with regard to this matter.

I can only conclude this way, Mr. Speaker: one, home care programs are very relevant to community involvement. Secondly, they are a root which can bring about growth and an increase in volunteerism. The other day in the Assembly I questioned the Minister Without Portfolio responsible for Calgary with regard to volunteerism. Maybe his answer was not thought through — I'm just not sure — but his indication was that government was expanding in these areas to erode the area in which volunteers were working. I said in my comment that that was a very unfortunate answer. I hope that isn't the intent of government. One way they can renew faith at the community level is to look at home care programs and involve more volunteers.

Thirdly, home care programs can keep independent people independent, certainly in the homes we are rehabilitating at the present time. From the very limited amount of information I have at the present time, I feel that with the right type of implementation home care programs can save us money in the health field.

Fifth, home care programs can stop tying up a number of beds in active treatment hospitals. I think I read in one of the visiting committee's reports that there were people in institutional care units who could be placed in the community if they had someone to relate to them once a day or twice a week to administer food or drugs, or just some type of emotional care.

Sixth, I think it is most important — I'm very supportive of the concept of home care — that home care will certainly put health care back in the

community.

Thank you.

MR. YOUNG: Mr. Speaker, it's a pleasure to enter the debate on the provision of home care. Mr. Speaker, I should like to commence with some history of what's happened in home care in the Edmonton area. As I am sure all hon. members are aware, that was a well-publicized concern in the latter part of 1975 and early 1976.

Mr. Speaker, that publicity was unfortunate in that it seemed to suggest that government was unaware, unfeeling toward home care, and that there would be severe cutbacks in home care. Just for the record, Mr. Speaker, I'd like to point out that the budget for the Edmonton home care program in 1974 was \$232,475. Mr. Speaker, in 1975 that budget was increased to \$435,000. That's a fairly substantial increase by any stretch of the imagination. In 1976, it is my understanding that the budget will be increased by the maximum guideline for increases in government services.

Mr. Speaker, in effect there has been a very substantial increase in the provision of home care in the Edmonton area over the past two years. That achievement will be maintained during the fiscal year 1976-77, provided of course that the program operates with inflationary increases no greater than those permitted under the overall provincial guidelines.

Mr. Speaker, I'd like to note, too, that when the hon. Member for Little Bow was speaking he seemed to have overlooked one facet of the concern before us. That is, home care as we know it in the programs we're discussing today is really the provision of a combination of services in the home of the client, including such things as nursing, home help, Meals on Wheels, physiotherapy, and homemaking. We're talking about those services which are provided in combination, and not individual services which have been provided for a number of years and which will be provided during this period.

Mr. Speaker, I'd like to refer to another matter arising from the remarks of the hon. Member for Little Bow. That is, he appears to have acquired wisdom in relation to the home care program relatively late in life. Inasmuch as the hon. member had some responsibility for that portfolio when some of the — with hindsight I grant — overconstruction of active treatment hospital beds occurred in the province, there is some lateness in his acquisition of wisdom on the matter.

Mr. Speaker, with respect to the government policy in this matter, I'd like to use the same document the hon. Member for Little Bow was quoting from and which presumably he acquired as recently as I did, which is today, and refer to the same page from which he quoted, page 16. Instead of quoting from paragraph one under the heading "Developments for 1976", I'll quote from paragraph three. The first sentence of that paragraph says:

In discussion with government officials it was confirmed that they were very supportive of the Edmonton Home Care Program and recognized the advantages of the model which combines such a variety of health and support social services.

Mr. Speaker, whatever other construction or impres-

sion the hon. member could portray in his comments, surely he could not convey the approach that the government is not aware. The government is sympathetic to the program. The Minister of Hospitals and Medical Care has made several statements on the importance of the home care program and his attitude toward it as an area that deserves attention and study as an alternative to institutionalized health services.

Mr. Speaker, among the challenges which home care programs present to us are several which I'd like to identify. The first challenge — I have analysed the problem, and I might say that I inquired rather carefully into the Edmonton situation some months back, and while I was on the Alberta Hospital Services Commission also inquired into the provision of hospital day care, which was initiated I believe in '72, I think it was in Edmonton. There are some substantial advantages to that program, which I would consider to be an alternative in some respects to the home care program, depending upon the needs of the client. But to the first disadvantage, and the one which I think the government is encountering at the moment: as was outlined in debate in this House this week, we have in place a substantial system of institutionalized health care facilities. What is perhaps more binding, because of the location of those facilities we have patterns of delivery of health services based upon those hospital facilities — patterns of service delivery with which physicians are familiar, with an established bureaucracy, delivery mechanism, administration, and funding mechanism.

Mr. Speaker, I don't think I need to elaborate much more to indicate how difficult it is going to be to shift funds from one type of delivery system to a different type. I'm sure the hon. Member for Little Bow, since he helped to put part of that institutionalized framework into place, will concede that there are bound to be some problems in that switch of resources. So I see that as our major concern. I have to say I saw that as a foremost concern when I was inquiring into the Edmonton home care situation some months back.

It's all very well for individuals, if they're supportive of something, to say that the home care program is going to cut back on costs because it is more efficient and less costly to provide services to a patient at home; we thereby can close down a hospital bed. The more likely alternative is that the active treatment hospital bed will be filled by someone else. What we're really doing is substantially improving the quality of hospital or medical care. That's the best light in which it can be placed. If in fact, as is sometimes suggested, we are having services generated by some of the participants in the provisional services, whether it be doctors, nurses, physiotherapists, good friends, or whoever it is, there's even a question as to whether the quality of service is being improved that much.

With respect to one of the comments the hon. Member for Little Bow read into the record a few moments ago, I would strongly recommend to him that he consider if that request does not come from the point of view of a self-interest group more interested in employment than in quality of care at the time that letter was written. I appreciate their problems, and I think we all do, but let's not use them for purposes for which they may not have been intended.

Mr. Speaker, I've outlined what I consider the major problem with home care. Let me identify a couple of others, though. One is in relation to the nature of volunteer activity, and the individual services being provided. We have quite a system of volunteer activity, especially in the social services area and to some extent in the homemaking area, either from relatives or friends who assist persons when they are in need, when they are unwell, when it is known that they are unable to do for themselves some of the things that they would like to be assisted with. Mr. Speaker, I see a great possibility that by very rapidly increasing the commitment to home care as proposed in the program, we are likely to wind up paying for some of these services now provided by volunteers. There's nothing wrong, of course, with paying for services, provided everyone recognizes that it's going to take more tax dollars. Surely it is going to take more tax dollars when we start to try to replace friends and neighbors and volunteer groups.

I understand the Society for the Retired and the Semi-Retired in the Edmonton area, according to the report which I have just received of the Edmonton home care program, is in fact providing some services by coming in and socializing and conversing with persons who are indisposed and unable to get about.

[Dr. McCrimmon in the Chair]

The other service, if you will, or advantage which has been built up over a long period of our history, and which we are gradually losing because of the changing nature of our society, is the responsibility which family members accept for other family members. I can advise, Mr. Speaker, that in my own case I live so far from my parents and my grandparents that I'm very fortunate indeed if I can visit them more than once a year. I suppose I should consider myself fortunate to be able to visit them once a year. In the event that there were things that I could do — in fact I have grandparents I would assist if I were closer. There's just no question about it. These forms of assistance formerly provided by family members are not so readily available now. But some are available now, and however well-meaning we are in our provision of these services, if we start providing a full-blown mechanism with a bureaucracy which sets about identifying a need and then trying to meet it and has the budget to meet it, we're going to find that we generate a much more rapid change in this direction than necessary.

Mr. Speaker, I would have to express concern that, in the development of the home care program, we move too quickly and remove responsibility and opportunity from volunteers and family members. I think it would be unfortunate if we were to do that.

Mr. Speaker, I'd like to relate a few of the advantages which I see with home care, quite apart from the financial ones. There should be — on paper, there are — advantages to society from a dollars and cents point of view, if we can provide care at home as opposed to an institution.

But there are other advantages. It was particularly through a conversation I had with a constituent who benefited during 1975 from the Edmonton home care program that I want to draw some of these to the attention of the House. First of all, the lady advised me she found it much more relaxing to be able to

leave the hospital and go home earlier than she would have been able to without some kind of assistance. She found she was back in familiar surroundings. She was not wakened at the time when the routine of the hospital says all patients must be wakened, prepared for feeding, and washed. So she could adjust more quickly to her normal routine.

Secondly, she found she was able to have visits from family members more easily. Instead of rushing home from work, grabbing a bite, and rushing down to the hospital for a few hours, her husband was able to come home and they were able to spend the evening together. This she found very beneficial.

Thirdly, her neighbors with whom she often had coffee in the morning and sometimes tea in the afternoon were able to drop in quite handily. It was much more convenient for them to stop by and see her. And it was, of course, less costly for them.

She felt the combination of these kinds of things had such an advantage to her psychologically and emotionally that it probably was a contributory factor to the progress she was making. In short, when we add up the emotional advantage, the psychological advantage, we probably arrive at some actual advantage in terms of the physical recovery and the speed of that recovery.

So I'd have to say, Mr. Speaker, on the basis of the observations that lady gave me, and which would seem to follow from an analysis of an individual who could be in a happy and relaxed home atmosphere as opposed to an institution, there are advantages we should try to take advantage of as the system evolves.

Mr. Speaker, I'd like to leave with members of the Assembly a couple of the questions which I put to the administration of the Edmonton home care program, because I think they need to be considered. One of the questions relates to where the program ends. How do we define home care? Who is eligible, and who is ineligible?

As I understand it, a broad definition of home care would include such things as a program directed toward medically or socially oriented health services in the homes of the patients. Now, I think "medically" is reasonably easy to define, although the longer I'm about government the more difficult it seems to become. But "socially" is vastly more difficult.

What is a social need? Is it the perspective of an outsider — not part of the family — who looks at this individual situation and says, aha, there's a social need? It's part of our home care program objective to meet that need. We will now meet that need. I therefore assign a nutritionist and a homemaker for one day — this kind of staffing. I don't want to sound ridiculous, Mr. Speaker, but given programs which can double in one year as the Edmonton program virtually did between 1974-75 and 1975-76, it's quite possible — and I would suspect highly probable when bureaucracies grow that quickly and services expand that rapidly — there will be a broader and quicker acceptance of questionable responsibility and service than would otherwise be the case.

So, Mr. Speaker, it's a question of how particularly we define the limits of so-called home care. What are the guidelines the administrators are going to use?

In a letter to the Edmonton home care staff, I put the question. They responded with a difficult ques-

tion for them, but, I suspect, still an easier question than I have posed here today. They said, well, if we assume that one of the objectives is the need to delay institutionalization of patients, another objective is to shorten the stay in institutions, and a third is early discharge, we have to make a decision between just these three kinds of objectives within the program even as it relates to hospital care. How do we do that? Which is more important: to delay somebody's entry, to get somebody out faster? How do you arrive at that decision? If the administrator was somewhat in a quandary about that, I am sure he's in an even greater quandary when confronted with some of the social needs which will be identified in a home care situation.

Mr. Speaker, my second last observation on the home care field is that for us as legislators it carries with it many of the same problems and questions which consideration of the preventive social services program does. Just how rapidly should that program expand? What are the limits on that program? Mr. Speaker, in my mind there are a good many questions which could be asked about the preventive social services program. Probably, if we analyse it carefully, the home care program is a portion of the preventive social services program, as well as replacing or having the potential to replace some of the institutionalized health services we have.

If we're going to look at it, I suggest we look at it in the total context. If hon. members are having remarks made by constituents about the preventive social services program — whether it seems ridiculous that this is being done under that program and yet this other priority, to use the expression of the hon. Member for Little Bow, isn't being done — we can expect the same kind of problem and the same kind of decision to have to be made with respect to home care.

My last comment, Mr. Speaker, is that I suspect the costs of home care are not likely to be stable. They may be less than other institutional health care services. But it's my understanding that home care in Calgary in 1974 cost about \$8 per day per client, and in 1975 was in the order of \$10.50 per day, which is a fairly hefty increase in cost. I haven't analysed the Edmonton situation. The report has just arrived, and I haven't had a chance to do that same kind of work on it. As I read this report and the other, there is a substantial difference in the *per diem* cost. It would take considerable analysis to determine why there is a difference in cost.

But I suggest that we have a potential for a fairly substantial cost, and while there are many benefits to it and I would like to see us advance the home care field, I think we have to do it knowing full well that somehow we are going to have to extract some savings out of the institutional care service field. When we can make that transfer, I think we're definitely on the right track.

I close by inviting hon. members to advance suggestions to the hon. ministers on how that might be achieved. I advanced the same suggestion to the administrators of the Edmonton home care program. Unfortunately, they weren't able to find any quick answers for me. Perhaps the hon. members of the Legislature can.

DR. WALKER: Mr. Speaker, in responding to the resolution by the hon. Member for Little Bow for extended co-ordinated home care programs as an alternative to institutional health care, I would like to point out to hon. members that it is extremely unlikely that such a program will be an alternative, as suggested by the Member for Little Bow, but rather an addition to our already overindulged health care system.

The hon. member suggests a shift in the priority as a means of support. Often, you know, when governments shift their priorities or shift anything, including the civil servants, they stumble around in the middle of things, and it usually ends up costing more money. That's what I think this would do.

We already have local health services and preventative social services at the provincial, regional, and community levels, and we have numerous voluntary agencies and community volunteers doing an excellent job in the home care field, with a minimum of financial aid from government.

Where do we admit to ourselves that people can do things for charity just as well as governments can do things for money? Are we going to set up another great bureaucracy which may spend an estimated \$6 or \$7 million a year, compared to the present cost of assistance to supportive organizations of just under \$1 million per year?

Home care services include nursing, home help, Meals on Wheels, physiotherapy, homemaking, et cetera, which at present are co-ordinated on a voluntary and independent basis in the community. In my mind, they're well worthy of considerable encouragement, both morally and financially. But let us not start another extended care program to add to the already grossly extravagant health bill of over \$.75 [billion] in this province.

Home care is not a substitute for general hospitals, auxiliary hospitals, nursing homes, or ambulatory care, but it can be part of one or all of these levels, especially, I might say, from the acute hospital area. I can see good reason behind sending nurses from a general hospital out to homes to help a convalescent patient at home.

The Royal Commission on Health Services, 1964, stated that health care programs can now be said to have successfully passed beyond the experimental stage. The Task Force on cost of Health Services, 1970, stated that:

To effect cost savings, public provision be made for levels of community care alternate to the acute hospital; that a patient be cared for at the level which is suited to his condition and which is most economic; that the alternatives to acute care provide an effective means of reducing or limiting the number of acute beds required; that expansion of home care programs and the provision of home care programs be recognized as a responsibility of the public health agency and co-ordination of services including hospital liaison as a responsibility of the co-ordinated health program staff; that home care programs be community based, so that all residents of the area be served, not just those discharged from hospitals, so that the broadest possible range of services and agencies may be co-ordinated within the community.

Again in 1974, the *New Perspective on Health of*

Canadians recommends the support of home visits and other programs for helping chronically ill and aged people to stay in their communities, the continued extension of the role of nurses and nurse practitioners in the care of the mentally ill and the chronically ill, the provision of home care, the continued promotion of establishment of community health facilities that are physically and professionally integrated.

They're all beautiful motherhood statements, all to the delight of the administrators and civil servants in our province. It all costs one heck of a lot of money, and that's to a province that already has the highest per capita health and social welfare costs in North America. At least under the present system most of the financing goes to the folks who need it and very little goes to the administration in communities. We have Edmonton, Wetaskiwin, Ponoka, Didsbury, Taber, Coaldale, Red Deer, and so on.

Are we going to expand this so we can employ yet another few hundred social workers and other dogooders to take over the duties of immediate family relatives and voluntary organizations, as mentioned by the hon. Member for Edmonton Jasper Place?

Are we going to go back to the days when we delivered babies in homes? You walked into a house, with blood meeting you at the bottom of the stairs. You had nothing to control it with, and the patient died. Is this what we're going to go back to? We had home care. That was all we had 50 or 100 years ago. Now we want to bring it back in as a great innovation of this day and age.

Yet I say, we give help where help is needed. But surely somewhere along the line of more and more social services by government we have to stop somewhere and say no. You can do this for yourself or for your family, no matter how young or old you are. Macaulay once said:

Nothing is so galling to a people, not broken in from the birth, as a paternal or, in other words, a meddling government, a government which tells them what to read and say and eat and drink and wear.

We don't need a meddling government to add yet another so-called service to the already extensive services supplied by those who are still ready and able to work hard enough to pay the increased taxes to support such a scheme.

