

**LEGISLATIVE ASSEMBLY OF ALBERTA****Bill 86  
The Fuel Oil Tax  
Amendment Act, 1976**Title: **Wednesday, October 27, 1976 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

**head: INTRODUCTION OF VISITORS**

MR. HYNDMAN: Mr. Speaker, it is with mixed feelings today that I introduce to you and members of the Assembly a distinguished visitor in your gallery, M. Francois Ehrhard, the Consul of France for Alberta. I say "mixed feelings", Mr. Speaker, because we are today bidding him farewell as he concludes his assignment in this province. He has had a four-year tour of duty in Edmonton, and during that time he has represented his country with ability and distinction. He has been active in the French community and has enjoyed the respect of many friends. Both he and Mme. Ehrhard will shortly be returning to France for a short vacation and then awaiting reassignment to another post in the foreign service of France.

Mr. Speaker, on behalf of you and members of the Assembly, may I say sincerely to the Ehrhards at this time, *merci, bon voyage, et bonne chance*.

**head: INTRODUCTION OF BILLS****Bill 85  
The Treasury  
Branches Amendment Act, 1976**

MR. LEITCH: Mr. Speaker, I beg leave to introduce Bill No. 85, The Treasury Branches Amendment Act, 1976. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

The purpose of Bill 85, Mr. Speaker, is to establish within the treasury branches the capacity to acquire real estate out of funds within the treasury branches which will be used in connection with the operation of treasury branches.

[Leave granted; Bill 85 introduced and read a first time]

MR. LEITCH: Mr. Speaker, I beg leave to introduce a bill, being The Fuel Oil Tax Amendment Act, 1976.

The purpose of this bill is to enlarge the exemption in connection with the production of livestock, grain, forage crops, poultry, furs, honey, or other agricultural product from the payment of the fuel oil tax.

[Leave granted; Bill 86 introduced and read a first time]

**Bill 87  
The Oil Sands Technology  
and Research Authority  
Amendment Act, 1976**

MR. GETTY: Mr. Speaker, I beg leave to introduce Bill No. 87, The Oil Sands Technology and Research Authority Amendment Act, 1976. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of the bill, recommends the same to the Assembly.

Mr. Speaker, the purpose of this amendment is to allow funding of the Oil Sands Technology and Research Authority through the Alberta heritage savings and trust fund and also provide some additional funding flexibility so that funding can be greater than \$100 million.

[Leave granted; Bill 87 introduced and read a first time]

**head: TABLING RETURNS AND REPORTS**

MR. MOORE: Mr. Speaker, I'd like to table copies of the annual report of the Agricultural Development Corporation for the year ended March 31, 1976. Copies of this report will be delivered to all members' offices.

MR. GETTY: Mr. Speaker, I'd like to table the report of the Department of Energy and Natural Resources for the fiscal year ended March 31, 1976.

MR. FOSTER: Mr. Speaker, I'd like to file the annual report of the Crimes Compensation Board for the year ended December 31, 1975, and the third annual report of the Alberta Law Foundation for the year ended March 31, 1976.

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. PLANCHE: Mr. Speaker, I'm delighted to be able to introduce to you today 38 young adults from Henry Wise Wood High School in beautiful Calgary Glenmore, accompanied by their teachers Mrs. Christensen, Mr. Buehner, and Mr. Berry. They are seated in the members gallery. I would ask that you all accord them the recognition they deserve.

DR. HOHOL: Mr. Speaker, I should like to introduce Grades 7 and 8 students from St. Marys school in the constituency of Edmonton Belmont. They are accompanied by their teacher, Brother Brian Kendrick. They are seated in the members gallery. I should like to ask them to rise and receive the welcome of the Legislature.

head: **ORAL QUESTION PERIOD**

**Export Agency — Auditor's Report**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Premier. It flows from the Auditor's report made available to members of Public Accounts this morning. Is it the intention of the government to ask the Provincial Auditor to do a re-audit of the operations of the Alberta Export Agency since its inception?

MR. LOUGHEED: Mr. Speaker, being a report that went to a committee of the Legislative Assembly, I would no doubt be hearing from the committee in the proper course.

MR. CLARK: Mr. Speaker, in light of the absence of the Minister of Business Development and Tourism, a supplementary question to the Minister of Agriculture. I would like to ask the minister if Mr. James Clarke, who was the director general, I believe, of the Alberta Export Agency, is now employed by the Department of Agriculture.

MR. MOORE: Mr. Speaker, yes. Mr. Clarke, whom I consider to be a very capable individual in many ways, is now employed by the Department of Agriculture as the director of marketing in the domestic marketing branch of the department.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Agriculture. In light of the transfer that took place last summer and the report of the Provincial Auditor today, can the minister advise whether a comprehensive, documented set of administrative and procedural regulations has been developed to govern the operations of the trade development branch of the Department of Agriculture?

MR. MOORE: Mr. Speaker, the transfer of the functions of the Alberta Export Agency to the Department of Agriculture and the Department of Business Development and Tourism is still taking place. I don't believe the order in council transferring people and funds and so on has been passed yet. I'd have to say that indeed matters internal to the international marketing branch of the Department of Agriculture are being worked out, and appropriate guidelines in terms of the work that branch will be doing are in the process of being developed. In due course — I wouldn't expect it would be in this session — I'd be pleased to indicate the details of that to the members.

MR. NOTLEY: Mr. Speaker, a supplementary question. In view of the fact that Mr. James Clarke is

now employed in this very important field by the Department of Agriculture, is it the minister's intention to use as a basis for the operating guidelines those guidelines Mr. Clarke drew up when he was director general of the Alberta Export Agency?

MR. MOORE: Mr. Speaker, Mr. Clarke is not now working in the international marketing branch of the department but in the domestic marketing side as director of marketing. We've employed a number of new people who were not previously involved in the Export Agency. Indeed I announced some time ago the appointment of Mr. Ben McEwen as Assistant Deputy Minister responsible for international marketing. It's my view that Mr. McEwen, together with his staff and the Deputy Minister of Agriculture, will no doubt do an excellent job of developing operational guidelines for that sector. I look forward to seeing and discussing those guidelines with them and, as I indicated in my previous answer, Mr. Speaker, to informing the members in due course of what procedures we take in that regard.

MR. NOTLEY: A further supplementary question to the hon. minister. In view of the fact that the mandate of the Provincial Auditor as a result of the resolution put forward last spring in the Legislature didn't really allow him to look into the impact of the so-called Lung affair on our trade opportunities for cattle in Europe, is it the government's intention to investigate or follow up the impact of the affair on our trade opportunities in Europe?

MR. MOORE: Well, Mr. Speaker, I thought the mandate and the work done by the Provincial Auditor were both quite wide in scope. Subject to the discussions of the Public Accounts Committee, I don't have anything further to say in that regard except that it's my view that the people who are in place both in the Department of Agriculture and the Department of Business Development and Tourism are very capable people who, in my view, Mr. Speaker, will provide us with the best kind of work and information that is available to continue what was started some four and a half years ago by this government, and that quite frankly is a very determined effort to provide to the agricultural sector and the primary producers in this province an export market opportunity abroad.

MR. NOTLEY: If I may pose a supplementary question for clarification. Do I take it from the hon. minister's answer that there will not be a specific, precise follow-up to assess the impact of the Lung affair on our trade opportunities in Europe?

MR. MOORE: Mr. Speaker, we're getting into a position now where the hon. Member for Spirit River-Fairview is, I think, prejudging the results of the Auditor's report and the committee's discussions. As a matter of fact, not having the report in front of me, I'd like to say that there is a statement in that report by the Auditor indicating that Mr. Lung in no way acted improperly in the whole circumstances and events surrounding this. Having seen that report this morning, I don't think that should be referred to as the Lung affair, but rather an effort on behalf of a pretty conscientious Albertan who wanted to assist in whatever way he could to provide a market opportuni-

ty for Alberta cattlemen in Europe, most particularly in Germany. I can assure the hon. member that that is being and will be followed up in terms of what market opportunity it might offer us over the longer term.

MR. NOTLEY: Mr. Speaker, partly on a point of order, another supplementary question. I did not mean to imply there was anything improper in the activities of Mr. Lung. [interjections] On the point of order, Mr. Speaker, the question relates to whether or not the affair was conducted efficiently and effectively. That's the debate that will take place in the Public Accounts Committee, and properly so.

Mr. Speaker, my further supplementary question to the hon. minister is: has the government developed any definitive policy with respect to making information concerning export opportunities available equitably and widely among Alberta suppliers who are interested in taking part?

MR. MOORE: Once again, Mr. Speaker, I think that is a matter for debate. There are instances and occasions when market opportunities abroad are made available in terms of what might be available to everyone by way of the media and so on. There are other occasions when an individual company or person may ask the government for some kind of assistance with respect to a market opportunity and ask us to treat that in a confidential matter.

Indeed, I expect the new international marketing branch of the Department of Agriculture to have some expertise in the whole area of transportation, freight rates, trade agreements, tariffs, and that kind of thing. Surely if an individual or company comes to us requesting information in that regard for a market they are in fact developing, we have an obligation to treat that in some confidence, at their request. So it is not as clear cut, Mr. Speaker, as the hon. member might indicate. There are varying circumstances.

MR. CLARK: Mr. Speaker, I would like to direct a further supplementary question to the Premier, in light of the answer he gave me with regard to the first question. My question is: can the Premier assure the Assembly that the government will be taking, no action on any implications from the Auditor's report prior to the Public Accounts Committee having had an opportunity to review that report?

MR. LOUGHEED: Mr. Speaker, as I said, it is a standing committee of the Legislature that conducts its own business. It inquired, received a report, and no doubt will dispose of it in the normal course.

MR. CLARK: A further supplementary question to the Premier. Is the Premier in a position to indicate whether he has had discussions with the Provincial Auditor with regard to the possibility of the Auditor looking into the entire operation of the Export Agency?

MR. LOUGHEED: Mr. Speaker, I view the role of the Auditor as one that looks at the financial affairs of this government. As far as we're concerned the question about the organization, administration, and performance of the government is a matter for this Legislature and for the government.

MR. TAYLOR: Mr. Speaker, I'd like to rise on a point of order. This morning the Public Accounts Committee agreed to hear the report and to do the questioning on it at the next Public Accounts meeting. I consider questioning the Legislature and using this as a public accounts committee as breaking faith with the Public Accounts Committee.

MR. CLARK: Mr. Speaker, speaking to the point of order raised by the chairman of the Public Accounts Committee, I would draw to the attention of members of the Assembly that what I am attempting to extract from the government is a commitment that in fact nothing will be done in that area until after the Public Accounts Committee has had that very opportunity the chairman refers to.

### Coal Policy

MR. CLARK: Mr. Speaker, my second question is to the Minister of Energy and Natural Resources. It flows from the newly announced coal policy under the section, Opportunity for Equity Participation by Albertans. I refer to the portion that talks about equity participation in the Alberta Energy Company. My question to the minister: is it the intention of the government to use the Alberta Energy Company as the sole vehicle for equity participation by Albertans?

MR. GETTY: No, Mr. Speaker, it is not. As the coal policy points out, it is one option that a company which is obtaining approval for a coal project might follow.

### Sonic Flights

MR. STROMBERG: Mr. Speaker, might I be allowed a slight preamble to my question to the Minister of Transportation. On the evening of October 19 and 20 the citizens of the village of Heisler were subjected to severe sonic booms which caused many people to believe their furnaces had blown up, some to evacuate their homes, and general confusion in the village and in the district. My question is: can the federal Department of National Defense fly its jets at such a speed as to cause sonic booms over populated areas of Alberta?

MR. SPEAKER: The hon. member is asking for advice on a possible point of law or perhaps a matter of dominion government policy, which perhaps he ought to address to his member. But if the hon. minister wishes to deal with the matter briefly and there's no objection from the Assembly, perhaps he might do so.

MR. LOUGHEED: We're not going to have an air force anyway.

DR. HORNER: Mr. Speaker, my understanding is that the so-called sonic boom referred to by the hon. member was caused by Department of National Defence aircraft from Cold Lake. The procedure in such cases is to refer them to the Ministry of National Defence and the federal Ministry of Transport, and this has been done.

I might add, Mr. Speaker, in my experience when

they deliberately break the law in this sense, any damage that might be caused to farmers in the area can be compensated by the federal Ministry of National Defence.

MR. STROMBERG: Supplementary. Would he also recommend to whoever is going to be the new minister of defence in Ottawa that he recommend to the Canadian Forces that they fly a little slower over Heisler, in my constituency, and do their speeding north of Cold Lake or in Saskatchewan.

#### **Citizenship of Public Servants**

MR. NOTLEY: Mr. Speaker, I'd like to direct this question, if I may, to the hon. Provincial Treasurer and ask if he would be in a position to tell the members of the House the reasons for changing citizenship requirements, I believe in September of this year, for senior civil servants in the province of Alberta.

MR. LEITCH: Mr. Speaker, I'm pleased to be able to assure the hon. Member for Spirit River-Fairview that the reasons for changing the citizenship regulations were not those ascribed to him in recent newspaper articles. I might first of all point out the view of this government that MLAs are in all respects far more important in making policy than are senior civil servants. Policy is made by MLAs, in their capacity as members of either the Legislative Assembly or Executive Council, and it is carried out by the senior civil service. [interjections]

MR. NOTLEY: Pretty weak applause, Merv.

MR. LEITCH: We'll get to the meat of the response shortly.

Mr. Speaker, what precipitated the review of the legislative requirement was a change in federal legislation. As I recall, they changed it by removing the special status that had been accorded in certain areas to persons from countries within the Commonwealth. The House may remember from the answer that was filed in respect of citizenship that we had a provision whereby Canadian citizens or persons from other countries within the Commonwealth were employed, and those who were not from other countries in the Commonwealth or not Canadian citizens could not be employed after a period of six months except with special dispensation. When the federal government changed its legislation it led us to review that requirement. After reviewing it in some detail it was our conclusion that people of Alberta would be better served by removing the requirement that at the end of six months a person had to become a Canadian citizen to continue to be employed by the provincial government or in the provincial service.

There are a number of areas, Mr. Speaker, where I think we in Alberta benefit by employing persons from other nations for periods of time. I think of the educational institutions where they would remain for a longer period than six months. That was one of the reasons for our recommending that policy change. The other is that on occasion when we were

employing people from other countries, they lost certain benefits, social benefits, they might have in those countries if they changed their citizenship. In short, after a total examination we concluded there were more benefits to the people of Alberta by removing that citizenship requirement than there would be by keeping it.

In conclusion, I just want to call to the attention of the Members of the Legislative Assembly that where applicants are relatively equal, preference is given to Canadian citizens.

MR. NOTLEY: Mr. Speaker, a supplementary question. In making the change, did any consideration relate to the government's decision, announced I believe by the hon. Premier last spring during Executive Council estimates, that it was the intention of the government from time to time to seek people from the private sector, not necessarily for full-time or lifetime civil service careers?

MR. LEITCH: Mr. Speaker, I know the hon. member made two guesses as to why that change was made. In the answer to his earlier question, I told him his first guess was wrong. His second guess is equally wrong.

MR. GETTY: Guess again.

MR. NOTLEY: Mr. Speaker, could I pursue this matter with a further supplementary question and ask the hon. Provincial Treasurer if he can advise the Assembly what the government proposes to do. The statement says non-Canadians "who intend to make government service a career should be encouraged ...". What does the government intend to do to encourage? Will that be related to salary benefits, or are there any specific plans at this stage to provide, if I can use a conservative word, incentives?

MR. LEITCH: Mr. Speaker, there are no specific plans at this stage to provide incentives for persons employed in the government service to become Canadian citizens. The kind of thing I would have in mind by the use of the word "encouraged" would simply be that: an encouragement, a suggestion that they ought to become Canadian citizens if they're working here for any extended period of time for the government service, but nothing more than that, nothing by way of incentives.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Provincial Treasurer. In the light of the much-publicized discussion about foreign university students, two-tier systems, what have you, has the government given any consideration to the ratio or balance of non-Canadian citizens in senior positions of the civil service? Are we looking at some kind of ratio or quota?

MR. LEITCH: Mr. Speaker, we aren't. Frankly I'm not aware of anyone at the senior service level — if we include the deputy minister or equivalent level within that phrase, I'm not aware of anyone now in the government service who is not a Canadian citizen and I'm not aware of any situation where we would contemplate retaining someone at that level who is

not a Canadian citizen. It's possible, but I'm just not aware of it.

#### **Serviced Land Cost**

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Housing and Public Works. Could the minister indicate whether Alberta will participate in the federal study on the cost of serviced land for housing?

MR. YURKO: Mr. Speaker, some weeks ago the federal government proposed a national study to which the various provinces would contribute. It would be a very narrow study in relationship to the cost of land on serviced lots. The position of the Alberta government, represented by me in that discussion as to whether or not we should participate in the study, was reflected in the fact that we felt there was need for a much broader study which involved interest rates, cost of money, cost of profit, and so forth. As a result, because the federal government wished to hone in on a very narrow study, we are not going to be involved in it. I believe this is also the situation with some of the other provinces.

MR. MANDEVILLE: A supplementary question then, Mr. Speaker. Is it the intention of the minister to conduct a more comprehensive study on the cost of housing for Alberta?

MR. YURKO: Mr. Speaker, with the establishment of the Department of Housing, also the Alberta Home Mortgage Corporation, the cost of housing in Alberta is constantly being studied. Indeed the cost of land, the cost of servicing, and every component of the housing picture are constantly studied through the department at this time.

#### **Municipal Airport Rents**

DR. BUCK: Mr. Speaker, my question is to the minister responsible for sonic booms, the Minister of Transportation. I'd like to know, Mr. Speaker, if the Minister of Transportation can indicate if there has been any correspondence or dialogue between the minister's office, the Ministry of Transportation, and the city of Edmonton regarding the proposed increase in rentals at the Municipal Airport in Edmonton.

DR. HORNER: Mr. Speaker, my department keeps me aware of problems that are occurring at the Municipal Airport in Edmonton, but the very designation of municipal is that the airport is under the economic control of the city of Edmonton. I understand that the business community and their committee, which I just can't put my name on — business people in Edmonton who have had some concern with the growth of that airport over the years — have been very concerned with recent actions relative to changes in the airport and have, in fact, made an approach to the courts to try to get a reversal of the city council decision. It wouldn't be part of our

responsibility to interfere with that at the present time.