The hon. Member for Edmonton Jasper Place mentioned generating a need. I have to agree that I think we are generating a need. We supply a service, then we say to people, come and use it.

I have not heard of any people in my constituency who are suffering from the lack of co-ordinated home care projects. But I have heard from lots of my constituents who are suffering from rapidly escalating taxation to a point where they start to say, why work any harder, the government only takes it from you anyway.

Somewhere this escalation of taxation for the payment of more and more social services has to stop. Whilst the objectives and philosophy of the proponents of these grandiose ideas are most laudable in that they feel they may delay, prevent, or shorten periods of institutional care and hasten the rehabilitation of a convalescent patient, the history of countries such as Great Britain does not bear out these hypotheses. Indeed, in the case of the United

Kingdom, bankruptcy over such grandiose care patterns looms very dark and foreboding over not only the providers but also the recipients of ill-conceived ideas, with the resultant elimination of a good standard of living for everybody in Britain.

When I look at the organizations already involved in this area, such as local health boards, preventative social services, et cetera, I'm not always too impressed with their administrative and business ability. I feel they could easily extend their duties to home care for the aged, handicapped, and mentally ill without overtaxing their present staff with extra work. I would be opposed to the hiring of more nurses, more social workers, more administrators to provide yet another social program which would be auxiliary to and, I believe, would in no way replace present services. I feel most of the financing would go to staff.

Let me give you some idea of what staff might be required to run a regional home care program. We'd need a home care co-ordinator, probably a public health nurse, and a medical adviser, probably on a part-time basis. We'd need one or more social workers. They assess, consult, assist, and make all sorts of suggestions to patients. I really wonder what good they do sometimes. Several office staff — you've got to have office staff and secretarial staff who could just spend their time typing out letters that should probably never have been composed in the first place. They compile a bunch of records on patients who are far too overrecorded in the first place. All these people then would have to be housed, of course, in yet another great office complex, another big monument to bureaucracy which would cost a lot more money.

Let's put money where it belongs: in the hands of the aged, the physically handicapped, the mentally incapacitated, or their relatives, so that they can look after their friends or themselves; not into the hands of a bunch more civil servants to swell the ranks of our already overburdened system.

Thank you, Mr. Speaker.

MR. BOGLE: Mr. Speaker, it's a privilege to join in this important debate today. In my opening remarks I would like to comment on the hon. Member for Little Bow, who in his opening remarks stated that he was looking for a shift in direction rather than an addition to an already large budget. I concur in what he said. One thing I would like to point out to him, though, is that I believe when 75 independent thinkers in this Assembly look at all of the departments, agencies, commissions, and other branches of government and organizations that government helps to finance, we find a wide variety of priorities on an individual basis. Therefore, it's very difficult to come up with a consensus.

It is also interesting to note, Mr. Speaker, that the hon. Members for Macleod and Little Bow represent constituencies bordering mine. Because of that, we have a number of things in common, one of them being the Barons-Eureka health unit and social service and preventive social service. I'm a bit surprised that neither one of the members from the two adjoining constituencies has mentioned some of the fine work being done by this agency at the present time. I believe it's an example of a combination or blending of the two points of view that have been

expressed. On the one hand it's not a complete giveaway program. It's not something government is forcing on people. On the other hand, it is not a monstrous bureaucracy and a conglomeration of civil servants. Rather, Mr. Speaker, it is a determined effort by the nine municipalities that lie within the Barons-Eureka health and social service unit, a determined effort to provide the kind of services the people within the areas require.

In the area of home care, I'm extremely pleased to report from a letter that I received from the director of the program, Mr. John Boon. It was dated March 10, 1976. In it he states: "We have built up a home help program which is second to none in any rural area of the province, and in fact takes second place only to the city of Edmonton." To elaborate, Mr. Speaker, 120 clients within the Barons-Eureka area are assisted by the homemaker program. They come from all parts of the unit. Coaldale has 35 clients, the county of Lethbridge, nine, the town of Picture Butte has 14; the town of Vauxhall has 19; the town of Taber, 34; and the municipal district of Taber, 9. In short, Mr. Speaker, by assisting these 120 clients it is Mr. Boon's estimate that approximately 180 people are able to stay in their own homes.

The kind of help provided isn't grandiose by any standards. It is very basic. They provide assistance for home cleaning, cooking, and helping with application forms. An example is an elderly lady I visited recently who lives in the town of Taber. She does not have the use of one arm. She is a widow. Her children are far away. If it were not for the assistance of this program or a volunteer group, she would be forced to move into a senior citizens' home or in with other people. But through the help of people through the Barons-Eureka unit, she is able to have assistance in taking off her storm windows in the spring, washing her walls and ceiling, and other such duties.

Mr. Speaker, the kind of assistance this province makes available to its citizens is very important and must be continued. There's always room for improvement, but let's not forget that if we take the initiative away from people, if we start to do for people the things they should be doing for themselves, we will create a type of society I don't believe most of us in this Assembly want. I think that we as members have an obligation to our constituents, an obligation to represent them and bring their messages forward to this Assembly.

In my closing remarks I'd like to suggest to my two hon. colleagues that they spend a bit more time looking at what we have in our own area and talk to people like John Boon and Mr. Steve Slemko, who is the chairman of the board, to find out some of the very positive and progressive things that are taking place.

Mr. Speaker, as the hour has drawn by, I beg leave to adjourn debate.

MR. DEPUTY SPEAKER: Having heard the motion by the hon. member, are you agreed?

HON. MEMBERS: Agreed.

head: **PUBLIC BILLS AND ORDERS
OTHER THAN GOVERNMENT ORDERS**
(Second Reading)

Bill 213

The Right to Information Act

MR. NOTLEY: Mr. Speaker, in rising to move second reading of Bill 213, I wish at the outset to point out that The Right to Information Act I have presented to the House this afternoon is modelled on legislation pioneered in the House of Commons by the hon. Member for Peace River, Mr. Ged Baldwin, who for a number of years was Tory house leader in the Parliament of Canada.

Mr. Speaker, I'm going to talk a little more about the moves in other parts of Canada, because there is a lot of interest in the whole concept of a right to public information act, not only in Parliament at this stage but in other provincial legislatures as well.

At the outset, may I begin by making one observation so that the debate is put in the proper context. I don't believe that it is proper in discussing this bill to confuse the right to public information with the right to privacy. I've listened to some people who oppose an act such as this, who claim that a right to public information act would in some measure invade the right to privacy. No, Mr. Speaker, that would not be the case. If one reads Bill 213 carefully, it will clearly point out that information of a private nature is not considered.

Let me illustrate to show what I mean. It would seem to me that the individual welfare record of a client is not something which is a public issue or should be made public. That Mrs. Jones in such-and-such a town received \$235 in assistance from the department last year is not relevant public information. On the other hand, what is relevant public information is if the government compiled a report, perhaps by Humans on Welfare, that recommended public policy, that would be an example of relevant public information. As citizens of the province, we would have a right of access to that type of information.

So I think it's very important, Mr. Speaker, that we not go off on tangents in dealing with this bill and confuse privacy with public information. [There is] no effort at all here or anywhere else in Canada to interfere with the important right to privacy. It is a question of the right of individuals in a free society to obtain access to information used to develop public policy. That, Mr. Speaker, is the crux of Mr. Baldwin's long — and I might say pioneering — struggle in this particular cause.

Mr. Speaker, let me then move on to the second question we have to ask ourselves. Is there a right to public information? Pretty clearly, we've seen in the United States recently that there is a right to public information. Even private documents of the president of the United States, the tapes of his confidential discussions, were held by the Supreme Court to be of a nature — obviously because of the Watergate trial, but related clearly to that matter — that they should be made public.

More important, it seems to me when one looks at the Watergate issue and at the Pentagon papers question, it is clear that public policy has been shaped in the United States by policy-makers who have made

decisions behind closed doors. Had that information been made public, had the people had access to the facts, it could well have been that the total course of American public life would have changed. That certainly would have been true with respect to the Vietnam war.

Mr. Speaker, I suppose the question as to whether there is a right to public information resolves on how we define democracy. If we see democracy as essentially a plebiscite every four years when the voters render a general verdict on whether they like the way government is running things, that's fine. That's the MacPherson concept of plebiscitarian democracy. But if we see democracy as an ongoing arena where political debate takes place, where issues are evaluated in an ongoing fashion, or where the public is encouraged — indeed, has an obligation — to participate in the process; if we see democracy in a participatory sense, then there is a right to information.

It's not possible to make intelligent public decisions — whether they deal with the federal government, the Ontario government, the Government of Alberta, or for that matter city councils or municipal councils — unless there is access to relevant public information.

Mr. Speaker, I know a number of concerns are raised about whether a right to public information act would interfere with confidential information provided by public officials to their respective cabinet ministers. I would just point out that if members wish to review Bill 213, they will see in Section 3(f) that matters of that nature are excluded from the purview of this act.

Having said that, I would also point out that while the argument can be made that a senior civil servant is not going to be frank with his minister if the information is made public, I also think it's important to put on the record the experience in Sweden, where almost everything is open to public scrutiny. The experience in some of these jurisdictions, where you have what have been classified as "sunshine laws", is that rather than restricting frankness, the fact that information may be made public and that the civil servant is not only writing for the minister but is perhaps writing for more people probably makes that report even more frank than would otherwise be the case.

In any event, Mr. Speaker, that is not contained in this bill. That would have to be an extension of the bill, because under (f) the normal interdepartmental correspondence we recognize in this House is excluded.

Mr. Speaker, I want to deal with another question which comes to mind when one debates Bill 213. How strong are the mechanisms now for securing public information? The obvious counter of those who don't agree with a right to information act is that we already have sufficient safeguards. In this House, members can ask questions, members can submit motions for returns. The only problem is that in our parliamentary system a motion for return is accepted at the will of the majority. If a government wants to use its legislative or parliamentary majority to deny the passage of a motion for return, so be it. If a government is setting out to do this, it really makes stonewalling much more possible than would be the case in other jurisdictions.

One can recall the famous phrase of Lord Melbourne, a very distinguished Prime Minister of Great Britain. His comment about the legislative or parliamentary majority was simply this: if we don't hang together, we'll hang separately. Mr. Speaker, all too often that is true when you have legislative majorities. Simply that we have the right to obtain information through a motion for a return doesn't necessarily mean that motion for a return is going to be passed. If the government want to deny the information, they can use their legislative majority to deny it.

What are some of the other mechanisms for securing public information? In some countries, particularly in the United States and Great Britain, there is a very strong tradition of investigative reporting among the media. [There's] no question that one of the major reasons the whole Watergate story unravelled was the work of the *Washington Post* and the *New York Times*. Similarly, Great Britain has an equally strong tradition of investigative reporting.

Mr. Speaker, there are some excellent investigative reporters in Canada. But I think it is also a fair comment to say that the media as a whole do not have the same reputation for investigative reporting as they do in the United States or Great Britain. So the protection we would have as a result of media with that kind of inclination doesn't really exist to the same extent in Canada as it does in other parts of the world.

Mr. Speaker, the question as I see it is relevant information. Let me say that there is certainly no shortage of information. We are snowed under with volumes of information. But the issue is relevant information on which public policy is based. We've had some examples in Alberta; for example, the Loram report on the Syncrude deal. Members of this Legislature have already voted considerable sums of money to the Syncrude venture. Yesterday, virtually without discussion, we authorized a guarantee of substantial loans to subsidiary companies of the Alberta Energy Company.

But, Mr. Speaker, no member of this House is really in a position to make an intelligent assessment of whether that investment or guarantee we passed yesterday makes sense unless we have access to the Loram report. The Loram report is the report that assessed the construction costs. Now we had a summary of that report tabled in the Legislature. But the summaries of Mr. Nixon's tapes were not necessarily as informative as the tapes themselves. So a summary of a report, however well-meaning it may be, does not in fact place before the members of this House the kind of information we need to determine whether Syncrude is a good or bad venture. I raise that as an issue that has been discussed in this House before. As a matter of fact, we debated it for some time a year ago when I introduced a motion for a return which was voted down by the government. But here is a decision of over \$1 billion where crucial information was not made available.

On the other hand, Mr. Speaker, we find vast numbers of government press releases. This is true of any government. It was true of the NDP government in B.C. when they were in office, the Social Credit government now, the Liberal government in Ottawa, or what have you — vast amounts of material are made available. The issue is not the kind of information we get from the Alberta Communications

Network, but whether the citizenry has the right of public access to relevant information. To ask the right questions, Mr. Speaker, one often needs to have a basic amount of information to indeed put before the cabinet or the ministry the kind of question that should be asked in order to engender proper public debate.

Mr. Speaker, I want to deal with this question of the government's attitudes generally toward a right to information act. I think I would have to be fair and say that all governments, quite apart from their political complexion, have an excessive tendency to secrecy. That just happens to be the nature of the political animal. The same arguments I could raise here about certain examples of information which were not made public could equally be made in Saskatchewan, or against the federal government, the Social Credit government in British Columbia, or the Conservative government in Ontario. The fact of the matter is that if we allow them, ministries are going to prefer to work behind closed doors. However, it seems to me our responsibility as legislators, as backbenchers on the government side and as opposition members, is to be ready to safeguard the public's right to information.

That being the case, Mr. Speaker, let's take a look at what is happening on this matter elsewhere in Canada. As I have already mentioned, Mr. Baldwin has been promoting this type of legislation for a number of years. I've met with him several times on this issue. I might say that he has encouraged me to pursue it, feeling that this kind of legislation would be a good tonic for his colleagues on the provincial level in Alberta. I certainly agree with him. He has made a lot of progress federally, and members are aware of the fact that there is a Commons-Senate committee on freedom of information. It now appears as though Ottawa is moving towards legislation in this important area. Mr. Speaker, let me make it clear that the major credit for this kind of pace-setting legislation belongs to the hon. Member for Peace River.

[Mr. Speaker in the Chair]

In other parts of the country we have similar legislation being introduced. Don MacDonald, the former leader of the New Democratic Party of Ontario, has introduced a freedom of information act in that province. But to point out that this matter crosses party lines, Mr. Speaker, in the province of Manitoba, which is equally in need of a freedom of public information act, Mr. Lloyd Axworthy, a Liberal member of the Manitoba Legislature has introduced Bill 41, The Manitoba Freedom of Information Act, which is patterned to a large extent on Mr. Baldwin's proposed legislation in Ottawa.

In general conclusion, Mr. Speaker, I would urge the members of the House to give positive consideration to moving on this important issue. I suppose if we come back to the basic issue, it depends to a large extent on our concept of the functioning of the modern, democratic government. I mentioned this before, but I want to close on it. If our concept is that government is a large corporation and the cabinet the board of directors, and that every four years we have a plebiscite to determine whether we'll have the board of directors retained or not, then of course a right to information act is an infringement on that

sort of governmental concept.

On the other hand, if one takes as the starting point the whole philosophy of parliamentary government and the entire concept of the give and take of politics, that political decisions are not made every four years but every day of every year — it seems to me that is really where it's at in terms of our system of government — then this kind of legislation is relevant and necessary.

Mr. Speaker, my final remark is simply this: in 1971 the Tory party won a lot of support throughout this province on the theme of open government. That's what all hon. members were saying in 1971, and they were right. They were right, no question about that.

In 1976, Mr. Baldwin is saying, open government in Ottawa. And Mr. Baldwin is right. No question about that.

Mr. Speaker, in 1976 I am saying, open government in Alberta. And regardless of the grins on some of the faces of the Tory members, I'm right. No doubt about that either.
[interjections]

MR. KUSHNER: Mr. Speaker, the people have the right to government information. It's their tax money. I basically agree with the hon. Member for Spirit River-Fairview. I'm sure there is going to be a day when that bill is going to come to reality.

From time to time, while I served on city council and on the Calgary board of education, getting information was my problem. It is a very complex problem of giving information and establishing procedures.

I have no hesitation in saying that civic governments, as I see them, are wrongly structured to properly function, or function better than they do today. We have no problem getting information if we know where to go to get the information. As an MLA in this Legislature I still am not too sure of the procedures in certain areas. I am sure I am not the only one. I'm sure that every MLA here thought it his job and responsibility, when he got elected, to try to communicate and represent the people who elected him, to do everything within his power to cut red tape to make the communication flow more available.

Mr. Speaker, from the practical point of view it is not easy to say what should be public information and what shouldn't be, what is premature and what isn't. In my opinion, it's a very complex problem. I know that a lot of study and review in this area will have to be done. I sincerely believe that bill will come to reality, that we will see this bill in this House, and no doubt possibly even processed by this government. I hope it will. In time it will give it a chance.

It is hard to determine and find a proper balance. I know all of us to some degree have a secrecy about ourselves, about our families, about our government — even in this government. It is sometimes pretty hard, what you should give and what you shouldn't. If privileged information is given — and I have seen that information given in civic government, I haven't had much experience in this government — I know that basically the same applies, that it jeopardizes a process of establishing proper policies.

Keeping that in mind, I myself would accept the general concept of this bill. But again I would say it is premature, that it needs some serious study. I even

hope that someday in the future a committee will be struck just to give some serious consideration and further examination in this important area of giving information and better communication. The people will have better information, or information that will be available from the government to the people. I think it is the job of the government to do that.

MR. ASHTON: Mr. Speaker, I think the hon. Member for Spirit River-Fairview is having a little fun with us today.

MR. NOTLEY: Not really.

MR. ASHTON: And I'm glad, because he doesn't have too many occasions for joy.

AN HON. MEMBER: Especially during election time.

MR. ASHTON: We can see it reflected in his general attitude of negativism and gloom and doom. However, I should give credit to him. He did say one positive thing — and I will always remember that — when he told us the other day that he agreed we have an educational system in this province we can be proud of.

MR. NOTLEY: Does that relate to this bill?

MR. ASHTON: I suppose the hon. member is probably wondering what the government members are going to do. Here we have a bill that was . . .

MR. CLARK: Sounds like they do too, you know.

AN HON. MEMBER: Still wondering.

MR. ASHTON: . . . almost identical to the bill introduced in the House of Commons a short time ago by the hon. Member of Parliament for Peace River. Of course, that hon. member belongs to the same political party as some of the members of this House. I don't think there's any question that there's no member of the federal House of Commons who is held in higher esteem than the hon. Member of Parliament for Peace River.

I should suggest that I'm not embarrassed to state my opinions on the topic, and that they do not coincide with [those of] the hon. Member for Spirit River-Fairview or the hon. federal member. However, I would like to congratulate the member who introduced the bill for raising the topic. It's an important topic, and it's something we should be talking about. Although many of us would quite readily state and support the position that the parliamentary system we enjoy from our English heritage is unquestionably the most effective system operating in the world today, there is no question we must keep searching to see if there are in fact ways we should be improving that system. I don't doubt that there are ways of improving the system. But the way presented to us today is not one of those ways. I suggest to you, Mr. Speaker, the way he presented it to us today is a backward step rather than a forward step.

I wish to make three points in support of that position. We're looking at the Legislature in Alberta. There's no question that although we share certain basic common ground with the federal House, there

are also many differences. Some of the members would probably say amen to that. If one reads Hansard from the House of Commons, not only the debates referred to earlier on the bill before the federal House but also the general debates on motions for return — although as I recall they call them something different — the questions, and so on, there's no question [of] the frustration of opposition members in getting information.

There's no question that this House has a good record in providing information. I would suggest that I reject any attempt by the hon. member who introduced the bill to sully the reputation of this Legislature by attempting to bring in comparisons with Watergate and the U.S. system. I think that's beneath him, and I don't accept that at all. It's a red herring. We should disregard what he said on that point.

I suppose one tactic, you might call it, of members when they're dealing with non-public bills is to go through them and point out all the technical deficiencies. Of course, we have a problem here because this bill is almost identical to the federal bill, so there are no technical deficiencies.

AN HON. MEMBER: A point of order on that one.

AN HON. MEMBER: We made some changes.

MR. ASHTON: In introducing it in the Alberta Legislature, the hon. member had to make some minor changes to adapt it to the Alberta system. Unfortunately he goofed on those minor changes. An example is in Section 2, which says, "Any person who resides in Alberta". Does he mean somebody who came to the Edmonton Plaza Hotel for the night, or is there some other definition? It's an obvious oversight. We could go on on the other changes he made, but I don't think that really contributes much to the debate.

I suggest the hon. member should spend some of those vast amounts of research money on hiring people like the Member for Calgary Buffalo or the Member for Medicine Hat-Redcliff to get the proper drafting.

MR. GHITTER: No, no, no. There are certain requirements as to the clientele we will accept and whether they can afford us.

MR. ASHTON: To attempt to apply the problems they have in the federal house to the Alberta Legislature, I suggest some of the principles involved here are just absurd. I can only think the hon. member got his motivation from people like Harold Midgley rather than the hon. federal member from Alberta.

I hope all the members have read the bill, because it is a very serious matter. What this bill attempts to do is remove decision-making from this Legislature, from the elected representatives; and transfer that to the appointed judiciary. That's a pretty basic principle we're talking about. The members of this Legislature are elected in free and open elections to represent the people of the province. The buck stops at this Legislature, so to speak. We are the ones accountable to the people who elected us.

There's no way I could support a bill that would, in effect, transfer this responsibility from this House to

the judiciary. I refuse to abdicate that responsibility. I hope hon. members are stronger than to accept this way of avoiding the responsibility of making these decisions. That's the first reason I object to the bill.

The second reason is that it downplays and denigrates the role of the individual MLA in this Legislature. I don't doubt that there have been times in the past and will be times in the future when governments will be unreasonable and perhaps improper in refusing to give information, but there are remedies when governments do that. For example, the public has other ways they can deal with those refusals.

One, of course, is the old method which may not be always effective, and that is to develop that refusal as a public issue, and to use that refusal as one of many other reasons why that individual MLA or a government should not be re-elected. I suggest that traditionally the even more effective remedy Albertans have is to approach their own MLA; or, if their own MLA is a government MLA and they don't get co-operation, to approach an opposition MLA. I doubt that the hon. members of the opposition would deny that some of their motions for returns and some of their questions come from people who have been frustrated in obtaining information, and go to the opposition and they put it on the Order Paper, [interjections] I'm sorry, I missed that. Do you deny that?

AN HON. MEMBER: Lots from Ottewell.

MR. ASHTON: I see — lots from Ottewell. Right.

This is what happens. A motion for a return or a question is put on the Order Paper. It comes to this Legislature. There's an open public debate by the elected representatives in this province. What the bill would suggest is that the public debate that takes place in this Assembly and our accountability to the public would be transferred and delegated to a judge's chambers, where the arguments would be made by lawyers. Some members may suggest that we need to create more work for lawyers, but I'm not one of them. That's a pretty basic decision this bill is discussing.

I can understand, of course, how opposition members become frustrated. I don't question their sincerity in their efforts to gain public support and votes between elections and votes during elections. But when I see a bill like this from an opposition member, it appears to me that when they cannot succeed with the people in getting support, they are attempting to have reference to a judge to get what they want. I reject that as being contrary to our basic parliamentary system.

The third reason I oppose this bill is that there is no need for such a bill in Alberta. I have always opposed and will continue to oppose the introduction of legislation to solve problems we don't have. I suggest that's what we have before us today.

A quick review of last years' Votes and Proceedings would indicate that out of some 129 questions and motions for returns put on the Order Paper, only 13 were defeated. For every one of those defeated, the members of this Assembly have to account to the public. They have to give reasons. I assure you that if they don't give good reasons and logical reasons, this is going to be an important factor in the next election.

Of course, I know some of the members, perhaps

the opposition members, might suggest that out of the motions or questions defeated by the Assembly, only those that were important were defeated and the unimportant ones were accepted. I don't accept that, because that would mean something like 116 motions were not important. I know some members would suggest that if this bill were accepted and an honorable judge got hold of some of the motions and questions, he would reject many of them as being trivial, frivolous, or vexatious, as he has the right to do under Section 3(e) and 3(d) of the bill. But I think the opposition is entitled to ask those types of questions, and that some judge should not interfere on that basis.

I suggest that this bill would bring only one improvement to the legislative system in this province, and that is that it might reduce the paperwork. One of the hon. members referred to the system in Sweden. From what I've read, I understand that rather than being a glowing example we should be following, we should be looking at it and finding the reasons that approach should be rejected. If a government is determined to avoid this type of legislation, it can do it. One, of course, is to reduce the amount of paperwork and make more decisions and provide more information verbally. Apparently they've developed several ingenious systems in Sweden for avoiding the legislation there. I think that's unbecoming to any government. I hope this Legislature will reject the bill.

Thank you very much.

DR. PAPROSKI: Mr. Speaker, as I rise to speak on Bill 213, The Right to Information Act, I'd like to say I believe the bill is premature. It requires more work and thought. With that statement, Mr. Speaker, of course there should be the right to information. That right exists now. The questions are: how much and what information?

Mr. Speaker, the hon. Member for Spirit River-Fairview, who introduced the bill, indicated that material should be available when policy is being developed — meaning, I would take it, before the fact, before public policy has actually been formulated. Mr. Speaker, I don't think that is correct or appropriate, because that information may develop in three or four different directions before public policy is formulated. I think thoughts and those directions should be confidential until public policy has been made. Then the citizens at large can criticize as they see fit.

Mr. Speaker, access to factual information is the issue to bring about appropriate change. If we're going to bring about change it's not enough to have access just to facts. Appropriate use of those facts is essential. Then appropriate action, I suggest, may take place, not necessarily will take place as the hon. member indicated.

Mr. Speaker, I also take exception to the hon. Member for Spirit River-Fairview because he quotes the experience in Sweden. Mr. Speaker, this is Canada. It's not necessarily applicable to Canada and Alberta.

The other comment I'd like to make regarding his comments before I get into the main discussion of the bill, Mr. Speaker, is on motions for returns. This is public information, Mr. Speaker. It's accepted at the will of the majority of the House. Mr. Speaker, what is more important than the majority, which is the

central pillar of our parliamentary democracy, our government by representation? If we reject this in this House, I suggest that that rejection is a democratic response. If anybody challenges that, I suggest we go back to the polls to prove that point. I'll come to that. Mr. Speaker, the hon. member suggests we don't have investigative reporters. I suggest he review the literature in Canada. Even more important than the investigative reporters, there are government MLAs who review and bring up issues in the House in the question period and so on; opposition members — and I suggest they should probably be reviewing a little bit more, because their weakness has been demonstrated over the past few weeks; and the Ombudsman, Mr. Speaker. We have an Ombudsman in Canada who has information at his discretion in all departments. I suggest that this is another area that has been neglected in the consideration of this bill by the hon. member. Of course, we have citizens' action groups, we have environmental groups, we even have yours truly, as an MLA.

Regarding land banking in Mill Woods, I indicated to the House that this was going at below market price and yet these houses were going to the citizens at market price or higher. I notice the minister has made an announcement in the last 24 hours correcting this issue to some extent.

This is investigation. This is action by government MLAs, getting the appropriate information and doing their homework. I suggest the hon. opposition members would do well in that area.

Mr. Speaker, we have 69 MLAs elected after the last election by the people of this province — not being arrogant. In all humbleness, we were elected for our demonstration of good government, good management, Mr. Speaker. At that time, we decided to enter Syncrude for security of supply, for people investment, for the new equation of people, government, and free enterprise; the Alberta Energy Company, for jobs, and for the economy. The people knew the facts. They knew the facts in advance, because each member went out to each constituency and talked about this with his people. The results are obvious. That information was imparted to the citizens of this province. They knew the facts then.

So Mr. Speaker, as I go on to discuss this bill — without getting too emotional, because it's distressing when I hear these types of comments from the hon. member. He should actually review his background, his activity, and see what he's brought forward in a positive frame. Mr. Speaker, information words are not only the keys to persuasion, but the triggers of action.

Mr. Speaker, I quote here from *Freedom of Access to Information: The Right to Privacy*, by George Rice Jr., professor of speech at Butler University. Mr. Speaker, I think it's important to add a few more quotations on this subject because speech information is so vital. The essence of humanity is communication. If I may, Mr. Speaker:

Excellence is a task which depends for success upon the accessibility of needed information . . .

I suggest that should be paraphrased, "factual information".

. . . in part but also upon the maintenance of individual privacy.

Mr. Speaker, if I may go on:

Governments in a representative democracy

granting equality to all citizens in matters of civil and political liberties rest upon public opinion which is at once intelligent, responsible, and effective.

Now, Mr. Speaker, over 2,500 years of history, an opinion can only exist when there are five social-political conditions that have to be maintained or obtained. May I just read these five social-political conditions.

One, there must be freedom of expression, protected by law. There must be important issues to discuss. There must be speakers and writers of integrity to gather and present the facts.

I suggest that during the last election, Mr. Speaker, we presented those facts and the arguments for each side.

Mr. Speaker, the audience must hear and decide, as it did. Finally, the language must be a medium of communication that they understand clearly and appropriately on the subject.

So, Mr. Speaker, here is one area of freedom of information. The other area is privacy, Mr. Speaker. Quiet enjoyment of privacy has been considerably affected by the growing disparity between available areas of land and enormous growth. The population of this world is growing rapidly. As the population grows, our privacy is being threatened to the extent that by the year 2000 we expect to have about 8 billion people on this earth. I can assure you that privacy will be difficult to obtain.

But what I'm trying to clarify, Mr. Speaker, is that privacy has been evaded in other ways too: by computer technology, by credit buying, and by the information system set up by the local, provincial, and federal taxation agencies.

Mr. Speaker, the article goes on to say that many thoughtful people are concerned by the reported activities of various agencies such as the CIA and maybe even the RCMP. There are widespread suspicions that high elected officials have disregarded the sage advice of President Lincoln and so on. I'll stop that article, Mr. Speaker.

So, Mr. Speaker, who can deny that factual information is essential to make sound judgment? But, Mr. Speaker, it is essential that these are facts, not just information. They should be concluded, they should be documented, in reality a policy and program in motion. This is in reference to this bill, now, Mr. Speaker.

It should not, in my opinion, be a mere interchange of information, opinions, rumors, or brainwaves, because we all have those. We even dream of things. I suppose that is information, if you wish. But, Mr. Speaker, I think the policy and programs should be approved. They should not be given to the public until that time, because it will be taken out of context. There is a dangerous item here that people may misunderstand or misread, and be unnecessarily threatened. If we begin to gather and release this type of information, Mr. Speaker, I hope it's not transient thought. I hope it is, in fact, actuality, relevant to the issues of the day.

Mr. Speaker, getting back to Bill 213, I repeat that I think it's premature. I still think it's a noble gesture by the hon. member, which seems to imply factual information is not available when it is. I want to clarify that matter, because if it was not available, Mr.

Speaker, I would support this bill without any hesitation. But the fact of the matter is that it is available. I suggest it is available to citizens and to elected officials, with the exception of information that deals with medical problems that may be in the computerized system of government, or which deals with interdepartmental memos, and interchange of correspondence while negotiations and discussions are going on. Information that has not been tabulated to form an actual party platform, or government platform, or policy, or when contracts are being negotiated, or the process being formulated — I don't think that information should be given either. So, Mr. Speaker, I'm saying there are some restrictions and there should be.

Mr. Speaker, I'd like to go on in reference to the various sections here. Section 2 has already been mentioned by the hon. Member for Edmonton Ottewell. Mr. Speaker, the hon. Member for Edmonton Ottewell indicated that, and I noticed that too very quickly. Section 2 says: "Any person who resides in Alberta may apply to government for a record". The question I quickly asked myself is, does that mean a person who just blew into the Mayfair Hotel for 15 minutes, is interested in something . . .

AN HON. MEMBER: Edmonton Plaza.

DR. PAPROSKI: . . . or Edmonton Plaza, if you wish, and decides to seek information about the Government of Alberta. That should be clarified. I don't think the hon. member has done his homework. I suggest the right should be restricted to persons generally resident or domiciled in Alberta. The definition of resident in The Income Tax Act may provide some useful guidelines. So the hon. member didn't do his homework there.

Mr. Speaker, the question here . . . I've read the bill. Hon. members should be very patient, because if he wants me to go through this very important item quickly, I suggest maybe we should adjourn and take a pause, if he has to leave.

Mr. Speaker, the information for citizens is available now, as I've indicated. The question I would like to ask myself and the members of the Assembly and the member to respond to in closing this debate is, how about the cost and the availability? Is it truly confidential information? Mr. Speaker, has the hon. member considered, if the individual asks for 500 or 2,000 pages, or five volumes, who pays for it? What if the information has to be tabulated and assembled? Is there going to be a request form for this information, or does he just go into an office and ask for all the information and 5,000 pages of tabulation and assembly later? The cost would be just astronomical. I'd like to know who is going to pay for this. I suggest, Mr. Speaker, that these questions of who pays and how much is reasonable information, what type of information and in what forms, should be asked before we proceed on this bill.