DR. BUCK: Supplementary question to the minister. In light of the fact that we do have a little interest in PWA, have any concerns been expressed by PWA to the minister about the proposed increases?

DR. HORNER: Well, Mr. Speaker, I've been trying to get across to the hon. member for some time that it would be a managerial decision. I would expect the management to operate as any other airline would and make their approach through the proper authorities, and if they are — and I think they are — a member of that association, to [participate] in those discussions.

DR. BUCK: Mr. Speaker, I'm pleased to see the minister doesn't interfere except when he wants to interfere.

#### **Halloween Crime**

MR. TAYLOR: Mr. Speaker, my question is to the hon. Solicitor General. Since Halloween is coming up this weekend, many boys and girls will be going out for their Halloween treats. Since every Halloween some sick minds put razor blades and poisons in candies and apples, and since the Criminal Code provides up to life imprisonment for such a conviction, has the hon. Solicitor General given any thought to advertising this possible penalty in the papers of the province, or having the police forces do it, in the hope it might save the life of some child, or save some child from being injured?

MR. FARRAN: Mr. Speaker, in previous years the metropolitan police forces in Calgary and Edmonton have issued warnings, and I will consult to see whether they are considering doing that again this year.

#### **Manalta Coal Mine**

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Energy and Natural Resources with regard to the Manalta coal mine. I was asked yesterday whether this mine has any intention of closing, and whether Alberta Power is intending to buy some of the rights in this particular mine.

MR. GETTY: Mr. Speaker, I'm not aware of the information the hon. member may have regarding the future activity of the Manalta coal mine. However, I'll be pleased to discuss the matter with the management of Manalta and advise the hon. member.

### Grazing Lands

MR. PLANCHE: Mr. Speaker, my question is for the Associate Minister of lands and forests. If I may offer a short explanation, the *Calgary Herald* of September 23 in an article, *Herald Outdoors*, indicates permanent damage is being done to wildlife habitat on Crown land under grazing lease without supervision or permission of the fish and wildlife division. It further indicates that the lessee cannot post grazing leases or permits to restrict hunting or trespassing. My question, Mr. Speaker, is: are these two statements correct and, if so, what steps is the government taking to ensure co-operation and understanding between the farmer/ranchers and the outdoor-oriented public?

MR. SCHMIDT: Mr. Speaker, I can't vouch for the authenticity of the article as it appeared, but The Petty Trespass Act does not pertain to holders of grazing leases or grazing permits. In such, the holder of either one has no right to post a "No Trespassing" sign on leased land.

MR. KIDD: A supplementary to the minister. Does the Criminal Code not apply to grazing leases?

MR. SPEAKER: We shouldn't be doing the Law Society of Alberta out of any work by the questions we ask in the Assembly. Perhaps the hon. member could get the information otherwise.

### Female Correctional Officers

DR. BUCK: Mr. Speaker, my question is to the hon. Solicitor General. I'd like to know if the Solicitor General can indicate to the Legislature how extensive the practice is of using female correctional officers in the male sections of our jails, and if the program is working.

MR. FARRAN: That, Mr. Speaker, I hope is not a loaded question. The principle of equality of opportunity for females extends to the correctional service, as to other parts of the civil service. There are obvious limitations on how female correctional officers can be employed in the institutions where 90 per cent of the inmates are male.

A very limited number have been employed as correctional officers in such non-sensitive areas — non-sensitive from one point of view — as the control gates at the entrance to the institution and in the front office sort of facility. Great care is taken to make certain that none of the sensibilities of the inmates in regard to privacy are violated by the use of female correctional officers in washrooms, toilets, and this sort of thing.

### Coal Development — Sheerness

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to either the hon. Minister of Energy and Natural Resources or perhaps the hon. Minister of Utilities and Telephones. It flows from a question last Friday by the hon. Member for Drumheller concern-

ing Sheerness. By way of introduction, the hon. Minister of Energy and Natural Resources indicated that Alberta Power had submitted a preliminary disclosure proposal.

My question to either hon. minister is: has the government any preliminary information at this point in time as to whether or not the proposal will be exclusively Alberta Power or whether it will be a joint proposal in conjunction with Calgary Power, and what the financing of such a proposal would be?

MR. GETTY: Mr. Speaker, from the discussions I've had with Alberta Power and Calgary Power, they were still considering what various avenues they might follow with regard to financing, and whether or not they would have partners. I do not know if there have been any further developments in that regard.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Has any discussion taken place between Alberta Power or Calgary Power or both concerning possible participation by the Government of Alberta, either in an equity form or through loans of one kind or another?

MR. GETTY: No, and no.

### University Entrance Requirements

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Advanced Education and Manpower and ask if it's the position of the minister to favor common provincial examinations for Grade 12 students that would form some part of admission requirements for universities.

DR. HOHOL: This is probably not the best forum for discussion on that question. The function of the public schools goes beyond — but in addition to prepare students for universities. It's my view that the universities should set those kinds of entrance qualifications and admission requirements that they feel are commensurate and consistent with the proposition that a student who comes in at the undergraduate level in the first instance can present to the institution evidence that he can come out as a scholar four years later with a degree and a diploma.

MR. CLARK: I might again put the question to the minister. Is the Department of Advanced Education involved in discussions with the colleges and universities on the advisability of Grade 12 examinations as opposed to university entrance exams?

DR. HOHOL: It would be difficult to put it in a black and white situation. Certainly in terms of various constituent groups in universities, no one group or person speaks for an institution of that kind. Discussions are going on. But it's not a black and white situation. I still feel that a university has its major responsibility to turn out people who are scholars. To do that it has in the first instance to admit people who are literate, who have evidence to indicate that given normal circumstances of effort by both the institution and the student they can in fact be scholarly persons coming out four years later.

MR. CLARK: A supplementary question to the minister. Was the minister expounding the policy of the Department of Advanced Education, of the government, or his own, when at a recent conference in Red Deer he came out in favor of standard examinations at the end of Grade 12?

DR. HOHOL: I'm reasonably lost with the last statement. The notion of some sort of examinations at the end of Grade 12 and the notion of entrance requirements by a university can be related. But I want to point out that the function of a public school is not solely and entirely to ensure that students can meet university requirements where those exist, and when they used to exist. Certainly for those students who have declared that the route for their time after Grade 12 is to be in university, then the public schools have to prepare them for university. There's no question about that. Universities have to decide what that is. But I'm saying that public schools have additional functions; university entrance is only one of them.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. When the minister spoke in Red Deer and indicated that he favored some form of common provincial examinations for Grade 12 students that would form part of admission requirements for universities, was he expressing a personal point of view, a departmental point of view, or a new government point of view?

DR. HOHOL: Well, it would be difficult for a minister to reflect a personal point of view. As minister I'm of the view that there should be examinations in Grade 12 accompanied by assessments of school people so the examination is not entirely of the school or of, say, the Department of Education but some kind of formula that takes into consideration the 12 years of work of a student in the school and some kind of assessment that provides a bench mark and a quality kind of standard by which people can make some judgments and predictions about the capacity of a particular student to succeed, not just in the university but in the many institutions we have in Alberta. That's what I was talking about in Red Deer. This is what I'm talking about today.

MR. CLARK: A last supplementary question to the minister. In light of the minister's support for some sort of provincial Grade 12 examinations, is it also the minister's position that these Grade 12 examinations which he favors should form the basis, or part of the basis, of admission standards for universities?

DR. HOHOL: That's an anticipated question. The examination results would certainly indicate to the student, the parents, the teacher, the counsellor, and the university what a student might or might not do if he were to go to university; indeed if he were permitted to go in the first instance. I'm satisfied that the universities have to declare some facts and some evidence that would require a student to predict that he would be successful. Put in the simplest terms, if a student presents himself and has difficulty reading and writing after he finishes Grade 12, the university shouldn't expect a scholar at the end of four years. It just doesn't make any sense.

Now in saying this, I'm not saying that the schools

are to blame if a student can't be in that circumstance. That student may be in a situation which would make it impossible. In fact, the university may not be his anticipation or aspiration.

DR. BUCK: No doubt you're a hockey player the way you skate, Bert.

DR. HOHOL: If you've got a question, get on your feet.

AN HON. MEMBER: Your light's not on.

#### **Coal Development — Sheerness, Sundance**

MR. ZANDER: Mr. Speaker my question is directed to the Minister of Energy and Natural Resources. Is the Alberta Energy Company considering becoming a participant in the south Sundance or the Sheerness power generating station proposals?

MR. GETTY: Mr. Speaker, both those proposals have only been in the preliminary disclosure stage with the government. They will now have to follow a very detailed procedure to satisfy the Energy Resources Conservation Board and various departments before they receive approval. I would imagine that at that stage there will be some consideration as to whether or not they would want to participate with the Alberta Energy Company. However, companies which are already Alberta companies and provide equity participation to Albertans would not necessarily require additional equity participation as a condition of that project approval.