Getting on to elected officials: as I've indicated before, the information is available. It's available by written or oral questions daily — and we hear this every day — by public accounts, by estimates, which we're doing now. Of course, Mr. Speaker, there are caveats from time to time. That caveat in the House in a public way is explained by the Legislature, which is public information in itself.

Mr. Speaker, if you gave out all information at all times there would be nothing but chaos and confusion. Obviously, some members of our society would be confused and would misinterpret, until policy and programs are actually formulated. Mr. Speaker, what I'm saying here is, how much information is enough. I hope when the information is gotten it is factual. This is not stated here. It's vague and it's not descriptive. I suggest the information on Alberta government activities regarding policies and programs is there for all citizens at all times.

With respect to Section 3, Mr. Speaker, if we may just review that for a second, I agree. I may suggest that before passing this bill we be sure that other things may be added in Section 3. I don't know if the hon. member has reviewed all these aspects. Getting on with Section 3 . . . I've made some notes here. There's no objection to the principle in Section (3)(b). Even not being a lawyer, I suggest the grammar could be improved, especially with respect to the phrase "in the administration of the law", in order to make the meaning clearer; for example, "into an alleged breach of a statute or a regulation" if that is the intention. I'm not sure that's the intention.

Mr. Speaker, Section 1(b) of the act reads, and I'd like to put this on the record:

"record" indicates the whole or any part of any book, document, paper, card, tape or other thing on or in which information is written, recorded, stored or reproduced and, where any record does not convey the information contained in the record by reason of its having been kept in a form that requires explanation, includes a transcript of the explanation of the record.

Mr. Speaker, 1(b) concerns me. I suggest the section would stifle all free-wheeling communication by department officials. I know the hon. member said in one of the sections this wouldn't concern the departmental officials' interdepartmental memos. But I suggest by just having that section, if an official in a department read it, he would stifle his thoughts for fear they would be made public. It would be embarrassing to the officials. It would not necessarily reflect the intent or actual facts. It could be taken out of context. Mr. Speaker, I just don't feel that is good enough. I think there's got to be assurance for our officials that they can have free-wheeling communication and exchange of ideas without being threatened that all the items and memos on little cards would be made public.

Mr. Speaker, I'm sorry to take so much time on this, such an important bill. Since we have only seven minutes left, I would beg the Assembly to be patient. I'll try to get through with it. I suggest I probably won't, because of the amount of information that I have here. Unless some hon. member really insists that he wants to get up, I will continue.

Finally, in all sincerity and seriousness, I do not believe that hon. members truly would want government activity stifled. I don't think the hon. member would want that. At least, I don't want to believe it. But from the way he's presenting this bill, I'm beginning to wonder. I truly fear, Mr. Speaker, that definition of "record" in 1(b) would be misinterpreted by officials, and immediately there would be a stifling of communication.

Mr. Speaker, while the intent to obtain information is admirable, the important issue of excessive

restraints or even the impression of restraints on government officials by such definition when information is available, to a large degree concerns me.

Mr. Speaker, may I quote from the minutes of the proceedings of a standing joint committee, July 5, 1975, on the right to information. I believe this is the federal government's joint committee. There were a number of criticisms of the federal government at that time for the present federal system. I think, Mr. Speaker, that this probably applies and could apply to any provincial legislature. But I suggest, Mr. Speaker, it does not truly apply here, because we have had a lot of activities respecting changes in the Alberta Legislature which are not necessarily true of others.

Mr. Wall goes on to detail the major failings of the present system. I'd just like to read one sentence and indicate to the House, Mr. Speaker, how we, I believe, have corrected this: "One, a failure to explain government actions and initiatives."

Mr. Speaker, I'll remind the House, the opposition member especially, that we have *Hansard*, and we have television. We introduced *Hansard* and television to the House. We have spring and fall sessions, and individuals and citizens have ample opportunity to hear the government's actions and initiatives and help correct it.

Mr. Speaker, the other comment was: "lack of public opportunity to influence the formulation of public policies and programs." Well, Mr. Speaker, the same applies. We have a spring and fall session. The government has deliberately held legislation for the fall sitting so that there would be input from citizens and organizations, and changes have in fact occurred.

Mr. Speaker, the classic example, of course, was the recent heritage savings trust fund. There was ample opportunity, as a matter of fact there was two years. Of course television and *Hansard* reinforce that.

Mr. Speaker, the other aspect is lack of means of public response. Well, Mr. Speaker, television, *Hansard*, the cabinet tours, and the activities of each MLA give ample opportunity for the public to respond.

Mr. Speaker, he indicates that the present system in the federal government has inadequacies in the form and direction of government information. Well, Mr. Speaker, I think that can be commented on very briefly by saying, look at the program budgeting we have, look at the estimates, they're clearer and they're more definitive.

Finally, Mr. Speaker, the practice of releasing only that information which was considered advantageous or harmless and automatically seemingly to withhold the rest.

AN HON. MEMBER: You've made the point.

DR. PAPROSKI: Well, Mr. Speaker, there's a question period. There's motion for a return. I can't understand how this would apply to the Alberta Legislature.

Mr. Speaker, because of the time, I would beg leave to adjourn debate.

AN HON. MEMBER: No.

DR. PAPROSKI: No? I'll carry on then, Mr. Speaker. Shall I?

MR. SPEAKER: The adjournment of debate is automatic when the time has run out.

MR. HYNDMAN: Mr. Speaker, this evening the House will move into Committee of Supply, the estimates of the Department of Housing and Public Works.

I move we call it 5:30.

MR. SPEAKER: Prior to noting the expected unanimity of the House on the suggestion of the Government House Leader, would all hon. members agree that when they assemble at 8 o'clock this evening they will be in Committee of Supply?

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until the Committee of Supply rises and reports.

[The House adjourned at 5:29 p.m.]

[The Committee of Supply met at 8 p.m.]

head: **GOVERNMENT MOTIONS** (Committee of Supply)

[Dr. McCrimmon in the Chair]

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

Department of Housing and Public Works

MR. CHAIRMAN: Mr. Minister, do you have any opening remarks?

MR. YURKO: Mr. Chairman, if I might be permitted, first I would like to say that I don't think I'm in the best shape tonight, so I hope I'm not going to be fighting with too many members in the House. I'll try to be as objective and brief as I can. But I would like to make some general remarks before we start.

I would like to say first, Mr. Chairman, that there have been occasions when many members have expressed an appreciation for the task done by somebody in this House, regardless of capacity. I would particularly like to express recognition and indeed appreciation for the work of one man who spent quite a few years in this House and reported very well on what went on in this House. I particularly wish to cite the accuracy, objectivity, fair play, and integrity he expressed in his writings at every possible turn. This individual, Mr. Chairman, is Mr. Bob Bell of the *Edmonton Journal* for whom, as a journalist, I have the highest respect.

Secondly, Mr. Chairman, I would like to state that I'm not sure the Premier made a correct choice in setting an expansion-minded engineer in charge of the portfolio of Housing and Public Works. The total amount of money allocated to this department seems to have escalated quite dramatically. We're now going to have the task of investing and expending some \$500 million. I want to assure you this is no small task. In fact this is a task of enormous propor-

tions, and I could only possibly begin to tackle it with the excellent people I have working for me. Again, I would like to indicate my appreciation to the staff members who assisted me so wonderfully well in the last year.

I want to say first, Mr. Chairman, that there was an excellent reason the Premier found it necessary to combine public works and housing. As a matter of fact, there were a number of reasons, and I would like to cite some very quickly.

The health of the total construction program in the province is to a large degree influenced by the construction that emanates from government itself. As I indicated, the capital budget of investment and indeed direct expenditure is of enormous proportions this year. Without counting hospitals and some of the other departments like highways, there is great government input in the construction industry.

One of the most important aspects in a flourishing economy like ours is to phase construction in such a way that it's not bunched, that it's evened more smoothly across the entire year. This, of course, is one of the major tasks we have undertaken on both sides — the public works and the housing ends — recognizing that in certain instances construction has to be promoted during the winter season, which is severe in this part of the nation. As a result, I can indicate without too much difficulty that at this time the public works end is planning on a five-year basis in such a way that there will be some phasing. This year alone, because of the great input into the housing end and some other reasons — for example, the provincial buildings being planned for this year, the new starts, with the exception of one will not be started until late in the year. The one that will be started earlier, fortunately or unfortunately, will be in Olds.

MR. CLARK: That sounds fortunate.

MR. YURKO: Fortunate for some but not for others. However, most of the others will be started in the latter part of the year.

On the public works side we have become increasingly cost conscious because of necessity. We are planning over a five-year construction period and projecting in every possible case, distributed to as much a degree as possible on some sort of equitable basis across the entire spectrum of the province. We are going and have gone quite a fair way in implementing project management in the Department of Housing and Public Works for a number of reasons, mainly cost control and efficiency of job execution. We are examining and will continue to examine the usefulness and competitiveness of the tendering process and some of our requirements with respect to performance bonding, bid bonding, and so forth in order to increase the efficiency of construction and lower the costs in every way possible. I should also say at this time that even though we are encountering considerable resistance, as a department in which there is a great deal of expertise from the engineering and the project management points of view, we perhaps will not pay as much attention to the whims and fancies of the various client departments which have had to be contended with to a pretty substantial degree in previous years.

Now I would like to indicate that with respect to

housing we are in a very difficult period of transition, a transition that will have a fairly pronounced effect on Canadians, as well as Albertans, with respect to shelter. I should say that in Canada it has been stated that Canadians are the best housed people in the world by any standard. All but just over 2 per cent of Canadians enjoy running water. From my understanding, this is better than any record in any nation in the world.

At the same time though, there are difficulties. It's interesting that about 500,000 families in Canada pay over 35 per cent of their gross income for shelter. About 200,000 families pay over 50 per cent of their income for shelter. As a result, affordability is becoming perhaps the main problem with respect to shelter.

I should say that in Alberta we are adequately housed; as a matter of fact, there is no problem in accommodation. The real problem is in the distribution of accommodation. I say that with this in mind: in Alberta it's envisioned at this time there are approximately 1.5 rooms per person. In Canada it's approximately 1.43 rooms per person. So I expect not only a considerable redistribution in the allocation of accommodation in the next five to 10 years, but I expect movement in other areas.

With respect to the housing mix, we expect considerable changes in this area. For example, in Quebec approximately one-third of the families are homeowners and two-thirds are renters; whereas in the rest of Canada, indeed it's just the other way around: two-thirds are owners and one-third are renters. I expect there will be a changing mix with respect to the renter/owner ratio in the coming years.

As a matter of fact, one of the things that is going to happen is a considerable increase in the cost of maintenance of a home. The cost of energy is rising and will continue to rise, and the cost of taxes will rise. The burden on people with fixed incomes who now own homes will increase, and will increase considerably. So affordability of owning existing homes will become an increasing problem.

Mr. Chairman, there were really five areas of concern we addressed ourselves to in early 1975. They are basically the five areas concerned with evolving a home. The first is the approval and planning process. The second is the land availability and servicing process. The third is the availability of housing parts. The fourth is the assembly of housing parts to produce a home. The fifth is financing. We have looked seriously and attempted to do as in-depth an analysis as we possibly can in each of these five areas.

Now it's not possible for me to take the time tonight to tell you what we've done. I can't tell you how we've moved in each of these five areas and some of the things we contemplate, except to say that you have before you a very major budget, a budget related to the fact that housing was identified in the throne speech and in the budget speech as a major priority of this government. In fact the budget you have before you for us to approve tonight, Mr. Chairman, reflects that high priority from the housing end.

I may also say that we have attempted in every way possible to keep the members, the public, and the news media informed with respect to what is taking place in the housing picture in Alberta, particularly what is happening from a government point of view.

As a result there has been a profusion of news releases. There has been the *Alberta Housing* publication, which is distributed widely. I believe 3,000 copies are generated and distributed to the construction companies, real estate firms, and so forth.

I have tried on every possible occasion when speaking and at meetings — and I can honestly say without equivocation that I've had hundreds of meetings on housing in the last year — to put the situation before the people of Alberta, recognizing that indeed problems are developing, indeed a readjustment is occurring, and indeed it would be appropriate that they know this readjustment is in fact going on.

Very frankly, we did identify the problems or the priority areas of policy very quickly. They were supply, affordability, and repair. We have had programs in all those three areas.

Mr. Chairman, without saying much more, I certainly would be prepared to answer any questions or comment in the area of policy. I would suggest that if I am asked some rather specific questions, I may answer by indicating that, if permitted by the Assembly, I would prefer to answer in writing giving a specific analysis of the question that was posed. However, if there were an insistence that it be answered either partially or totally in the House, I would be prepared to if I can.

Nevertheless, one must realize that the programs we're dealing with directly and indirectly touch the lives of very many people in the province of Alberta.

I thank you, Mr. Chairman.

MR. MANDEVILLE: Mr. Chairman, I have to say I appreciate the Premier's choice in selecting our energetic and hard working Minister of Housing and Public Works. I appreciate very much the work he's doing in that area.

In making a few comments, I would like some of the other ministers to look at the breakdown of his estimates. I think they are broken down very well, and they're very easy to follow. We appreciate that very much. It's a far easier department to follow than some of the other departments we've been working with to date.

DR. BUCK: Mervin the magician will have all those for us next year.

MR. CLARK: The first day.

MR. MANDEVILLE: The reason I say this, Mr. Chairman, is the fact that today housing is really a tough area to deal with in the province of Alberta or even in the Dominion of Canada. It's a situation that's really hard to face up to, and I appreciate the efforts the minister is putting into this particular area.

I also appreciated it very much when in his budget debate he announced that there were going to be 24 suites for senior citizens in the Brooks area. I will be able to keep up with the hon. Leader of the Opposition from Olds, who's going to get some construction in his particular area.

AN HON. MEMBER: Agreed.

MR. MANDEVILLE: I could appreciate it more if some accommodations had been approved for senior citi-

zens as far as Bassano is concerned. However, at this point we don't have anything approved for Bassano, but I'm sure in the near future something in this area will be looked at.

The reason I say the Department of Housing and Public Works is a tough area is the high cost of housing. It's getting up so [high] that we had two surveys, one in Edmonton and one in Calgary, and the average cost of a house is \$60,000. This is getting to a position where — who can really afford a house? A man and his wife have to be working and making from \$20,000 to \$30,000 a year before they can afford a house, make a down payment and make the payments on it.

Sometimes we put all the blame on the contractors and developers, but the high cost of land is one of the areas causing the high cost of housing in the province of Alberta. I think it would be good if the municipalities and the cities kept more land under control so they could regulate the price of lots. This would reduce the price of housing or at least contribute to bringing the price down.

I agreed with the recommendation of the Land Use Forum to cluster rural housing. I think this is a really good step and an area we should do more work on. I also think that in some of the major metropolitan areas, especially where we're redeveloping, we could possibly get down to smaller lots. Possibly we don't need 50-foot lots in some of the high-cost land areas of the cities.

I would like to ask if the minister would like to report on the resolution that was before the House a year ago for grants for front-end services for lots. This resolution was referred to the municipal finance committee. What happened to this resolution, or what is the effect of the government getting involved in making grants available for front-end services for our lots?

The one area that I find difficult is the small centres and large centres with the high cost of housing. I know this has been looked at as far as the ceilings are concerned, the maximum amount of money that Alberta Housing will go for a house. I think the \$42,000 on SHOP is working out very satisfactorily. However, the direct loan program where the maximum is \$46,000 — there aren't too many areas, even small areas, where you can purchase a house now at \$46,000. And it's hard to get a loan at the present time on, I would say, the more elaborate homes.

Another area is the \$34,000 for existing homes. In my travels, and being in the real estate business, I find that in most areas existing homes are as high priced as new homes. The maximum you can now go on an existing home under Alberta Housing Corporation is \$34,000.

There's one area we certainly have to take a look at. I know the minister is working in this area. Before our rent controls come off on June 30, 1977, we have to take every measure, every step possible, to get the supply up, have the supply in line so that demand is not greater than supply when the rent controls come off. I can certainly see rent controls getting completely out of line. We do have SCHIP and MAP working in this area, but I think we need more incentive as far as apartment buildings and rental housing in the province of Alberta are concerned.

Mr. Chairman, another area I would like to discuss very briefly is accommodation for our senior citizens.

We have our senior citizens' homes. In my own constituency, for example, we have in the town of Brooks a senior citizens' home that is second to none.

However, before we add any more accommodations to a home like that, I think we should venture out; for example, into Bassano. I'm just using this as an example, Mr. Chairman. If we're going to start another senior citizens' home, let's start one in a smaller centre. Instead of sending our senior citizens long distances and adding to our larger senior citizens' homes, I think it would be more acceptable if we were to decentralize our senior citizens' homes.

As far as our self-contained units are concerned, as in apartments for our senior citizens, I think this is an area that wouldn't be hard. It's a program that's just starting. Instead of having a large number of accommodations in one centre, let's decentralize them and put them into our smaller centres. I think this would fit our senior citizens in the province much, much better.

Another program that I find is working throughout the province, and it has been acceptable to our senior citizens, is the \$1,000 they are getting to improve their homes. This is very much appreciated by the senior citizens I have talked to throughout the province.

With those few comments, thank you, Mr. Chairman.

MR. YURKO: Mr. Chairman, I will address myself to the questions asked of me rather than the comments.

With respect to plans for front-end servicing, they have found it appropriate to increase the allocation of money not only to the area of land banking in all the smaller centres, but also to the area of land servicing. So in fact you see an appropriation of \$24 million in the Alberta Housing Corporation in the area of land banking and land servicing. We are servicing land and bringing lots on stream for a fair number of smaller centres throughout the province. In most of the smaller centres you go to, including Three Hills — I'm not sure about Olds; I'd have to look at it — you will find the actual servicing of the lots, and the lots being brought on stream, in some form or other through front-end financing through the Alberta Housing Corporation.

We are in fact very substantially increasing the thrust in this area. If I remember correctly, our budget in this area was \$3 or \$4 million last year. This is going up to \$24 million this year. If the demand is very great, in relation to meeting some of the housing requirements, I don't suppose I'd have too much difficulty getting additional money in that area.

My main concern there is front-end financing in the two large cities. We have, in fact, been having some discussions in Calgary and some discussions . . .

DR. BUCK: May I just ask the minister a question on the front-end? Is that recovered from the home-owner?

MR. YURKO: Yes, it's a quick roll-over of money for a period of one or two years. It's recovered from the home-owner — the whole works. It's not a case of costing the province a lot of money. It's just a case of rolling money over quickly. That's why we want to sell lots at cost rather than making a profit to a

particular municipality, as has been discussed by [not recorded]. What the City of Edmonton is putting forth right now would in fact to a large degree tend to jeopardize this whole program, if the municipality wished to make a substantial profit on the lots.

In connection with the second question, the limits on SHOP and the direct lending program and purchase of existing homes, the most important single criterion we use for measurement is: can the money be placed? Just a week or so ago, I issued the extent of what we placed with respect to the direct lending program in virtually six or eight months last year. We increased the amount in the direct lending program from about \$65 million to \$92 million, and we had all that money taken up or committed in some form. We are catering in every way, from a positive point of view, to the low- and middle-income people.

Now the higher we go, the less we pick up on the low- and middle-income people. Everybody should recognize that, because last summer we did an analysis, as I've said over and over in this House, which indicated that 72 per cent of all heads of households in the province of Alberta made under \$12,500 a year. When we set up SHOP, we had that very much in mind. At the same time, when we increased the direct lending program, we had that very much in mind.

One could make a case for increasing the \$34,000 mortgage money per home in existing homes, but as far as I remember, we haven't had any difficulty at all placing the \$23 million we allocated here last year. So we gauged the limits of eligibility, if you wish, in relationship to the total money allocated. If we wish to allocate more money, that's a different matter. But as I indicated earlier, the province of Alberta is now relating to somewhere in the order of 40 per cent of the money of all housing in Alberta. That's quite a chunk of the financing, if you wish, of the housing industry in Alberta.

With respect to getting the supply up before the rent controls come off, of course we're relating to that. We're trying to do everything possible.

With respect to senior citizens' accommodation, that's exactly what we've tried to do: give emphasis to the smaller centres in the province and in fact favor distribution by population. To a large degree, half of all the self-contained units are going to the country points, the smaller points. Generally, if I remember correctly, the new lodges are mainly in the small points and not in the two large cities. Furthermore, we will continue to move in that direction.

However, we have appointed a commissioner to look into all aspects of senior citizens' accommodation; that is, from a social and cost point of view and other points of view. We expect a report by the end of this year, which may in fact tend to provide some new policy in this area.

Also, I would suggest to you that most of the units being built are smaller units. We have eight senior citizens' self-contained units, so we believe in putting more smaller ones in more places than large ones in a few places.

MR. TAYLOR: Mr. Chairman, I'm not going to delay the debate, but I want to make a few comments on housing. With reference to the hon. minister's comment about why the Premier chose an engineer for Housing and Public Works, I would simply like to

say that an engineer could take over any department and handle it adequately. I have a very high regard for engineers with their analytical minds and so on, and certainly I think engineers are a real asset to this country.

I really think some of the tears I see and hear people talking about in regard to housing are crocodile tears. Some of these people who cry the loudest in public were the ones who sold their own houses at two or three times their value and moved into apartments. One of the problems causing housing crises all across the country today is that people are quite prepared to accept three times the price they paid for their own houses, and then they cry about others doing the same thing.

As one of the hon. members said the other day, you can't blame anyone for wanting to get the highest price possible for his house when he's selling it. I suppose that is so, but this has really added fuel to the crisis. When people do sell their houses at much higher prices than they are really worth — what they themselves paid — and then live in suites, it creates a problem as well for the people in the suites who couldn't afford that kind of accommodation.

So the whole thing is economic, and I think the financing mentioned by the hon. minister as the fifth item of concern is probably the greatest item of concern. I don't see any easy answer to it in the affluent period in which we are living. I do think the government would be wise to set up some type of unearned increment tax or speculation tax in regard to houses.

If I own a house worth \$15,000, only add \$5,000 improvement over a period of 15 or 20 years and sell it for \$45,000, surely that enhanced value is not because of anything I did. It is there because of factors outside of my actions. If anybody is going to benefit from increased value like that, it should be the people of the province. If we had the unearned increment tax we took off a few years ago, we probably would have had several million dollars to add to the housing of the low-income people today. I really urge the government to consider very carefully reinstating the unearned increment tax or some type of speculation tax where at least a portion of the enhanced value — which was created not by any action of the owner, but by the climate of the province, et cetera — certainly should go back into the pockets of the people through their government. I think in this regard we could secure a good deal of money to go into housing.

I want to thank the hon. minister and the Department of Housing and Public Works for a realistic approach to the problem of trying to meet the needs of senior citizens. The first instance I want to mention is the fact that I understand some cottages or individual units are going to be built this year in Strathmore. This is a very urgent need, and will do a tremendous amount of good. The people there certainly need these, and they'll be utilized. It will also be a boost to the area. I think this is an excellent program.

Couples still able to look after themselves who don't want to go into senior citizens' homes as yet, and don't own a home of their own, can get a cottage here. One such couple in one of these units in Drumheller told me it was the happiest period of their lives, because it was the first time they ever had a

house they could call their own. Even though they didn't own it, they felt they were there until one of them passed away, and that's the way it turned out. The happiness created in some of our senior citizens through these individual units is almost unbelievable.

The other instance in connection with senior citizens is the \$1,000 grant. I want to say that this has been received with enthusiasm throughout the Drumheller constituency. I was in a home in one of our mining camps where a lady, a widow, applied for this as soon as she heard about it and got the thing back within 10 days. She and her neighbors and relatives built a bathroom, and for the first time in her whole life she had a bathtub, a toilet bowl, and a sink in her own home.

People who have spent their lives walking the lonely path behind the house in summer and winter, and particularly in the cold winter months, really appreciate indoor plumbing. This woman was so happy when I happened to call at her home because of another problem, she actually wept tears of happiness. I couldn't help but say, the people who are responsible for this program should know that people are reacting in that way.

It's an excellent program for a number of reasons. It's enabling people to stay in their homes much longer, and this is a really good thing. They want to stay in their homes, but when the roof is leaking or the furnace isn't working or when they're apt to fall through the floor, it's pretty difficult to stay there. Now they can fix their windows, put on a new roof, put in a new floor, and sometimes add a new furnace, these many things with this \$1,000 grant.

In my view, it's been one of the finest programs ever initiated for senior citizens, because it's helping them to stay in their own homes and to improve those homes, and that's the place they want to be. So I want to commend the minister and the government for this very excellent program.

There are two other features I like about it, which are innovations. [One] is having it handled through the bank of the senior citizen's choice. That is very important. They are not given \$1,000 in their pocket. It's put into their account, and they can draw on it as required. It's going to go for housing. It's not going to go for liquor or drugs or anything like that, which it may have in a very few cases had it been handled differently. But it's going for the purpose for which it was voted and for which it was intended. I think that is very important.

The other item about the program that I like and many of my people have told me they like is the fact that they don't have to spend it all in one year. They have a period of time in which they can improve their homes. They don't have to rush. They can take their time. They can think about it. Many of our senior citizens don't like to be rushed. They've been rushing all their lives, and now they want to have things a little more casual, a little slower, and they can stop and think about it.

One bachelor at Nacmine, particularly, told me just last Saturday that this was a wonderful thing, because he wants to do this work himself over a period of months. He's well over 75, but he still wants to do it because he thinks he can get better value out of every government dollar in that way. I think this is an excellent attitude. I wish we could get that attitude into far more of our people.

Another point I would like to mention in regard to housing is that I find there are a lot of empty lots, and lots of available land around the province. Driving in the city of Edmonton the other night, on one route I counted nine vacant lots, all of which are serviced but have nothing on them. I can't see why something isn't done in regard to trying to build on these serviced lots. Even if it is only nine more families, it is nine more families who have a home. They don't have the expensive servicing that has to be done in putting in a new subdivision.

I believe our local council should make a careful survey. If they don't, the planning commission should make a very careful survey of the lots that are now serviced and waiting for a house. Surely a house built on that type of land is going to be much cheaper than carrying water and sewer two or three miles into the hills or into the hinterland of a town or city.

In my own constituency there are several areas where good land is available. Some of it isn't serviced, some of it can be serviced, but it's good available land. The difficulty is that some of it is tax recovery land, some of it is Crown land, and there are a number of obstacles to overcome. Somehow or other, some of this land is in an area called a flood plain. Because there was a flood 100 years ago or might be a flood in the next 100 years, they say people can't build in that area.

I've lived in the Drumheller valley for a long time. I've lived on the banks of the river at the old Newcastle Mine, and I think I know the river very well. In all the serious floods we've had since I've lived in the Drumheller valley, I've never seen a flood in certain parts that are now included in the 100-year flood plain. And that's preventing the city and others from putting in housing developments. I would like to urge the government to take another look at these flood plains.

The engineers are basing their thinking that that's right on data over many, many years. But things are a lot different today than what they were 100 years ago. There would have to be a combination of many factors to have a flood in the Drumheller valley on the Red Deer River such as we had in '48, and that's the worst one I can remember. I don't remember the 1915 flood, but that one was [from] a combination of items that I think would probably never happen again.

I appreciate the policy. We don't want people building a house in an area where they might be flooded out or where there are floods every year, every time the river overflows its banks. But where there's a place that hasn't had a flood for 55, 60, or 75 years, surely it's a pretty safe bet that that area is now going to be free from flooding. I'd like to see the government take a look at the 100-year flood plain, because it could provide a lot of area for people to build homes.

I understand that the Department of Municipal Affairs is taking a pretty careful look at some of the areas in the Wayne and East Coulee area where land is available and where people have lived on the land for most of their lives and want to buy the land. I'm hoping something can be done for those people who can buy their land. They own their homes — they've owned them for many, many years — but they'd like to own the land. With water and sewer coming into many of our areas, this is a very important item.

I'd like to mention two other items that have a great

effect on what the Department of Housing and Public Works is trying to do and that are out of the hands of the department and in the hands of the planning commissions.

One of these is the size of lots. For a long time we insisted on a lot having 10,000 square feet. If you take a lot that's 25 feet wide and 100 feet long, you're a long way short of the requirements. Yet in many of our hamlets where there have been no regulations, people are very happy on a 25-foot lot. There's room for a home. There's room for a mobile home on a 25- by 100-foot lot or 36-foot lot or 50-foot lot.

Something has been done on this by the government, and I would like to see them go a step further in servicing a lot of these lots that are already surveyed but are standing idle because somebody says you can't build on a 25-foot lot. Many couples would like a little cottage on a 25-foot lot. They don't want any more land than that. They don't want a whole farm to mow or to plant a garden in. They want a house on land they own. I would make a plea that we be a little more realistic about size of lots throughout the province.

The matter of delays sometimes on subdivisions also has an effect on the Department of Housing and Public Works. It seems to me the planning commissions are now pulling up their socks somewhat. I'm referring particularly to the Calgary Planning Commission, which seems like it has been far more realistic and is starting to deal with things more rapidly. But there have been times when it's taken several months to get permission to divide an area into two lots. I just can never understand the problem when I look at it. Neither can our municipal people who are there wanting to get homes on their lots. I think it's an excellent policy to provide this land as cheaply as possible and get houses on the lots, so they can then become taxable items.

I would like to mention just one other item with regard to housing: the down payment. I have mentioned it in this House before. There's a very large group, particularly of middle-income people, who today are paying as rent the regular amount they would have to pay in monthly installments to own their home. If that down payment could be reduced somewhat, these people could make the down payment and then continue to do exactly what they're doing today with a view to owning their home.

One of the things we put a lot of emphasis on in our country is the idea that everybody should own their own home. Even though it's a cottage or a shack, you own it. That's your palace; that's your property. If a lot of our young people today who are paying high rent could simply find some way of making the down payment, they could be paying that rent on a house that eventually is going to be their own, and within their own lifetimes. In my view, from some of the rents I've checked, the amount of rent would not be much different. As a matter of fact, some are even less than what they're paying as straight rent, and each payment is a payment on their home.

So I would ask the hon. minister to see what he can do about getting more realistic down payments with the idea, of course, that lots and houses are going to be available for people if they are able to purchase them under that plan.

MR. YURKO: Mr. Chairman, if I might comment very quickly. I'd like to comment on the last point first and indicate that the Alberta Housing Corporation's mortgage lending programs are very generous with respect to reducing the down payments. Indeed, most of the programs require 5 per cent down payment including, as I said earlier today, the purchasing of a lot for building a co-op house. So that a person having 5 per cent, in relationship to the maximum limits on house sizes that the Alberta Housing Corporation will mortgage, is not a major stumbling block at this time. We can look further, though, in that area.

With respect to 25-foot lots, Mr. Johnston has indicated on several occasions that subdivision transfer regulations have been changed. In fact, I believe 25-foot lots are now allowed in certain combinations. Those regulations are available. Some of the centres are now beginning to use them, I think, more effectively.

A number of other very interesting changes were made to those subdivision transfer regulations in terms of better utilization of land. All municipalities should take a really close look at those regulations.

I would also say that I believe the Alberta Housing Corporation was addressed with respect to providing mortgage money for a new house when a house burned down; for example, some of the old houses in Calgary on 25-foot lots. The board of directors has agreed on a policy basis, if I remember correctly, to provide mortgage money for rebuilding houses, on 25-foot lots, that may have burned down or are vacant.

The hon. member makes an excellent point with regard to flood plains. I do agree the government has to take a look at this very closely. Oftentimes if the flood plain results in a considerable amount of unused utility capacity, the amortization of that utility capacity over a series of years is considerably greater than any flood damage that might occur once in 40 or 50 years. So it's a case of looking at the situation today in relationship to the cost of money, recognizing that there is indeed a waste, and that considerable money could be saved by permitting some form of construction and providing the necessary standards and regulations under which this could be done.

I would prefer to speak a little later on capital gains and the speculative tax, because I'm sure other members will be asking me questions in that area.

MR. CLARK: Mr. Chairman, I'd like to ask the minister if he would elaborate somewhat on the comments he made in his opening remarks when he talked about the ratio between home-owners and renters in Quebec. I believe he said the ratio was one-third owners, two-thirds renters. I'd be interested in two questions. First, what is the present ratio in Alberta? Secondly, at what provincial target is the government aiming for their ratio of home owners to those people living in rental accommodations?

MR. YURKO: First of all, Mr. Chairman, to a large degree this ratio has been changing in Alberta. I believe the overall ratio is about similar to the rest of Canada except Quebec, 2:1 ownership, although I would stand corrected on that matter if I'm wrong. I'll take a look at it more specifically. I should indicate there has been a considerable change. If I remember

the figures correctly, it almost shifted during the last 10-year period because of social values, social conditions, if you wish, and the desires of young people. It switched from about a 2:1 owner-renter ratio to just about the other way, a 2:1 rental-ownership on the basis of desire and availability of rental accommodation.