MR. NOTLEY: A supplementary question. Can the minister advise whether any discussions have taken place between the president or officials of the Alberta Energy Company and Alberta Power with respect to Sheerness?

MR. GETTY: No, Mr. Speaker.

### **ORDERS OF THE DAY**

#### **head: GOVERNMENT MOTIONS**

##### **3. Moved by Mr. Lougheed:**

Be it resolved that this Assembly approve the fiscal policies of the government relating to the making of investments in projects which will form the capital projects division of the Alberta heritage savings trust fund, pursuant to the act.

[Adjourned debate: Mr. Clark]

MR. CLARK: Mr. Speaker, in taking part in debate on Motion No. 3, I expect to be relatively brief in my comments.

I'd like to deal with three areas, Mr. Speaker. First of all, some of the general comments with regard to the proposals put before us last Friday; secondly, to talk in terms of, frankly, some of the surprises we had

not being included in consideration for the capital projects division; and thirdly, to pose a number of questions to the Provincial Treasurer or the Premier so that when we become involved in the detailed study of the estimates, we'll be able to discuss these questions from that point of view.

I think my first reaction, Mr. Speaker, was that basically there was little if anything new in the proposals put forward by the Premier last Friday. Some people have said there was nothing new at all. Personally I would have to say that I had not been advised or heard previously the reference to the Alberta reforestation nursery and the land reclamation proposals. I find [them] very interesting.

That isn't to say, Mr. Speaker, that there isn't a member of this Assembly who can't wax very eloquent about a southern Alberta children's hospital. I think a southern Alberta children's hospital will fill a real gap that is evident in southern Alberta. It will, I would say, be a very appropriate companion institution or facility to the Glenrose facility here in Edmonton. No one in his right mind is going to oppose that kind of proposal. The Alberta health sciences centre — members on this side of the House can recall announcements made, I think, as far back as 1965 initially to move that project forward. Certainly it's commendable. I see a southern Alberta cancer centre as a reasonable companion to the W. W. Cross cancer centre in the city of Edmonton. The emphasis in the area of cancer and heart disease research is commendable, no question about that.

But there are some questions, it seems to me, that have to be put with regard to these institutions. Now that we are moving in the direction we are with the southern Alberta children's hospital, what do we do down the road, very shortly down the road, when the Glenrose Hospital needs major renovations or in fact new facilities? Does it automatically follow that the Glenrose Hospital then becomes a logical project for this portion of the heritage savings trust fund? It seems to me that it does, and that members would, I think, be well advised to look at the proposals being put before us here from the standpoint that in giving consideration to the first capital projects division we are setting the precedents for the future.

When we talk about a southern Alberta cancer centre, does it follow logically that when the W. W. Cross cancer centre in Edmonton needs major renovations or additions, that commitment of funds automatically comes out of the capital projects division? It seems to me that that matter must be fully clarified sometime in the course of this debate.

When we look at the area of cancer and heart research — the question of what kind of co-ordination there will be with other research agencies across Canada. Also, when does the government plan to announce its much talked about research agency? From time to time we have heard a great deal of talk about a provincial research agency which, as I understand it, would be responsible not only for co-ordination but for new initiatives in a variety of areas. How does the cancer and heart research area fit in there?

Then we move to page 2 and the irrigation projects. I am sure my colleague from Bow Valley and my colleague from Little Bow will have comments in that area. We welcome the initiatives here. But when we look at something like \$9.5 million dollars for con-

struction of headwater works, and when we talk in terms of dam constructions down the road, a commitment of \$9.5 million dollars isn't as sizable as I think some people in southern portions of the province hoped it would be when the \$200 million dollars over 10 years was talked of.

I'd say I'm very intrigued by the Alberta reforestation nursery. I understand this to be located in the northeast portion of the province. Two or three questions logically come to one's mind here. One of the proposals I would put to the government would be, what kind of impact is this going to have upon the companies presently involved, like Northwestern Pulp and Power? I assume they'll still continue with their responsibilities for reforestation in the areas under agreement now.

I would put the proposal to the government and hope you would seriously consider the idea of perhaps working on an arrangement with the Alberta Indian Association or perhaps the Metis Association of Alberta to take on the responsibility, almost on a contract basis, of the operational aspect of this Alberta reforestation nursery. If this facility is to be in northeastern Alberta, as the Premier indicated, that's the part of the province where we have the greatest employment problems as far as native people are concerned. I would think the government would be well advised to sit down and seriously consider the possibility of some of the native people in this province, through their provincial organization or perhaps some organization which can be developed, assuming responsibility for the operation of this particular nursery.

I'd like to move on to land reclamation, \$2.5 million, and say that from my travel across the province a logical area where this might start may very well be in the Swan Hills area. The ECA recommendations are in the final stages, if they haven't been released. They have just finished hearings in northern Alberta, and it may well be that a portion of this \$2.5 million could at least be used as a start in that particular direction.

Going over, Mr. Speaker, to the Alberta Oil Sands Technology and Research Authority, I don't think the inclusion of the Oil Sands Technology and Research Authority in the capital projects division surprised anyone. But coupled with the introduction of the bill today, I would hope that the Minister of Energy would be able to give us an updating on what the government now sees as the long-term commitments for the Oil Sands Technology and Research Authority. Because I recall the budget considerations last spring when the minister's estimates were up. At that time the figure of \$100 million was talked of, and there was talk of perhaps additional money having to come forward. I take it that's one of the reasons the bill came forward today.

Mr. Speaker, with regard to the improvement of recreational facilities no one is going to quarrel with those areas.

I'd like to conclude my remarks by saying to the members of the Assembly that by moving in the direction we are, we're establishing a number of precedents. The whole bill itself is a precedent — fair ball. But when we're moving in the direction of the children's hospital in Calgary, what kind of implication does that have for the Glenrose in Edmonton? Or we move with the southern Alberta cancer centre — I



applaud the move, but when the W. W. Cross facilities need renovations, improvements, extension, addition, does it automatically follow that we go back to the capital projects division again? Until now we've been taking these funds out of the operating budget of the province. In every project in here you can find some money directly related to the normal operating budget of the province.

So when we come to the provincial budget in the spring, it will become imperative for members of the Assembly to look in terms of not only the budget the Treasurer brings down but also at this budget and what portion of this budget is going to be spent in the next fiscal year. Then we add the two together, and we'll be able to see how the government is doing when we come to expenditures. We'll then be able to have a total picture of what the provincial government's spending program is.

One of the questions we propose to raise during the study of the estimates is: how much money is in the operating budget for this year that is included here too? What kind of repayment will there be from the capital projects division back to the ordinary operating budget? That's certainly one of the areas that has to be sorted out, and one of the questions that has to be posed.

I am surprised that one of the areas the government did not move in would be an area that could be conceived of as having fallen considerably behind over a period of years. I think a case could likely be made in the capital projects division for picking out from time to time areas of public concern where we as a Legislature or as a province have fallen way, way behind the national standards. Perhaps on a one-shot approach, an amount of money could be appropriated from the capital projects division to help in an area where we've fallen way, way behind.

I propose to the members of the Assembly that we could have done that this year in the area of libraries in this province. It may well have been possible for us to take, let's say, \$2.5 million or \$4 million or perhaps \$5 million, working with the Library Association and libraries across the province, not for operational funds but for additional books, for an updating of the library system across this province. It seems to us that would have been a reasonable expenditure. To make it very clear, it [would be] a one-time operation in an area where we've fallen sadly behind the rest of Canada.

A second area, Mr. Speaker, that we feel the government might have moved in would have been one which eats up between 20 and 25 per cent of the municipal budgets across this province: the area of municipal debt retirement. If a good case can be made for heritage funds being used for long-term capital projects by the province, perhaps the case can be made for the same kinds of long-term investments on a heritage basis by municipalities. If we're prepared to take large institutions out of the operating budget for the province, perhaps we should give serious consideration to the same kind of thing as far as municipalities are concerned. I say we might well have started this year by looking at the debt management situation of municipalities across this province. A thumbnail sketch of the situation will show us that between 20 and 25 per cent of the budgets of municipalities goes to debt retirement.

Now I'm not suggesting for one moment that we

use the bulk of the heritage savings trust fund capital division in that area. But I am suggesting that one of the areas we would do very well to look at is this area of debt management and debt retirement as far as municipalities are concerned; and be prepared to consider the capital projects division as a reasonable area that municipalities could go to and expect some assistance when they are becoming involved in long-term projects, equally as long term as some of the good projects in the proposals brought forward by the Premier last Friday.

The third area, Mr. Speaker, is home-ownership. I've raised this repeatedly over the past two years. Once again we find no mention of home or condominium ownership. I simply make the point again that here is an area we might very well have considered. Yes, it can be said that a sizable amount of the initial investments from the heritage savings trust fund is in housing. That's great for those people who can afford it. But as I've said before in this Assembly, there are an awful lot of people in this province who can't afford payments of \$500 plus a month. When we talk about a heritage for the future, it seems to me that to make it possible for those people who want to acquire either a share of a condominium or a single family dwelling, we might give very serious consideration to using some portions of the capital projects division to make money available at a much lower interest rate than what people are acquiring it at today. Now I know the people on the government side are going to say, but we're doing that through the Alberta Housing Corporation and its variety of programs. To some extent, we are. But we're not meeting the needs of young families. We're not meeting the needs of a lot of people. We're talking about a heritage here — our own money.