As you should remember, rental accommodation was priced well below market value for a considerable period of time. In 1971, for example, it was indicated over 11,000 units of rental accommodation were constructed in Alberta. Rental accommodation was indeed a bargain. Much of it was constructed because of the federal government taxation policies where the capital cost allowance principle was in effect, and professional people could charge losses on their apartment complexes against their income from other sources. This provided them with a capital gains haven over a series of years. It was simply a transfer of tax from income tax to capital gains tax, if you wish, down the way. Some people have indicated that to a large degree it was a deferral of tax payment. Nevertheless it was very effective in terms of building rental accommodation and keeping its price down.

Then the federal government, of course, in its constricted wisdom made the change and it had a great effect on rental accommodation. It was with some degree of relief to the provinces and the municipalities that they reintroduced the capital cost allowance principle and, I think, extended it for three years last fall. That's generally the situation.

However, I anticipate that if we can stimulate the rental market, then the efficiency of rental accommodation — from a point of view of the use of utility capacity, land capacity, and transportation capacity — is considerably more economic than the type of single-family dwelling built in Alberta and Canada for the last number of years. There has to be a change for greater efficiency in the ownership market as well as in rental accommodation. Most of the change will take place in the ownership market in terms of smaller lots, smaller houses, better land use, narrower streets, sidewalks on one side, and so forth — this is the general movement in the ownership market — as well as condominiums, row housing, and so forth.

MR. CLARK: Really what I'm asking, Mr. Minister, is: are you saying it's about 50-50 in Alberta?

MR. YURKO: It's changed back, so about 60 per cent desire ownership, and I think 30 or 40 per cent rental.

MR. CLARK: You talk about desire. Are we talking about two different things here? I'm asking pretty candidly where the heads of families are living. Are 60 per cent of them now living in their own homes or in condominiums where they have a piece of the action?

My second question to you, Mr. Minister, is: what is the government's target in this area? Are you looking at a 50-50 kind of thing, a 60-40 kind of thing, a two-thirds, one-third kind of relationship?

MR. YURKO: As I said, this ratio has been changing. I think the overall effect in Alberta at this time is about 60-40 for ownership over rental, but I would have to check that figure.

MR. CLARK: What is the government's target?

MR. YURKO: The government's target is evident, of course, in terms of its thrusts with respect to the programs, and I'll simply mention the programs if you wish.

In relationship to senior citizens' self-contained accommodation and lodges, you will find an input of \$38 million. In the area of senior citizens' lodges, which again is a rental type — these are all rental — there is an input of \$9 million, I think. In relationship to public housing, we have \$30 million. In relationship to home ownership under SHOP, we have \$75 or \$77 million — one of the two figures. With regard to the direct lending program, which is home ownership, we have I think a total of about \$111 million.

With respect to the core housing incentive program, which is a rental type of program with 50 per cent of the units rent regulated, we have dedicated really \$100 million in one year, because there was \$50 million in six months last year and another \$50 million in the budget this year. MAP, the modest apartment program for smaller centres, comes out of direct lending. So I was wrong in saying the \$111 million in the direct lending program all goes for home ownership. Some of it, \$10 million I think, goes toward the modest apartment program.

So you can add up the figures for yourself and it gives you the ratio. I think you will find the ratio is not very far off 60:40.

MR. KUSHNER: Mr. Chairman, I know the minister mentioned the fact that he has identified the problem in housing. I wonder if he could elaborate on what really has happened in housing in the last two years that we have failed and have not provided adequate housing. The other question is: to what extent is the government planning to build low-cost rental accommodation for the people of this province?

The other point: is the provincial government intending to buy land around the cities in order to control land, sort of eliminate speculation if possible, as the city expands its growth? Another point: the present of \$1,000 that we have given to senior citizens — I would like to know just how many people have really received it to this time, if you can. I know that many citizens are not applying, and . . .

MR. YURKO: I can't hear you. Get over in front of the mike.

MR. KUSHNER: Oh, I'm sorry. Did you hear me to that point? Okay. Well I thought I didn't need a mike, but I notice that I do here.

However, my point is that there are senior citizens who have not applied for the \$1,000 grant. One of the reasons for some we haven't yet convinced is that they feel that at one time or another they may have to repay, yet we all know it's a present.

I wonder if the minister is in a position — and I wouldn't be surprised if he isn't, because maybe he doesn't carry a computer with him. Roughly how many people in fact have received the \$1,000 grant to this point?

MR. YURKO: Mr. Chairman, very quickly, I'll answer the last point first. I think the latest figures are that there were 23,000 applications, 18,000 approved. So

we have deposited \$1,000 for 18,000 home-owners in the province.

The hon. member suggests that some may not have applied. They all received an application. If they were on the Alberta assured income plan, they all received an application. In most instances, it has taken some months to recognize — by talking to neighbors and so forth — that this is indeed not something they're going to have to pay back. And I resent the word "present", Mr. Chairman. It's not a present. This is a deserved right that they have in terms of sharing some of the natural resource income of this province.

With respect to the next question, purchasing of additional land around the two major cities, I perhaps may address myself to that later in regard to the speculation problem.

With respect to low-cost rental accommodation, I indicated the figures just a few minutes ago in terms of how much money was going into rental accommodation, all of it for low- and middle-income people, in virtually all programs.

With respect to the reasons for the high cost of housing, I think they're pretty evident. To a large degree, they are the direct cost of inflation which has occurred during the last several years in a very serious way. The effect of inflation has probably hit housing harder than any other single commodity. The second reason I would suggest to the member is that the requirements of luxury have carried on to a period of much higher costs, and this luxury can't be sustained any longer.

The third area is: certainly there has been speculation, and it is not the easiest thing in the world to stop. The fourth reason, of course, is the very slow planning and approval process, and its high cost.

One of the most important reasons, and perhaps I should have put it first, is the very high cost of money. The 12 per cent conventional mortgage rate is disastrous in terms of affordability of housing.

Now that 12 per cent money doesn't reflect only in terms of actual house construction. That backs up through society and raises the price of every single commodity or service going into the construction of that home.

I should indicate that we are doing an analysis of costs across the nation. We hope to relate it to and make a comparison with costs in some of the centres in the northern part of the United States.

MR. KUSHNER: Mr. Minister, are you really convinced that in the last two years housing has practically doubled because of high interest and inflation? This is very hard for me to believe, being associated with construction for many years. I wish I could be convinced of what you said. And the other point . . .

MR. YURKO: We should spend more time together.

MR. KUSHNER: Pardon me?

MR. YURKO: We'd better spend more time together.

MR. KUSHNER: Well you see, I don't get brainwashed very easily, Mr. Minister. If you can convince me, fine. And the other point is: does the government have any plans to buy land around the cities to eliminate speculation?

MR. YURKO: Mr. Chairman, I did indicate I would address myself later, after more questions have been asked, to this area of capital gains, speculation, land banking, and so forth, and I would prefer to answer that question later.

MR. BATIUK: Mr. Chairman, I would also like to say a word or two, and at the same time compliment the minister and express my appreciation for the manner he has distributed funds allocated in the estimates. I, too, particularly want to say I really appreciated it when the minister announced earlier the amount he has set aside for senior citizens' lodges, and when he made the statement that all lodges requested in rural Alberta had been approved — not because I'm a representative of a rural constituency, but we can see continuously how many younger people move out of the cities so they are not crowded. I know even the small village of Chipman, which is about 45 miles from Edmonton, had a population two years ago of 150. Today it has 325. It's the same with many others.

And in the city of Edmonton, I know there are numerous senior citizens who have left the rural areas who live in the high-rises because the high-rises were the only ones they could find accommodation in. A number of them that I know of are waiting for these senior citizens' lodges to be built in rural Alberta so they can go back to their original communities.

Also when I mention this, as much as I appreciate it, I sort of feel sorry there were none announced in my constituency. I would like to have seen a senior citizens' lodge in the town of Two Hills. It's the second largest town in the constituency; it has a population of 1,100 people; it serves a big area. But the fact is that because it's a foundation — there are a couple of representatives from the counties, there's a representative from each of a number of villages — they bunch up together, they say, oh to heck with Two Hills, and they vote it down. The minister had agreed that Two Hills is entitled to a senior citizens' accommodation. There are 220 senior citizens who belong to the club in Two Hills. But because of regulations such as this, maybe we will have to consider that there should be some changes, and that these be appropriated actually where they are needed most.

Another area I would like to mention is the \$1,000 for the senior citizens' home improvement program, which I think has been well accepted throughout the entire constituency and the entire province. One member earlier mentioned that it's a present. Well, whether it is or not, I look at it as a well-deserved allocation. With 125,000 to 130,000 senior citizens in Alberta, it will take many years to provide senior citizens' accommodation for all of them. I think the \$1,000 grant for upgrading their homes and making them a little more convenient may help many senior citizens to live in their homes for another two, three, or more years. At the same time this will give the government a chance to provide more accommodation.

As I have mentioned about the foundation, that just because elected representatives bunch up and vote one way or the other — you know, it's very unfortunate that that has to carry on. Through my many years as a public servant in the local government, I

never thought just of my home town. Whatever I did, I felt it should be good for the entire county. As a Member of the Legislative Assembly, I don't just think about my home town. I think what is good for me in my home town is good for the entire province.

It's very unfortunate there are elected people in local governments who take this attitude. It would be a very unfortunate day if the Minister of Housing and Public Works put all the senior citizens' lodges and all the homes in the Gold Bar constituency.

DR. BUCK: Clover Bar thanks you.

MR. BATIUK: It would be a very sad day if the Minister of the Environment put all the drainages in the Calgary Elbow constituency, the Minister of Education built all the schools in the Edmonton Strathcona constituency, the Minister of Recreation, Parks and Wildlife put all the parks in the Peace River area, the Minister Without Portfolio put all the teepees in the Taber-Warner constituency, or even if the hon. Solicitor General pulled all the breweries into the North Hill constituency or the Minister of Transport just built up and paved all the roads in the Barrhead constituency.

AN HON. MEMBER: He did.

MR. BATIUK: It would be a very sad day if it ever came to that.

As I say, the town of Two Hills in the constituency of Vegreville is very unfortunately being deprived of accommodations. I may say the minister has agreed with me that there should be accommodation there, that people deserve it just because of the foundation doing it.

One question I would like the minister — if he is going to respond. I think the Leader of the Opposition mentioned earlier that \$10,000 was spent on the foyer in Government House. I've been there, and I couldn't see what was done for that amount of money. If that has been spent, I just wonder whether the minister would respond and [say] what it was spent for.

Thank you.

DR. BUCK: Have you seen the rug, John?

MR. BATIUK: Pardon?

DR. BUCK: Have you seen the rug in the foyer?

MR. YURKO: Mr. Chairman, answering that last question first, it is rather interesting that the Leader of the Opposition is really good at muttering loud enough that it can be picked up by the news media, because that figure of \$10,000 is totally out of context. As a matter of fact, some work was done on the ceiling. The design was changed and vastly simplified. My officials have indicated to me that in terms of the total work in the foyer, considerable money was saved rather than any additional expense.

AN HON. MEMBER: Hear, hear.

MR. YURKO: So that certainly was an off-the-cuff remark.

I should indicate to the hon. member who just

spoke that the foundation as it was set up is an exercise in democracy. Perhaps he may wish to work a little harder in terms of convincing the foundation that Two Hills should have a senior citizens' lodge. I would do whatever I can to assist him in that process of persuasion.

MR. GOGO: I just have an observation and a couple of questions I would like to put to the minister. The observation made by the Member for Drumheller was that the reason the housing was so successful was that it had an engineer leading it. The CPR has many engineers leading it and they sure seem to have a lot of trouble. However, I don't question how the minister leads his department.

Two questions, Mr. Chairman, one concerning . . . The Premier's not here. I can call it the SCHIP program. I understand we had approximately 30,000 senior citizens qualified for SCHIP and about 21,000, as the minister indicated, have responded. However, depending on whose figures you use, there are another 120,000 to 125,000 senior citizens, and it's interesting to note that the qualification for SCHIP is for those who receive the Alberta assured income plan. Those who receive the Alberta assured income plan from Social Services and Community Health are those who receive at least \$1 in the federal supplement. So there is a breaking point there, Mr. Chairman, and I suggest there are many senior citizens on that line who just don't receive \$1 of the supplement. Therefore, they don't receive any assured income plan and they don't receive the \$1,000 grant.

My question to the minister: is he looking at possibilities whereby, perhaps on a sliding scale, we could include additional senior citizens who do not at present receive the assured income plan? That's one question.

The other — the minister mentioned the five areas concerned with housing: the planning process, land availability and servicing, availability of housing parts, assembly of parts, and financing. I just want to comment for a moment on the financing.

A few minutes ago the minister mentioned the mortgage rate across Canada was 12 per cent. I'm sure the minister is aware that a requirement of the savings and loans in America is to put a certain percentage of their assets in the federal housing program. Then by law, they must lend that at 8 or 8.25 per cent. We in Canada are paying 50 per cent higher than that. Surely there's a reason our housing is so high compared to America.

My question to the minister is: [due to] the fact that the Bank Act is being reviewed this year, could he, with the Government of Alberta, make representation to the Government of Canada that the Bank Act be reviewed, with a thought to diverting a certain percentage of the assets of banks to the mortgage and housing area in Canada? I can't see the Alberta government doing it, because it would obviously be the only province in Canada, and everybody would want to move here. I would like to have the minister respond. Is it a practical idea to make representation to the Government of Canada to amend the Bank Act in such a way?

MR. YURKO: Mr. Chairman, I'm going to answer the last one first, as usual. First, I would like to suggest

that the reason the Canadian mortgage rate is in the order of 12 per cent is that the inflation rate is high in Canada and has been in the order of 10 per cent plus. The home mortgage rate is pegged to a large degree to the inflationary rate.

It's quite well known that the United States is capable of cutting its inflation in half. As I said, the President was very proud to announce last February, I believe, they had cut it in half to 6 per cent, so the comparability is there. It's approximately 2 per cent above the inflationary rate, which is one of the lowest rates that can be had. One of the reasons it's one of the lowest interest rates — that is, first home mortgages — to my understanding, and I don't profess to be really knowledgeable in this area, is the fact that first mortgages on housing are perhaps one of the lowest investment risks. Also to my limited knowledge, my understanding is that most of the more prominent financial institutions do, in fact, allocate a percentage of their receipts to first home mortgages because it's a very low-risk investment. One of the difficulties has been the long term so that liquidity is low, and particularly for smaller institutions, the liquidity factor has been overwhelming.

One of the reasons we've introduced the Home Mortgage Corporation Act is that it has a clause whereby mortgages can be repurchased from some of the smaller institutions and thereby increase their liquidity, particularly with respect to investing in home mortgages in smaller centres.

I know this is a very complex subject, and I barely touched on the matter. Other MLAs in the House may wish to express their viewpoints. But I think the percentages between Canada and the United States are quite understandable.

I should indicate with respect to SCHIP — the Senior Citizens Home Improvement Program — the department is now working on several possible regimes with respect to moving from those on the assured Alberta income plan to other senior citizens in need, because the policy, as initially announced by the Premier, related to a need. Several regimes are being examined. The one that will be adopted by cabinet is down the line a way. I won't attempt to indicate how many months down the line, but will just say we are working on the second phase of the program.

With respect to the engineers running the CPR, I'm not exactly sure about this fact, but it seems to me they have an unusual number of lawyers on their board. It may be that that's the difficulty with the CPR.

AN HON. MEMBER: Agreed.

MR. GHITTER: The timing couldn't be better, Mr. Chairman.

Mr. Chairman, I would like to deal with two areas. The first one deals with the rental market. The second one deals with some comments relative to a speculation tax.

I would recommend for the hon. minister's consideration the thought that possibly it is now time for a realignment of some of the priorities within his department. As I think statistics will show, we are now entering a new era of housing. It is an era of the "plexes", the multi-plexes, the four-plexes, the apartments, and the condominiums. It seems to me that

the major priorities in the spending we are approving tonight are more in the ratio and in the area of the single-family dwellings, albeit in the lower- and middle-income brackets.

It seems, however, the real crisis and real crunch we will now be facing isn't so much in the single-family areas, because the patterns, living desires, and habits of our citizens are changing. The statistics that have been referred to for the province of Quebec relative to the high percentage of renters are now becoming a very real thing in the province of Alberta. Against the backdrop of rent controls, the amount of apartment rental construction in the province is really very low considering the demand. That is obvious. That will always be the case under the spectre of rent controls.

But it would seem to me that if the department is now going to embark on its planning for future programs, a considerable amount of increased impetus and emphasis must be directed to the rental market. The core housing program, albeit an innovative and a successful program as far as it goes, only penetrates a certain segment of the rental market. The fact that \$50 million is allocated for apartment construction really means to me some 2,000 units in the province, at the prevailing costs for apartments. I've got 2,000 apartment units in a square block in downtown Calgary.

The fact remains that at the present time in the cores of our cities — there is not one crane putting up an apartment block in Calgary Buffalo, and I don't think I have seen one in Edmonton Centre. These, of course, are the traditional areas where apartment construction prevails. It prevails for obvious reasons, because the demands of many renters are for the downtown core of the city, close to work, where transportation is not needed, where high parking and costs of cars and such are not required.

It would seem to me that if we're now going to look in terms of future priorities in your very vigorous programs, Mr. Minister, I would appreciate your comments as to future programing and impetus from the point of view of additional incentives to those who traditionally put up apartment blocks. The blocks that are going up now are basically condominiums. Frankly, I don't think anyone who would contemplate putting up an apartment block in Alberta at the present time is a very astute businessman. The astute businessmen are putting up high-rise accommodation, and they're condominiums. They're either renting them, keeping the ownership, or selling them.

But that is not going to help the hon. Minister of Consumer and Corporate Affairs come June of next year when the dilemma of removing the rent controls comes upon us. Because as I've heard the hon. Minister of Housing and Public Works say so many times, it's a matter of supply and demand. I don't really see the supply of apartment accommodation coming on stream. I don't see that people who traditionally were looking to put up apartment blocks and were involved in that sector — in their plans for the next few years, I do not see them putting them up where we need them, and that's in Edmonton and Calgary. We need them in central locations, not in outlying areas, because the demand is in the central cores of our cities.

I would just submit for consideration of the hon. minister, Mr. Chairman, the thought that a redirec-

tion is now required with some of this funding. Additional funding may be required and incentives will be required from the point of view of getting apartment construction going where it counts. The incentives, I think, are manifold: incentives by way of assistance on real property tax by the government to those who put up buildings of an apartment nature. Interest rates are a factor, but not a major factor. But the fact certainly remains that from the point of view of the cost of putting up an apartment block today — traditionally in the area of probably \$25,000 to \$30,000 a unit, and those are the costs and the sale prices that exist in the city of Calgary today — they're just not doing it, and I think it's incumbent upon us to redirect some of our programs into this area.

The second area I would like to make a few comments on, Mr. Chairman, is the area of speculation tax. That is a two-edged sword. I suggest that those who espouse the need for a speculation tax in the province should examine carefully the experiment, and that's what it has been, in the province of Ontario. Those who now write and analyse the speculation tax in Ontario do so with mixed feelings and mixed viewpoints. The province of Ontario has had to restructure its speculation tax. They have found that it really wasn't successful, and they've had to reduce it.

Albeit the speculation tax dampened the cost of housing in Ontario in its first year or so, what it really did was strip the competition in the housing market so the big got bigger and the little guy just couldn't survive. The little guy couldn't get lots. The big developer wouldn't pass off lots because he would have to pay the speculation tax, so lots didn't go to the little man. The big man ended up using all the lots. If you strip competition from the housing market, inevitably the price will rise.

The revenue received by the province of Ontario from the speculation tax in the first year was something like \$238,000. They had budgeted for some million dollars in revenues. It has not really been that successful. However, there may yet be a place for a speculation tax, and that is in the single area of those who deal in used houses and are turning them over.

When the mere rumor came out in the city of Calgary three weeks ago that there might be a speculation tax — and I don't know where that rumor came from; it didn't come from this building — the green sheets on the MLS listings exploded and the price of housing dropped. It happened, I am told, because of the mere rumor that there would be a speculation tax. That is an area where a type of speculation tax could be considered: to move out of the market place those who are merely speculating in homes.

But I would submit it is very dangerous, Mr. Minister, to get involved with any consideration of a speculation tax that in any way deals with the new house market. The end result may be that the cure is much more severe than the problem. As we've heard many times, the problem can only be satisfied by supply. I know the hon. minister is working very hard in that area. But I would suggest that if we're going to look at a speculation tax, we had better spend a little time in the province of Ontario, where it has not been that successful.

Thank you, Mr. Chairman.

MR. YURKO: Mr. Chairman, I would like to respond very quickly to some of the remarks by the Member for Calgary Buffalo. With respect to the allocation of money to single-family housing, if you wish, as against multiple-family housing, the only real question is: who should establish that policy?

We have very consciously gone out in such a way as to permit the market to establish that policy in every instance. I don't mind telling the Assembly that I think pretty well every single house under the starter home ownership program in the cities of Edmonton and Calgary has been row housing or the condominium type, concentrated housing. To a large degree, this is the same as the direct lending program. Very few single-family houses on appropriate sized lots have been built in the cities of Edmonton and Calgary under the provincial government's programs.

Most of the single-family homes are being built in the smaller centres. It is one of our very specific policies to decentralize as much as possible, and one of the first requirements of any form of decentralization is to provide suitable accommodation, to provide the amenities of life in the smaller centres. Indeed, that's really what's happened. Most of the smaller centres are growing and housing is being built in them.

So I say again, it's not a case of establishing priorities in this regard; it's a case of who establishes them. Through setting maximum price limits on our housing, we have allowed the market to establish that priority, and indeed it has.

The second point I wish to make is with respect to the rental market and the high-rise construction in the centres of cities, or in the core parts of cities if you wish — but "core" is an elusive term and has different meanings to different people. We can do almost anything, depending on the amount of money the provincial government wishes to assign to this area. When you have a limited amount of funds, you tend to get the greatest supply for the money you have. In terms of our core housing incentive program of 50 per cent rent regulated — and most of these rents that are regulated are between \$150 and \$225 a month, and right next door another suite is renting at \$250 to, say, \$350 a month — we have been able to build apartment units on an average of \$18,000 to \$26,000 per unit. This varies across the spectrum from single bedrooms to two bedrooms, three bedrooms, and some four bedrooms. They're generally walk-ups, wooden frames. It has been possible to build units, on an average, for this kind of cost, so the supply per dollar is fairly high.

If we got into steel and concrete construction, which are the high-rises, then the costs we are associated with are about a minimum of \$35,000 per unit and up. And the supply of the same type of accommodation simply decreases per dollar that we have to invest. At the same time — and all our programs are directed toward the low- and middle-income people — the rents, even those regulated, start to rise considerably because of the higher costs of the units. That doesn't mean we aren't addressing ourselves to this possible area of rental supply. But of course this will be a very difficult decision for cabinet to make, when in fact it can get more value for its money in the other area.

We are looking at possible formulas. With respect

to CHIP, the core housing incentive program, we're looking at several formulas whereby it may be possible to build high-rise apartments out of steel and concrete in the central parts of the city on a different kind of formula. One of the formulas we have been looking at — but there is a whole series of them — is in fact whether we can relate to regulating the rent on one-third of the units to the \$8,000 to \$12,000 salary range, one-third to, say, the \$12,000 to \$20,000, and the other third open. The policy area of the department is looking seriously at whether we can come up with a formula.

But again I suggest that this government will have to look very seriously at whether it is willing to commit that kind of money for that type of unit, when in fact there is a very great demand for the lower cost unit throughout the cities of both Edmonton and Calgary. We haven't had any difficulty placing the money we have in this program. As a matter of fact, our main difficulty has been with respect to approval of the cities.

Now in regard to the land speculation tax, I certainly appreciate the member's comments. I would just say that a little later I will make some comments on the matter. But I would like to indicate that I had a long chat yesterday with a real estate person from Calgary, who happened to be a guest of mine in the House, and he assured me that the green sheets were the result of the fact that they just couldn't sell the houses, that in fact they had priced the houses beyond the range of the majority of buyers in Calgary. They just couldn't sell the houses very readily, and in fact the price structure was dipping rather than going up any farther.

DR. BUCK: Mr. Chairman, I just want to ask the minister — I'm not in the mood to hassle him. I'll do that a little further on, because he says he's not in a very good mood. The reason the hon. minister is so brilliant, and the hon. Member for Drumheller would like to know this, is because he and I were on a legislative committee together for two years, and I taught him all he knows.

But, Mr. Chairman, I would like to know from the minister — to further my education, which isn't very much — if he can explain very briefly just what the separate thrusts will be with the Alberta Housing Corporation and the new Alberta Home Mortgage Corporation, because there's going to have to be a division there somewhere. Is the Alberta Housing Corporation going to be entirely looking after the field of land banking and helping the small communities and so on with services? I'd just like to have the minister give us the philosophy on which two routes they're going to take. Some of the other stuff I can save for later in the individual sections.

MR. YURKO: First of all, Mr. Chairman, I would like to say that the hon. member did indeed teach me all I know about instant retort, but he didn't teach me very much about reasoned analysis.

With respect to the allocation of responsibilities, I had intended to discuss this area to some degree on second reading of The Alberta Home Mortgage Corporation Act. However, it would probably be appropriate to just touch on it.

The thrust in housing has been so massive in the last year that it has been necessary to strengthen

management particularly. The nature of the problem boiled down to three rather obvious splits.

The first was, of course, the Alberta Housing Corporation itself, which was engaged and is engaged in a very major way in two areas: the delivery of housing — that's senior citizens' lodges, senior citizens' self-contained units, public housing, land banking, land servicing, rural and native housing, and Metis housing.

The second area in which it's involved in a major way is the management of existing housing stock. By the way, it's also involved in the delivery of staff housing. So it's involved in the area of management of housing stock, and our housing stock is pretty high. As a matter of fact, I believe the last figures I saw were about 11,000 total housing units under the direct administration of the Alberta Housing Corporation.

It was considered that, because the stock was rising dramatically and the delivery was also rising in the area of social housing, it would be appropriate to have the Alberta Housing Corporation concentrate in these areas with an approximate annual budget in the order of \$100 to \$150 million. It was considered that the delivery in that area will tend to stabilize and may not necessarily increase dramatically.

The other important area which became evident very quickly was the use of heritage funds for providing home ownership and rental accommodation for low- and middle-income people. This really had a different kind of management function. The other was, to a large degree, an engineering function, and this had a function associated with financing and insurance — home insurance business, if you wish — and other areas of expertise related to money management.

As a result, the Alberta Home Mortgage Corporation was formed with this thought in mind, that in fact it would have three primary functions: the supply of mortgage money to the areas established by government as policy areas for housing initiatives; second, the opportunity to purchase mortgages, as I indicated; and third, the opportunity to insure mortgages in certain areas.

The last area that became extremely important and very prominent was the area of policy: new program formulation; policy formulation; dialogue with the various elements of society in regard to housing; the interface between the two corporations and the other departments of government with respect to The Planning Act, land banking under the land purchase fund, and many other areas. This area became so vital, and was an area of change where policy has to change rather quickly. As conditions change, the economic climate of Alberta or Canada changes, and this area has to change. So we have established the policy and program division under the Department of Housing and Public Works reporting directly to the minister through a deputy minister.

Mr. Chairman, that basically is the reorganization of Housing and Public Works. I should also say there's going to be a lot more liaison between the public works and the housing side, and the deputy minister of the housing part will be responsible for this interface relationship, if you wish.

DR. PAPROSKI: Thank you, Mr. Chairman. I would also like to indicate to the members of the committee

that I feel very strongly that the minister is truly an activist and has played an activist role in the provision of dwellings in the province of Alberta. This is certainly evidenced by the now well-known statistics.

Mr. Chairman, affordability, availability, and repair of existing stock, as the minister has indicated repeatedly in the House and in committee, are obviously of great importance, and we all recognize that.

I would like to make a few comments, and I'd like to have a response from the minister if possible on a number of items. This is in particular reference to my recent tour of housing in Sweden and London sponsored by the co-op housing of Canada. In dialogue with a variety of individuals in the housing industry across Canada — from laborers, carpenters, builders, to companies building homes — a number of things came to mind, and I'd like to make just a few comments. It will only take a minute or two.

One was land banking, and the thrust in land banking. I'm certainly pleased to see the minister going forward with a definitive policy in that area. I would like him to clarify to the committee the definitive policy regarding land-bank land that goes to builders. As we know, land-bank land is economic land banked by the province and passed on to the municipality. The builders in turn get this land at some price. It may be at a lower than market price, as it has been previously. Is there going to be a price limit on the total project that is passed on to the purchaser?

The other question I would like to ask and hear comments on from the minister is [about] the variety of prefabricated homes. Is work being done in this area? Certainly in Sweden this area was being explored and applied very effectively for rapid and economic construction, providing it's well timed in the construction phase. I know the minister has done a lot on lower interest and extended long-term mortgages. Maybe he'd like to make a comment on that, but he can leave that for another time.

The other area of amplification on which I would like to have the minister comment is the upgrading of existing stocks of homes. I know there has been a thrust in that regard for senior citizens, and I was just wondering if he would comment on how many millions of dollars are allocated for that area for the average owners of older homes, or purchasers of older homes. What are the interest rates, and are the mortgages long-term?

Finally, Mr. Chairman, one message came to me loud and clear from the various people on this tour. They were, as I repeat, members from labor unions, carpenters, builders, and small and large contractors from across Canada, stretching from Vancouver to Ottawa and so forth, including Montreal. That is, in our private conversations, it was vowed repeatedly that homes could be built at 10 to 15 to 20 per cent cheaper than they actually are. They were really indicating that if they were built for 10 or 15 or 20 per cent cheaper, they could still make a profit of another 10 or 15 per cent on the home. Mr. Minister, if you relate this to a \$50,000 home, somewhere in the vicinity of 10 to 15 per cent would mean \$5,000 to \$7,500 difference in price.

Now I'm not one to dispute the need to make a profit in the housing and building industry, and I suggest that is necessary in our free enterprise

system. But I would like to know whether the minister has evaluated this area in particular. Or is he evaluating this information with a view to reviewing this matter and maybe bringing in some consideration in this regard so that type of excessive profit may not be necessary, recognizing of course that the high cost of houses is 'multifactorial' and there are other things such as lots, land, labor, material, financing, supply and demand, and so forth.

Thank you.

MR. YURKO: Well, Mr. Chairman, again trying to be very brief. I don't deny for one minute that the profit margin is very high. In fact, I've indicated that the profit margin in new home construction is almost immoral in this particular climate of wage restraint, if you wish, and supposedly price restraint.

The builders know it, and they have a funny grin on their faces when they tell me how much money they're making. The point is that it's rapidly drying up or could rapidly dry up for a number of reasons, and some builders are very much concerned with the availability of lots. When they get lots, they try to get the greatest markup possible on the unit they build on that lot, because if they don't have very many and they're not going to build very many, they try to maximize the profit on their lots.

Now all sorts of builders who don't have lots have told me, we will build you housing for a guaranteed figure per square foot, including profit. Depending on where this is, this generally lies between \$24 and \$30 per square foot. So it isn't difficult to add up the cost of a 1,000 square foot house and the serviced lot, to come out with the value of the house. It's not difficult to know how much profit is made on the lot, as well as on the house. This is recognizable.

But it is a difficult market. I would like to come back again if possible toward the end of the conversation to talk about the speculation tax or some form of tax, but not at this time.

In regard to the repair end, the provincial government of course is involved in a number of areas. The senior citizens' home improvement program is an area of involvement of \$15 million in this budget, \$15 million by special warrant just previous to this budget. We're involved in NIP with the federal government in areas that are initiated by the municipality, brought to the Alberta Housing Corporation, and subsequently approved by the federal government.

Through the Metis Association, we had a \$200,000 repair program for Metis housing which, to a large degree, is being administered by the Metis Association itself. Apparently it's quite successful, as the member in charge of this fully knows. We're seriously considering the possibility of doubling that program, setting up both a summer repair program and a winter repair program to the extent of \$400,000 or \$500,000 out of the \$2 million allocated in the budget.

I believe the treasury branches have a loan program for home repair. I think it is to the extent of something like \$6,000 per person, but I think it's at commercial interest rates. So there are a number of programs in regard to house repair.

With respect to prefabricated homes, we know that [for] the homes that are assembled today, the assembly costs are generally related to tradesmen's

labor, and tradesmen's labor is very high-cost labor. It's in the order of \$12 or \$13 or \$14 an hour, or above \$10, because they are some of the most powerful unions in our society and, in this period of high inflationary costs, have been able to garner reasonable or fairly high wages. So the cost of housing reflects to a large degree the very high cost of tradesmen's labor.