In my view and in the view of my colleagues, one of the finest things we could do for a long-term heritage would be, at least in Alberta, Canada — a very real part of people's heritage is the opportunity for young families to acquire home-ownership. We're likely going to have to do this through very sizably reduced interest rates. That's one option that could have been used in this particular area.

The fourth proposal or suggestion I want to put forward deals with the Alberta reforestry nursery to be located in northeastern Alberta. I think something like \$9 million is going to be involved in the nursery. Once again I simply put the proposition to the government that in northeastern Alberta one of the serious problems we have is the employment situation among our native people. If this nursery is to be located in that part of the province it may well be an area that we should be looking at and saying, isn't this an area where we could enter into a contract or some arrangement with the native people in this province and have them take on the major operational responsibilities? It seems to me that would be a really bold step forward.

So, Mr. Speaker, in concluding my comments, in this area, I simply say this: we might well have seen the inclusion of some assistance to libraries across this province. We might well have seen a bold move in the area of municipal debt management. We might well have seen some step towards help in home-ownership for those people who simply can't afford those \$500-a-month payments at this time. We might look very seriously at the idea of native people

in this province becoming operationally involved with the reforestation nursery.

I should perhaps take the opportunity to pass on one comment that my colleague from Little Bow drew to my attention. In talking to people across the province, I think there is a feeling that a great deal of this is being done in Edmonton and Calgary. I recognize that there are some good reasons why these large institutions, especially in the health areas, must be located in Edmonton and Calgary. When we're looking at future projects for the capital projects division, I would hope we'd be able to see some of them spread out a bit more across the rest of the province. Now, Mr. Speaker, the third area of my comments deals primarily with a number of questions necessary for me to get answers to in due course.

In the course of deliberation of the estimates, I think it will be helpful if we can get some indication of the details of anticipated construction dates. When one looks at the response from people outside government — and you see the comment that some of these institutions may not start construction for one to two years — I think it would be helpful to members in their consideration to get some indication of when construction will start, when it is expected to be finished, what portion of the total cost is included in these estimates.

I think it's also fair to ask what kind of co-ordination there is going to be with the rest of Canada in the areas of heart and cancer research. In all areas, the question of operating costs and staff numbers becomes important because they have a very direct influence on the annual operating budget of the province.

Another area that it will be extremely helpful to get some definitive information on will be the amount saved from the annual operating budget of the province as the result of moving a number of projects into this area.

Another question we believe to be very appropriate is: what will the auditing procedures be? Will the Provincial Auditor or the Auditor General of that time be able to use the more stringent provisions of PART 3 of The Financial Administration Act? What will the auditing procedure be?

Another area that has to be pursued carefully is: what about federal cost sharing and federal capital assistance? Where will that money go? Will it go into the general revenue funds of the province? Will it come over to the capital projects division? What kind of mechanism is the government going to be using in that particular area?

I've already raised the question of future renovations of institutions like the W.W. Cross and the precedents that we've established. Are we in fact we establishing precedents here? Will institutions like W. W. Cross and Glenrose automatically come under the capital projects division or not?

In conclusion, I would make three comments. One, the projects included in the first capital projects division are basically worthy of our support. We're going to be very interested in seeing the operational costs and staff implications. Naturally, we're going to be very interested in seeing what effect this budget has on the operating budget of the province, and what the total budget will now be.

So I say to the Provincial Treasurer, when he brings down his budget in the spring we will have to bring

the two together. We hope to get some information from the government as to what areas will be spent out of this in '77, what areas in '78, so we can do a proper kind of comparison with the budget of last year.

In conclusion, Mr. Speaker, it is our intention to question a number of the areas for the kind of detail we've talked of, and others. But it's our intention to support the recommendations that have come forward in the capital projects division of the Alberta heritage savings trust fund.

DR. BUCK: Mr. Speaker, I'd like to say one or two words on some of the feelings expressed to me in my travels across the province and in my own constituency, that is, some of the cynicism of the people of this province and their tone of cynicism when they wonder about what is going on with our so-called heritage trust fund. I'm not meaning that, Mr. Speaker, to be a knock on the government. It's just that people can't seem to understand, they don't seem to know what we're trying to do with the funds in the heritage savings trust fund. Many of them, I think, when we look at the capital projects division of the fund — some of their feelings of uncertainty I can understand, because many of these projects have already been announced. They're a fait accompli. So people say, you know the government before the last election told us they were going to be spending X dollars on irrigation, they told us they would be spending money on different areas of this capital projects division. So what is new? I would say, Mr. Speaker, that it behooves the government to look a little more in depth into some of the areas we're setting out in the capital projects division.

I'm really pleased to see, Mr. Premier, that we've finally got a figure of \$28 million for the Capital City Park project, and that means we've only got \$7 million left to complete the project. At least I'm glad to see we've received some solid dollar value on the proposed project.

It gets into the area of priorities. In some of the previous debates in the Legislature we spoke of priorities. When we speak to some of the home and school groups and some of the school trustee groups, they ask us as legislators, you have \$28 million for the Capital City Park project in Edmonton, you have \$17 million for the Fish Creek Park project in Calgary; why do we not have enough money for our education? I think, Mr. Speaker, it's a legitimate concern that these people question us as their elected officials on what some of the priorities are, and what some of our spending priorities are.

Mr. Speaker, I think we can sell The Alberta Oil Sands Technology and Research Authority. We can sell this to the man on the street because we can say to that voter, that taxpayer, these are funds we are investing so we can return funds from the oil sands to the fund we are taking these certain projects and funds out of. The man on the street can understand that.

But in some of these other areas that make the general population question our priorities, certainly we have to do a selling job. I think the point made by the Leader of the Opposition in the reforestation program is a valid point, and I think the government can certainly look in this direction. I presume, Mr. Premier, this is for the project in the Vilna area where

we're going to a reforestation nursery. From some of the feedback I've received in the area, I think the cost could possibly be reviewed. We know when we're going into a nursery project that it's not just like going into a farming operation. Certain standards have to be met. But I would like to say to the Executive Council and the MLA in that area, make sure the funds are not just being blown. The cost, as I say, is higher than an ordinary operation, but some of the people in that area are concerned that maybe the costs are not being monitored closely enough.

So, Mr. Speaker, I'd just like to conclude briefly by saying that it behooves the government to do just a little better selling job, and to restore the confidence of the people in this province that these projects will give us long-term benefits. I think that's really what people are asking. Will they provide long-term benefits? Will they help all of us as a society? If we, both on this side and that side, can answer that question, I think it will be much easier for us as members of this Legislature to sell some of these programs.

Thank you, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, in rising to take part in this particular resolution, I regret that the resolution was worded rather narrowly. We're dealing here with the heritage savings trust fund, capital projects division. Mr. Speaker, members will recall when we discussed this matter for some time last spring that those of us who felt there should be legislative control over the entire investments in the fund took the view that it's the Legislature that should make these decisions. At that time, however, the members opposite made certain changes and indicated there would be a resolution.

Mr. Speaker, I would hope that in the discussion of this resolution today there would be sufficient flexibility that we would be able to comment not just on the capital division but indeed on the announcements made over the summer concerning the disposition of the entire \$1.5 billion. It seems to me, Mr. Speaker, that that particular part of our discussion is quite important. It was raised obliquely today by the hon. Leader of the Opposition when he raised the question of housing. Well, housing is considered in the initial expenditure under the Alberta investment division of the heritage trust fund.

So, Mr. Speaker, assuming that some degree of latitude in debating this matter will be acceptable on both sides of the House, I would like first of all to turn to the disposition of the \$1.5 billion, only \$182 million of which constitute the capital division.

Now, Mr. Speaker, as I look over the announcement made in early September of 1976 by the hon. Premier, there are certain aspects of that announcement I have no quarrel with. I certainly support the \$299 million being allocated to the departments headed by the hon. Minister of Housing and Public Works across the way. I may have quarrels with the way he's spending that money, but I think that's a reasonable investment and I certainly support it.

Similarly, one of the points the hon. Leader of the Opposition raised a moment ago about local government financing in the province of Alberta is handled in No. 11: the Alberta Municipal Finance Corporation, \$244 million in debentures. I have no difficulty in supporting that at all. It seems to me that certainly is an area where, if we're going to look at the

investments from the heritage trust fund, there is a strong case to be made for a sizable portion of that money being allocated to the Alberta Municipal Finance Corporation.

What I do have some difficulty in understanding, Mr. Speaker, is that after almost three years of discussion — keep in the mind that the issue, not of the heritage trust fund that was originally called the windfall, was first raised in this House in 1974. I believe it was in the budget of 1974, if my memory serves me right. So it's almost three years since energy prices began to escalate rapidly, and it became apparent that there would be a surplus over the normal operations of provincial government spending.

In that period of three years, bearing in mind what was said last spring about the importance of diversifying the economy of the province of Alberta, I'm quite frankly surprised that so little imagination was forthcoming from members opposite that we had to put almost \$450 million of this into largely short-term AGT notes and debentures. I would have thought, Mr. Speaker, that with almost three years of preparation — and we've been assured all the time about how carefully the government is considering this and laying the groundwork — we would have had announced, in the original announcement about the portfolio of investments, funding for projects that will diversify the economy of this province. Now, I have no serious objection to money on a short-term basis going into AGT notes and debentures. But I frankly doubt that it really meets the criterion of diversifying the economy of the province of Alberta.