So there is need for prefabrication. Prefabrication employs labor at considerably less than the cost of tradesmen's labor, that's shop labor. That's so in terms of prefabricated and mobile homes, if you wish to call them that. That's one of the reasons we have said repeatedly that the mobile home — which is a factory-made home at half the cost, or less, of the labor for assembling a house on a lot — has a place in this society as a type of unit for the low- and middle-income people. As you know, we are in fact, through our budget, gearing directly to mobile-home parks and mobile-home subdivisions.

MR. MANDEVILLE: Mr. Chairman, I have two questions. My first question is on SHOP — that home-buyers qualify only if they buy new homes. Is there any intention of extending the program to cover existing homes?

My second question, Mr. Chairman, comes from a brief sent to the Alberta Housing Corporation some time ago by a Fort McMurray group called the Alberta interchurch planning association. They indicated in their brief that since 1975, only one site has been made available for church groups in the Fort McMurray area. They went on to indicate that their availability to pay was very limited. They don't have the funds to purchase high-priced land. They also indicated that they accommodate many functions in their churches such as Boy Scouts, Brownies, and leaders. They also use their churches for community use.

I wonder if the minister or the Alberta Housing Corporation has given any consideration to making land available to church organizations in Fort McMurray at an affordable price.

MR. YURKO: Well, very briefly, Mr. Chairman, with regard to SHOP being extended to existing homes, again I would simply put it this way: one of our main policies is supply, new supply to meet the demand in existing situations. For example, we have stabilized the amount of money going to existing homes out of the direct lending program at \$23 million. We could just as easily have raised that to \$50 million, but the first policy was supply. That means new accommodation, because there is an apparent shortage of accommodation.

When we find we can't place the money with respect to SHOP for new supply, if you wish, where supply is ameliorated and is not such a serious situation, we can shift some of the emphasis in priorities of some of the programs. It can either be bringing some of the SHOP money to existing homes or increasing the allocation to the direct lending program. Because the direct lending program actually comes down, I believe, to an interest rate of 9 per cent which, in itself, is quite a subsidy on a 12 per cent market — institutional money, if you wish. You can figure it out as fast as I can. It's not quite as hefty a shot, but it's going about halfway down that

line. So it doesn't matter in which area we increase money for existing housing.

Two things happen when we increase the allocation of money for existing housing: we increase to some degree the money available in the real estate market and therefore just enhance speculation. Secondly, we don't meet the requirement of supply. So even though we are considering it, I would suggest it will be some time before we probably respond in a positive way.

In regard to church sites in Fort McMurray, we are transferring land at cost to all needed requirements in Fort McMurray. I hadn't realized that none was being allocated for churches. But if you say so, I will look at it immediately and see if, in fact, that demand can't be met also at a transfer at cost or on a long-term lease.

MR. SHABEN: Mr. Chairman, I have two brief questions. The first deals with innovative housing. I wonder if the minister could describe very briefly what sort of research programs are under way — if there are any research programs — to develop lower cost housing, particularly in design and use of materials, transportation, or construction.

The second question deals with co-ordination of housing initiatives for native people. I'm aware there are a number of programs through Alberta Housing, through the Metis Association, through CMHC, through the Metis branch of the Department of Social Services and Community Health, and of course through the federal Department of Indian Affairs and Northern Development. Is there a body that co-ordinates the efforts or the initiatives in this area?

MR. YURKO: Mr. Chairman, again I might answer the last question first and indicate that we're certainly trying to make some real attempts at co-ordination. With respect to the rural and native housing program and the Metis program, we have a policy management committee which consists of the hon. Mr. Bogle; myself; Mr. Laboucane, the president of the Metis Association; and a federal representative, Mr. Danson, whom we haven't been able to entice here yet. We also have a management committee composed of Mr. Daniels, the president of the Alberta Housing Corporation, and the regional director, I believe, of the Central Mortgage and Housing Corporation, Peter Osborne. The management committee attempts to co-ordinate the programs.

We have a director of housing in ANDCO. But there is far too much politics going on in terms of native housing to suit me, if you wish, and [it] interferes with the delivery process in many instances. I should say that's internal politics amongst the native people themselves, particularly the Metis Association. But every attempt is being made to co-ordinate and improve the delivery process for the Metis and the rural and native housing programs. I would like to acknowledge the help of the hon. Minister Without Portfolio in charge of native affairs, who certainly has assisted me in this regard.

With respect to research programs, we've been pretty busy in the last year, so we haven't really had too much time to pay attention to research programs. To a large degree, innovative aspects of the whole housing program — that is, the development of new housing parts, if you wish, and the development of

prefabricated components — occur in the private sector. A great deal of work is going on in terms of new types of construction, new types of components, new types of unitized construction. We recently had a demonstration from Finland, for example, in terms of concrete modular construction of apartment units, which we will be studying. However, I say again that the bulk of research in this area is being done by the private sector.

If we do any, it may be more in the area of community development. There is a clause in The Department of Municipal Affairs Act which relates to experimental housing. The minister has used it on several occasions, and I know he is giving serious consideration to using it where experimentation on the development of a small community, rather than on the housing components themselves, is going on. However, I anticipate that as the years roll on, more fundamental research will be done with respect to energy saving and so forth.

I should indicate that in the public works side we have done considerable experimentation with respect to energy savings. This is now being incorporated into our public buildings, and I anticipate it will be extended to our housing programs at the earliest opportunity.

Agreed to:

Ref. No. 1.0.1	\$97,258
Ref. No. 1.0.2	\$108,112
Ref. No. 1.0.3	\$51,000
Ref. No. 1.0.4	\$827,000
Ref. No. 1.0.5	\$681,113
Vote 1 Total Program	\$1,764,483
Vote 2 Total Program	\$15,255,830
Vote 3 Total Program	\$271,400
Ref. No. 4.1	\$15,605,000
Ref. No. 4.2	\$8,656,000
Ref. No. 4.3	\$6,836,000
Ref. No. 4.4	\$300,000
Ref. No. 4.5	\$376,000
Ref. No. 4.6	\$2,816,000
Ref. No. 4.7	\$2,142,000

Ref. No. 4.8

DR. BUCK: Mr. Chairman, may I ask the minister a question or two. I don't know if this is exactly the section, but I think it will probably fit under here. I'd like to know if the minister can indicate to the committee what the plans were for the government offices in Red Deer. The plans have just been finalized, and apparently they've been shelved. From the information I received, \$200,000 or \$300,000 was spent on planning, architectural work, and so on. The report was rushed to be completed, and now it's been shelved. Can the minister shed any light on this?

MR. YURKO: The provincial building in Red Deer?

DR. BUCK: Yes, I think so.

MR. YURKO: Mr. Chairman, as I indicated earlier, one of the major tasks for Public Works was the requirement for phasing, to a large degree over a longer time base than one year, and phasing particularly in terms of balance across the province with

respect to construction and total funding. We found that if we had continued the process as it was at the beginning of last year, we would have bunched construction very seriously in the second or third year.

So what we have done is attempt to arrange these provincial buildings to some degree on the basis of phasing them to equalize, if you wish, a public works budget over the next four or five years. Red Deer, therefore, was delayed. It's not a case of shelving; it's a case of simply putting those plans on the shelf for a period of time. I think it was delayed until the second or third year of the five-year program. That happens to be a very high-cost item today, estimated at \$11.5 million. In order to get some proper phasing, if approved in subsequent years by the cabinet or the government, it's presently scheduled to start in 1978-79 — if approved in that year. So it's not a case of shelving anything. It's simply a case of phasing.

DR. BUCK: The same applies to the provincial building in Airdrie, or the veterinary research . . .

AN HON. MEMBER: Veterinary lab.

DR. BUCK: Yes. The same applies to that too.

MR. YURKO: That's under Agriculture. Let me just find that. The veterinary lab in Airdrie, Mr. Chairman, is today budgeted at \$3.8 million, and indeed \$3.5 million of it is in this year's budget. So it's going ahead. It's the agricultural regional building in Airdrie. It's budgeted for this year.

DR. BUCK: That's the veterinary lab.

MR. YURKO: Yes.

Agreed to:

Ref. No. 4.8	\$1,523,000
Ref. No. 4.9	\$10,000
Ref. No. 4.10	\$3,736,000
Ref. No. 4.11	\$7,405,000
Ref. No. 4.12	\$4,995,000
Ref. No. 4.13	\$1,814,000
Ref. No. 4.14	\$140,000
Ref. No. 4.15	\$13,753,000
Ref. No. 4.16	\$7,564,000
Ref. No. 4.17	\$4,156,000

DR. BUCK: Mr. Chairman, can the minister possibly indicate to us if he has finished his renovation of Government House and exactly what we are going to be using it for, the run-down on possibly the minister's pet project, if I could put it that way.

MR. YURKO: Mr. Chairman, as the member knows, the renovation of Government House hasn't as yet been completed. I don't anticipate that it will be completed until about the end of June or the early part of July, but certainly in time for the official opening on August 1.

I should indicate that it will be a multipurpose building, for a number of functions, if you wish. Some have been identified; I believe some have not as yet been identified. But I would suggest that the government has indeed established a foundation on

which are represented some of the foremost citizens of the province who have associations with the historical aspect of this province as well as some anticipation of the future direction of the province. [The foundation has] been set up specifically to advise the Minister of Government Services, who will be responsible for its use.

The nature of that use — besides the known functions that now go on, of which I could list some — will, of course, be established after the building is completed and the foundation starts to offer advice to the Minister of Government Services in regard to its use. So it might be more appropriate if the Minister of Government Services comments at the appropriate time on its use on the longer term basis rather than myself, because he would be more attuned than I to some of the plans, if you wish, and some of the information in that area.

DR. BUCK: Offhand, does the minister have the cost to date, and what the final cost of renovations will be?

MR. YURKO: Oh yes. You know, Mr. Chairman, I had a news conference at an appropriate time this spring, and I indicated then that the envisioned costs were \$1.7 million. I believe we will be able to come reasonably close to that figure.

Agreed to:

Vote 4 Total Program \$81,827,000

Vote 5

DR. BUCK: Mr. Chairman, I'd like to ask the minister a question. I have some information that the government has been wanting to find about 180,000 square feet of office space in the downtown Edmonton area, and the tender date has been moved up from December 1 to October 1. Apparently if we had left the date as set in December, about four buildings would have been available. Now we seem to be in a short-supply situation, and this could be costing the taxpayer of Alberta extra money which maybe he should not have had to pay. Can the minister indicate if this is so?

MR. YURKO: Mr. Chairman, one of the things we did recently in supplying accommodation for the provincial government was to go to the tender process. The second area in which we're involved in a fairly serious way is planning on a longer term basis, and attempting to find some balance between leasing construction on our own account and lease-purchase, if you wish. We are attempting to do a considerable amount of work in these three areas.

Nothing has been resolved at this time except that some policy has been established with respect to engaging accommodation through the tender process.

I would like to assure the member that if we have advanced the date as he suggests — and I will certainly check it — it will be on the basis that we will have as many acceptable tenders on October 1 as we would have had on December 1. Generally, it is the practice to receive a tender after a certain degree of construction has gone on, but I would suggest very strongly that if that date was changed, it wasn't

because we would get less tenders. But I will certainly check into the matter.

Agreed to:

Vote 5 Total Program	\$32,498,222
Ref. No. 6.1	\$5,007,000
Ref. No. 6.2	\$3,871,000
Ref. No. 6.3	\$18,712,000
Ref. No. 6.4	\$3,369,000
Vote 6 Total Program	\$16,607,000
Ref. No. 7.1	\$1,509,000
Ref. No. 7.2	\$31,380,000
Vote 7 Total Program	\$4,027,000

MR. CHAIRMAN: Mr. Minister, do you wish to make any closing remarks before we vote on the total?

MR. YURKO: Mr. Chairman, as I indicated earlier, I wish to address myself briefly to the cost of land and housing as relating to a speculation tax.

First, I want to say, Mr. Chairman, this is not primarily only an area of concern to the Department of Housing and Public Works, but indeed does overlap. There is primary responsibility for this area in other departments of government as well as the Department of Housing and Public Works because of its effectiveness in this area. I feel quite certain this matter is being discussed and studied by some of the other departments. However, I would like to indicate that my department, through the policy division primarily in conjunction with the housing corporation, has been looking at a number of possibilities. I would like to indicate some that have become prevalent.

First of all, there is the speculation tax on housing itself: that's the total unit. As you know, there is no capital gains tax on the first home owned by a family.

The second area we see in the spectrum is a speculation tax on land only. Ontario's experience was certainly examined — a number of reports have been written — and it's not very favorable. As the Member for Calgary Buffalo indicated, it doesn't suggest we should be moving in that area.

I should indicate there certainly is a tax on land speculation, or capital gains on land, from a number of points of view, and that is through the federal capital gains tax. The question being raised more frequently these days — and certainly it will be raised at the Habitat Conference in Vancouver as one of the major items of discussion — would be a recapturing of that tax from the senior levels of government to the local levels. If you wish to suggest — and some people are suggesting there is a need for additional discussion in terms of transferring that capital gains tax on land from the senior level of government back to where it more adequately belongs at the community level, because it is the community that has generated that tax.

The third area prevalent in the spectrum, touched upon and suggested by the Land Use Forum, is a land value added tax, or a land use transfer tax, as stated by different people. That would be a tax that, if considered at all, could be used by the municipality, generally directed if at all possible — if such were acceptable at the various levels of government — into a fund for additional community development such as major off-sites construction, like major trunk lines and so forth. We are looking at that again, [with]

absolutely no indication at this time whether one would be advantageous or disadvantageous. I should indicate that if it could be worked out as the Premier indicated, it could be applied in an equitable fashion.

The second requirement would be that the money would accrue to the right level of government, which in this case would be the municipality, and then be established in a fund which would be used for additional community development. There may be some favorable identification with a movement in that direction; however at this time it's strictly a study or an examination and nothing else.

The fourth area that has been examined, or that we are looking at in a minor way, is really a back property taxation process that, I believe, is being used in California. There is an application of property taxes back for so many years on the basis of the sale value rather than of the assessed value. I understand this seems to be functioning in certain places in California.

The last area, of course, is the area of land banking, land servicing, front-end financing and marketing at cost to certain spectrums in society — for example, the low- and middle-income people — thereby generating, if a sufficient thrust can be put in this area, an incentive for lowering land costs amongst the total society rather than just that land-banking area. Generally, that was the principle behind the Mill Woods land-banking agreement. I believe today that that principle is sound. If, in fact, some assistance can be given in the area of front-end financing of both the on-sites and off-sites — this is the area, as members recognize, we have leaned towards in the budget.

The increase of the budget in the area of land development and land banking from \$3 to \$4 million to \$24 million is an indication that the government is in fact moving in this direction. In any other area at this time it's simply just a study of alternatives, if you wish — perhaps not even a very intensive study in any of these areas, nevertheless an examination. That is about the spectrum of what is possible in this entire area.

Personally, I find the opportunity to front-end finance in the areas of servicing and land banking a more and more attractive proposition if in fact we can market lots at cost to the most needy people in society. I also find attractive the possibility of the municipalities recapturing the capital gains tax on land back to the area that originates that added value, the community itself. I think that may be an appropriate area to investigate as we go into the future.

Thank you, Mr. Chairman.

Agreed to:

Department Total	\$152,250,935
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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 resolutions, begs to report same, and asks leave to sit again.

Resolved that for the fiscal year ending March 31, 1977, amounts not exceeding the following sums be granted to Her Majesty for the Department of Housing and Public Works: \$1,764,483 for Departmental Support Services; \$15,255,830 for Senior Citizens' Home Improvement; \$271,400 for Planning of Government Accommodation; \$81,827,000 for Planning and Implementation of Construction Projects; \$32,498,222 for Acquisition of Accommodation — Lease or Purchase.

Resolved that for the fiscal year ending March 31, 1977, a sum not exceeding \$16,607,000 be granted to Her Majesty for the Housing for Albertans Program for the Alberta Housing Corporation.

Resolved that for the fiscal year ending March 31, 1977, a sum not exceeding \$4,027,000 be granted to Her Majesty for the Mortgage Assistance Program of the Alberta Home Mortgage Corporation.

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, tomorrow the Assembly will continue with second reading of bills beginning with Bill 19, The Alberta Home Mortgage Corporation Act, then Bills 13, 23, 27, 39, and the bills found on page 2 of today's Order Paper. If there is time, we will proceed into Committee of the Whole around noon.

I move the Assembly do now adjourn until tomorrow morning at 10 a.m.

MR. SPEAKER: Having heard the motion for adjournment by the hon. Government House Leader, do you all agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until tomorrow morning at 10 o'clock.

[The House rose at 10:20 p.m.]