Mr. Speaker, one important announcement made when the Premier outlined the initial portfolio of investments was that no investment would be considered under the Canada investment division of the heritage trust fund. I regret that, looking at it as an Albertan who supported the concept of the heritage trust fund. I certainly had differences with the way the government proposed to handle the fund. But I think it would have strengthened our original announcement of intention had there been some investment under the Canadian investment division.

I would like to suggest to hon. members opposite that there are a number of worthy projects elsewhere in the country that, as a province with a substantial surplus, we should seriously be considering making an investment in. May I also add, Mr. Speaker — and this is just a personal point of view — that if we are going to place any priority on where that investment from the Canada investment division is made, I would like to see us emphasize investment in those parts of the country that need it — Atlantic Canada, for example — rather than just making additional investment in central Canada. It seems to me there is a strong argument to be made — one that the hon. Premier of Saskatchewan put several days ago — for a close working relationship between Atlantic Canada and western Canada on many issues.

I would suggest there are concerns in the Atlantic region, particularly with respect to power development, where I would urge the government to consider carefully whether a prudent investment could be made from the Canada investment division of this fund. I'm not suggesting you run out and make the investment tomorrow. But again, Mr. Speaker, as I speak in this Legislature, we have to remember that

we are viewing this not as an idea that has come in two or three or four months ago, even a year ago, but an idea that has been well discussed. It is the government's responsibility to lead.

I would have thought, Mr. Speaker, that we would have had a somewhat more comprehensive outline of investments when the original announcement was made. Having said that, let me make it clear that as far as the money assigned to the Municipal Finance Corporation and the \$299 million assigned to the Alberta Housing Corporation and the Home Mortgage Corporation, those particular investments have my full support.

Mr. Speaker, when the hon. Premier introduced the debate on Friday, we got back into this business of spending more per capita on health, education, and social services than in any other part of the country. Well, Mr. Speaker, I took the opportunity to read the documentation the Premier tabled in the Legislative Assembly. I suppose if one were to add the expenditures made as a result of local property tax, his figures are correct. But if one looks at the gross expenditure by the provincial government, a government with all these resources at its disposal, his figures are not correct. Yes, we are first in health. No one's arguing that point. But we are third in education and sixth in social service expenditures.

So, Mr. Speaker, I suppose it's really a question of what you throw into the definition. But I'm sure most Albertans, when they think in terms of per capita spending, think in terms of provincial government spending as opposed to the amount of money they have to dig up from the property tax. It's also interesting to note, Mr. Speaker, that when it comes to paying property tax, we are certainly high on the list. We are number five on the list in terms of property taxation in the country.

Mr. Speaker, that's not really the basic thrust of the heritage trust fund debate. But I raised that because it had been mentioned again in the Premier's introduction of the resolution, and I felt those comments were necessary.

Mr. Speaker, turning to the proposal before us, certainly a number of excellent plans are contained in the \$182 million which we will be voting in a few hours or minutes. I fully support the southern Alberta children's hospital. I think the Alberta health sciences centre is an exciting concept.

I believe one of the really important things we can do, not only for Albertans but for Canadians and perhaps people outside our own country, is to be able, through the bonanza of wealth we have in the heritage trust fund, to invest part of that money in plans, projects, and research which will not only help our own people but people throughout the world. That's why when it comes to applied health research, cancer and heart disease research, I applaud the moves we are making. If for no other reason, I would support the motion we have before us because of the initiatives in this area.

It doesn't mean that I like everything in the proposals. I'm going to come to that in a moment. But I do want to make it very clear, Mr. Speaker, that at this point in time when we have additional funds, we are very fortunate that we are able to move in this direction. It is a direction that merits the support of all Albertans.

Mr. Speaker, let me move on to other investments

which I consider have some merit. The land reclamation, prior to 1973, is certainly worthy of support.

The irrigation rehabilitation and expansion is a question I would like to put directly to the Premier as it relates to the \$9.5 million for irrigation headworks improvement. Are we looking at the beginning of construction? If we are looking at the beginning of construction in the next period of time, where does that put us as far as the current controversy over the Three Rivers Dam? Are we in fact going to be committing ourselves to begin construction of this before there is full assessment, first of all of phase two as I understand it, and then opportunity through the Environment Conservation Authority to have widespread public input on that particular project?

Again, I support the idea of investing additional money in irrigation. But I simply say I would not want to see that \$9.5 million as an indication that we are somehow going to rush the process. I know there is some concern in southeastern Alberta about that particular project, and certainly some legitimate feeling that the government should fully explore alternative sites and perhaps even alternative methods of improving irrigation without proceeding with that particular dam.

Mr. Speaker, moving from there to some of the items in this document that I would not place quite as much priority on, the Leader of the Opposition pointed out that there was feeling in some quarters and I believe that's a feeling that — maybe the Premier doesn't notice it when he goes out to places like Hanna, Coronation, or what have you, but most members do. Indeed just recently on the Electoral Boundaries Commission, you get out to the rural areas where there is the widespread feeling that most of the decision-making tends to be done by Edmonton and Calgary, and that rural Alberta is being overlooked and forgotten. Now, Mr. Speaker, whether one accepts it or not, that is a feeling which is increasingly widespread.

Mr. Speaker, looking at the grazing reserves development, I certainly support expending \$1 million when we get to that section of the estimates. I'd like to ask the hon. minister in charge just how far and how fast we can go in expanding grazing reserves in the province of Alberta because \$1 million, to put it mildly, is a very modest beginning.

Moving from \$1 million for grazing reserves, we have an additional \$44 million allocated to the development of oil sands technology. Mr. Speaker, when one looks over the initial portfolio of investment of the heritage trust fund, there's really no doubt that energy is going to do a good deal better than agriculture. Yes, we've got the money spent on irrigation, \$9.5 million and \$13 million. We have the \$1 million for grazing reserves.

But, Mr. Speaker, in addition to the \$44 million we're allocating to the Alberta Oil Sands Technology and Research Authority, one has to remember that in the Premier's announcement a few weeks ago there was \$75 million for the Alberta Energy Company, the \$83.1 million in Alberta Syncrude equity which of course will grow as the project nears completion, \$38 million in debentures for City Services, and \$42.9 million for debentures for the Gulf participation in that project, for a total, Mr. Speaker, of almost \$240 million — \$239,814,000.

Now Mr. Speaker, when one adds the two togeth-

er, it's quite clear that if the two major industries of this province are oil and agriculture, oil has once again won out, and won out pretty convincingly in terms of where the money goes and who gets it during this particular year in any event.

Mr. Speaker, I would like to move on to take a quick look at the recreational facilities. Again one looks at \$4 million, \$13 million, \$28 million, a total of \$45 million on this page, all of it allocated to our two major cities. As a matter of fact, Mr. Speaker, I would guess — I don't have the statistics in front of me — that the cost of these two provincial parks will be substantially greater than the cost of every other provincial park in the province. Might I also say that when one looks at this particular investment, it's not exactly a new thing; I believe Fish Creek Park was announced in either the fall of 1972 or early 1973. And I remember in 1974 during the spring session of the Legislature, we had that grandiose display brought in. All the government members on the other side of the House were smiling, and the Premier got up and made the announcement — but that was in 1974.

DR. BUCK: They got 19 seats though, you know.

MR. NOTLEY: Two and a half years ago, one would have thought that — I can't argue, it didn't have its effect, hon. member. In any event the fact of the matter . . .

MR. LOUGHEED: Wait until '79.

MR. NOTLEY: The Premier says wait until 1979. I suspect it will be 1978.

MR. LOUGHEED: It'll be over then.

DR. BUCK: We're calling '78.

MR. NOTLEY: I won't get into a discussion of . . .

DR. BUCK: The election date.

MR. NOTLEY: . . . the timing of the next election, Mr. Speaker. We'll wait and let . . .

DR. BUCK: Let the budget indicate.

MR. NOTLEY: . . . the budget indicate, or perhaps future dispositions from the capital divisions will indicate when that will be.

In any event, Mr. Speaker, it's hardly a new thing that we have these two investments. I'm not against them, but they don't really show that much imagination either.

Mr. Speaker, moving from that area, I'd just like to make one final comment on the proposal before us. We are allocating \$182 million out of a total fund of \$1.5 billion. Now I realize the legislation says that we can invest up to 20 per cent of the total in the capital division, so it could be 4 per cent, it could be 6 per cent, 12 per cent, 20 per cent. But Mr. Speaker, it's also important to note that this is the percentage of the heritage trust fund which is being voted by the Legislative Assembly. That's the first thing that's very, very important. This is the amount of the fund that's being voted by the Assembly. And if we look at

12 per cent instead of 20 per cent that means that the amount under the control of the investment committee will be 88 per cent instead of 80 per cent. Some may say, small matter. Well, Mr. Speaker, we're looking at about \$120 million, taking into account the current amount in the heritage trust fund.

Mr. Speaker, I suggest to you that when one reviews the many possibilities in this province for investment from the capital division, we could well have invested up to our 20 per cent. Again, Mr. Speaker, if this had been something sprung on us at the last minute, it would be reasonable for the government to say no, we need more time. But when this has been a much discussed matter for almost three years, I find it a little difficult to understand, Mr. Speaker, why we are only investing 12 per cent. I reckon that two years from this fall instead of having our present \$1 billion plus, we're going to be looking more at about \$3 billion in the heritage trust fund.

Now, Mr. Speaker, 20 per cent of that \$3 billion would be \$600 million. If we have a very modest start of \$180 million this year and an even more modest step next year, in the fall of 1978 there will be a substantial amount of money to disburse at a fairly crucial time. While I don't want to suggest that the timing of the election would have anything to do with this, neither would I accuse my honorable opponents across the way of being political virgins. That being the case, Mr. Speaker, it seems to me that the question of whether we spend the 12 per cent or 20 per cent is one of more than passing interest.

Let me draw my remarks to a close by looking at some of the areas that I believe the government could have considered for investment from the capital division. All these areas relate not to ongoing services but rather to investments.

I would say first of all that those of us in northern Alberta accept the proposition of expanded irrigation in the south. No question about that in principle at a time when agriculture is becoming a more important industry, the most important industry I suspect for this province in five or 10 years at most. Agri-power is the wave of the future. Reclaiming land for agricultural purposes is an investment that merits the support of the people wherever they live in the province.

But by the same token, as members in northern Alberta are aware, there are very serious erosion problems in much of northern Alberta. As a matter of fact we had hearings by the Environment Conservation Authority on erosion in the Peace River region. If it is an argument that we should reclaim land by irrigation, Mr. Speaker, I think it is an equally valid argument that we should preserve agricultural land through erosion control.

When one looks at the present program, funded through Water Resources — improvement district representatives throughout northern Alberta will tell you the same thing wherever you go — the funding formula is just not workable. It is just not possible to get water resource projects which will cut down erosion and reclaim land which is often under water. It is just not possible to do this, because the present 50-50 funding formula just doesn't work out in actual fact.

Mr. Speaker, one of the areas that I believe would constitute a reasonable investment would be to

change the funding of our water resources program in the province of Alberta, so that instead of a 50-50 cost sharing on capital projects, we would be looking perhaps at an assessment of 4 or 5 mills on the property tax, as recommended by one ID in my constituency, or at most 10 or 15 per cent, so that many of these worth-while projects which water resource people will tell you have merit and should go ahead would be able to advance because of the funding which would be available.

I would like to suggest too, Mr. Speaker, that while there aren't a great number of votes in building new schools, the fact of the matter is that in many parts of the province there is rapid growth. This rapid growth is causing school boards considerable difficulty when they plan for school facilities. The school buildings formula, the grants that are allocated for building schools, have fallen far behind the actual cost.

When I was in High River recently, I received a brief from school boards in growth areas. They pointed out just what had happened to the funding formula under the school buildings branch. It had dropped from, at one time, almost 100 per cent of the cost of building a new school, to the point where 31.25 per cent of the cost had to be picked up in unapproved costs, which of course must be financed by the ratepayers.

I would suggest, Mr. Speaker, that improving the school buildings formula would be consistent not with operating expenses — I am not talking about operating expenses but about changing the funding formula so that when divisions have to build, renovate, add to, or replace schools they can do so and not have to add enormous unapproved costs, borrow the money, and then pay interest on that borrowing out of their operating revenues in respect of school divisions.

I know it has been a common view that in much of the province we have declining enrolment and we don't need new schools. I would say, Mr. Speaker, that in many areas of Alberta we do need either substantial improvements to our plant structure or, in some cases, replacement of existing schools. That's an area. The hon. Leader of the Opposition raised a question on libraries and I think that's a worth-while move.

Another matter that I consider vitally important, and it relates clearly to agricultural development in the province, Mr. Speaker, is to make more investment in roads. Again, all you have to do is talk to the improvement districts throughout the province — the problems these people have to come to grips with. And because improvement district residents also contact their MLAs, invariably one gets one request after another for this road or that road or some other road, and rightly so.

But the budget, the allocation of funds for the construction of roads in improvement districts has, at best, stayed about the same. When you consider the cost of construction — and the minister knows this is true — the amount of work that can be done has shrunk year by year by year. I have no hesitation in saying that that beefing up the budget for highways, not for major industrial roads but for roads that will allow us to open up agricultural areas — as the Deputy Minister of lands mentioned last spring during subcommittee on estimates, there is an awful lot of land in this province that could be opened up. But you need infrastructure and you need roads to get in

there first. There is no way that improvement districts are even going to begin to look at these roads, because they haven't got the money.

Mr. Speaker, this is the kind of investment that could indeed come from the heritage trust fund. I am suggesting to you that many of these investments aren't headline seizing in the sense that the hospital and the applied health research are. They are nevertheless useful investments which would improve the quality of life in much of the province of Alberta.

In concluding my remarks, Mr. Speaker, I intend to support the resolution and to vote for the proposals contained within the capital divisions. I have a number of questions about the \$44 million to the Oil Sands Research and Technology Authority. But if for no other reason, because of the important initiatives we have begun in health care facilities and applied health research, it seems to me that this resolution and the capital expenditures merit the support of the House.

MR. TAYLOR: Mr. Speaker, I would like to say a few words on the . . .

[applause]

MR. TAYLOR: Mr. Speaker, that clap was for the hon. Member for Spirit River, I am sorry I stood up so fast.

Mr. Speaker, when I listened to the hon. Member for Spirit River-Fairview and the hon. Member for Olds-Didsbury, it reminded me of two men who were sitting at a table with a bottle of whisky that was half full. One of them said, "It's terrible, half the whisky is gone." The other one said, "It's wonderful, the bottle is half full." [laughter] I would warrant, when I listen to the suggestions the hon. members were making about libraries, roads, and so on — all worthy projects — that had the government included those projects in this little booklet, they would have been wondering why you didn't put in something about health, something about irrigation, and something about recreation.

I believe this preparation has been carefully thought out, and I believe it will carry the judgment of the vast majority of the people of this province. I have no hesitation in supporting it, because I think I can carry the judgment of the people who sent me here to look after their interests. I am now going to outline briefly some of the reasons I will endeavor to give to the people who expect me to look into these things for them, and to tell them why I supported the capital projects division as outlined in the booklet and in the hon. Premier's address.

[Dr. McCrimmon in the Chair]

In the first place, the projects include health, production, renewable resources, replacement of non-renewable resources, and recreation. To put it another way, you could say it's an investment for the people. It's a bread and butter type of investment. There's health for the people, fuel for the people, food for the people, and fun for the people. That covers a large span of the people's welfare in this province.

When I look at the other supplementary things that may well come from the Alberta heritage trust fund, I

can't say this is going to be the end-all. This is the beginning, not the end of that fund. It is \$182 million of the total amount that has been put into the fund. As the hon. Member for Spirit River-Fairview mentioned, it's not even the full amount that could be spent on this. I think the government has been wise. This heritage trust fund is not there for one, two, or three years; it is going to be there for a long time.

Who knows but there may well be projects in the next two years that every hon. member of the Legislature, the vast majority, would want to see included in the capital projects division. So there's a little leeway there. A politician, particularly, is very unwise if he drives himself into a corner from which he can't get out. I think to spend every cent now that's possible under the act would be the height of folly. Surely no one expects the hon. Premier or the government today to have omnipotent knowledge so they can foresee what's going to be needed in every aspect of the economy for the next three, four, five, or 10 years. So it is wise to leave a little leeway there, a little breathing space where we can do something else if it is urgently required from this capital projects division.

Another aspect of the arguments I have heard so far is a veiled attempt to build up antagonism between city and rural. Mr. Speaker, I just don't like to see that taking place in this Legislature, even though it might be hinted at by some people in the cities or some people in the country. I've had people in the city tell me the government does everything for the farmers, and I've had some farmers say the government's doing everything for the city people. I don't think either is correct. When I look at this particular project, it certainly isn't correct. Every item on health projects is for anybody and everybody who lives in the entire province of Alberta from the extreme south to the extreme north, from the east to the west. It's not for any particular group or class. It's not regional. And it's sensible that these be placed in centres where they can properly service the needs of all the people.

[Mr. Speaker in the Chair]

Some people who come from the country have complained to me that everything still isn't centralized in the city of Edmonton. I supported the decentralization policy of getting some of these things out elsewhere. And while the head office of the Alberta Opportunity Company in Ponoka and the head office of the Agricultural Development Corporation in Camrose do inconvenience some people, most people are prepared to say that that decentralization is good for the province as a whole. But when you have something like health, surely we would expect the children's hospital, the health science centre, or the cancer centre to be in either Calgary or Edmonton, both central cities in this province. That's where the medical men who are best trained, the highly trained specialists, are located. It's sensible that they be put close together and we don't try to decentralize that type of thing.

When you look at production, everything on the second page is in the rural area. Again though, it's not entirely for rural people that it's dealing with production. It's production not only for the people of this province but for the people of Canada and, I

might even say, for the people of the world, because we have to have more production. I want to deal with that in more detail in a moment.

When we come to renewable resources, the money will be spent in the rural areas of the province. That's where the forests and the trees are. That's where the land reclamation generally is. So the money is going to be spent there, again for the benefit of all the people irrespective of where they live. The same with the replacement of non-renewable resources. The Alberta Oil Sands Technology and Research Authority is set out to endeavor to find a replacement for conventional oil and gas when they're used up. Who is that fuel for? For everybody in the province. It's located outside the city as far as the oil sands is concerned, but it's for everybody. The farmers need the fuel; the people in the city need the fuel. So again there's no rural-urban conflict at all.

The recreational facilities are located in the city. When we realize that over half the population of Alberta is located in our two major cities, and when we realize that we are getting complaints from our rural areas that their recreational spots are filled with people from the cities all the time, I think this is a good investment. But it is not entirely for the city. Anybody in the rural areas may come in and enjoy the facilities in these two parks when they're completed. And thousands will. As a matter of fact, it's not only going to be for the people of Alberta. People from all over Canada and all over the world will enjoy the recreational facilities built there.

So I have no support at all for people who encourage conflict between rural and urban. Surely we realize that things are done for all the people of the province to the greatest possible degree. I think this particular investment does strike a very happy balance for the people of the province. As a matter of fact, if I had to describe it in two words, I'd say it deals with bread and butter issues and with people issues. That is what I would expect the capital projects division to deal with.

Now I'd like to deal with just one or two other projects in regard to this particular item. In regard to health for the people, this projects itself into the future. People today are going to enjoy the future much more if they're healthy, if they enjoy health. If they get a disease, if they can be cured their future is going to be much happier and much better. Who could say [there is] a better thing than to look after children who need treatment. A sick child would draw the pity of anyone. And when we visit a children's hospital and realize what still should be done or might be done, I think we have to say this is an excellent investment of the people's money, so that every child, to the greatest possible degree, may have a promise of the best health potential it is possible for him to have.

When we talk about cancer and heart disease, I don't know whether hon. members have ever been at the bed or in the home of a person who knows he's not going to live very many days because of the dreaded disease of cancer. I have been in that position. I have seen the tears from the families and the tears from the person who had the cancer, who said, I wish research could do something. One man said to me, I would gladly give up my life. I'm going to die anyway, he said, but if the doctors could find something that would help someone else forego the

pain and suffering I've gone through, I would gladly die tonight. So research into this is a splendid thing. The same with heart disease.

As other members have said, the Alberta health sciences centre is one of the finest investments you can think of. I don't know everything that's going to be in it. I know what the hon. ministers and the hon. Premier have said in the House. But among other things that have already been suggested, I would like to suggest we have a disease control centre — at least consider a disease control centre. When the swine flu scare was at its height a few months ago, I heard a doctor from Toronto deplore the fact that they had to wait until they sent a certain substance down to some place in the United States. He said, only one place in the United States is able to tell me whether this contains the swine flu bug — he used the proper word. At the time I thought, wouldn't it be wonderful if we could have a disease control centre in this country so we could find out these things ourselves without sending it way down to the southern U.S.A. or wherever that lab happens to be located.

As the hon. Premier said the other day, I think among physicians and surgeons we have expertise equal to that found anywhere in the world. It was my pleasure a few years ago to watch Dr. Callaghan take the heart out of a little girl, patch it. I won't go into all the details, but for hours I watched the tremendous operation of that heart being taken out, patched, and put back in. I saw that little girl about five days later sitting up on the side of her bed with the rosininess coming back into her cheeks. Before she went to the University Hospital, she was told she had nine months to live, if she lived that long. But they heard of Dr. Callaghan in Edmonton, and Dr. Callaghan brought life back into that little girl's body. Today that girl is a married woman. She dances, she walks, she runs, she enjoys life like anybody else. Before that she could hardly walk, let alone run or skate or dance.

So here we have another chance of going even beyond that, of using men like Dr. Callaghan — I'm sorry to mention one, because I know there are many — as the nucleus for some of the finest medical treatment that can be found on the continent. I think it's a thrilling challenge for the people of Alberta. I can't think of anybody in Alberta, in the rural part or in the city part, opposing these health measures.

When I hear of these other items, all of which are good — more roads, more libraries, more schools, more houses, more this and more that — sure, they're all wonderful. But if I had to strike — and I have the right to do it, I could move an amendment to strike any one of these things out and put something in its place if I chose to do so — I wouldn't know which one to strike out. I wouldn't know which one to strike out. So I'm not going to criticize those who carefully weighed all these items in putting them in, realizing also that there's still money left in the fund for many, many things still to come. I don't know whether it's right to say the best is yet to come, but the most is yet to come. I think that's a very splendid position for the people of Alberta to be in.

I want to deal with production for a moment. At the world conference on food two years ago, scientists and people at that conference were worried because there was not a reserve of food for the world. It came out in a resolution that if there were another two years of crop failure in some of the major countries,

there would be hungry people starving and dying on the streets of many of our civilized cities in this world. Talk about needing production; we need greater production.

We have some of this money going for increased production, and I support that. I urged that before it was announced. I spoke on that prior to the last election and during the last election: we have a responsibility to produce more. We're part of the breadbasket of the world. We have a responsibility to produce more. We are our brother's keeper, whether we think so or not. When people die in the most remote part of the world, if it's because we have failed to produce on the bountiful soil we've been given, with the wonderful climate we have, then we're missing a tremendous opportunity to make the world better and a happier and healthier place in which to live.

So production is important. The more we can produce, the better position we're going to be in. I don't adhere to the thinking the federal government used a few years ago in urging people to cut back on production. Time has shown that that was folly. We should store the food if we get a lot, and save that abundance for times when food isn't quite so plentiful.

Then we come to the renewable resources. Here we have trees and forests that can be renewed. They are a renewable resource. As I read in the statement from the hon. Minister of Energy and Natural Resources in the newspapers a week or so ago, this can be a tremendous industry in the province of Alberta. We have not been getting the vision of what our lumber can do in this province, what our trees can do. I'm glad to see the Minister of Energy and Natural Resources have the vision of what our forests can do for the economy of this province, as well as for the health and happiness of the province. Here we are making sure we continue that resource, continue it with money from the Alberta heritage fund, part of which is for the future as well as for those of us who live today.

The replacement for non-renewable resources is an important item too. I think that particular category will call for greater consideration, to make sure we find all the oil and gas it is possible to find in the conventional way, to make sure we get the best technique in separating the oil from the sands. When I first saw the Great Canadian Oil Sands plant, went through that plant and saw the beautiful black oil going down one spout and the beautiful white sand being thrown to the other, I thought, what a wonderful thing that we have technologists who can do this type of thing. It is true we were developing the technique in Canada at that time with much of the expertise from the United States, but that expertise is being learned in Canada. It's not going to be too long, if indeed we aren't there now, when we can do these things ourselves.

But there's a lot of research to be done. The Americans are worried about their energy too. The world is worried about its energy, because oil and gas are not going to last forever. I think we need research in oil sands technology and several other fields in regard to making sure we have energy for the future.

Then of course the recreational facilities are important. A few years ago it was my pleasure to represent



Canada at the opening of the Pan-American highway in Central America. We went from Panama to Mexico City in a bus, and looked at the recreational facilities and economy of each of those Central American states. I was disappointed, as a matter of fact amazed at some of the hunger, some of the poverty I saw — "disillusioned" is the word I was trying to find. I saw boys and girls begging on the streets without anything to eat, without a place to sleep, sleeping out in the open. I thought, the world owes these youngsters something better than that.

But one thing I was pleased with in almost every Central American state was the emphasis they placed on parks in their major cities. Right in the downtown sections, right in the hearts of their cities, they had their fountains and their parks and their walks and their seats so people could enjoy their leisure hours. I think that's important.

I'm glad we're getting parks in our major cities where half the population are living, where they can spend some leisure time. For years we've been working for fewer days and shorter hours. Now we are in the place where almost everybody has two days a week that they are not required to go to their job. We need places of leisure where they can enjoy those leisure hours and put them to profitable use. I think this is money well spent.

Altogether, Mr. Speaker, I don't want to prolong the debate, but I want to say again that I support this. I believe I can carry the judgment of the people who sent me here. I'm glad these are people's projects, that every item here is for the people of Alberta, the people of Canada, and the people of the world. What greater objective can you reach than when you're able to present a program with money that's coming from many places of the world in purchasing our oil and our gas; money, much of which was a windfall, that we could have spent yesterday and today wondered where it had gone. We're using that for the future of the people of our communities, of the province, of our own country of Canada, and indeed for the people of the world.

I think the government is to be commended, and I want to say I'm supporting the resolution. I plan to present this program to the people of my constituency, and I'll be very surprised if it's not supported by a vast majority who are interested in people projects.

MR. R. SPEAKER: Mr. Speaker, I would like to comment on the programs that have been placed before us in the fund. First of all, I'd like to say that there are no programs in here that I can take exception to or be critical of. I certainly support each and every one of them.

I would like to examine the document though on the basis of three basic tenets or principles that I think are necessary in utilization when examining proposals such as these. First of all, the point of view has been placed before the Assembly with regard to whether the fund has reached all Albertans and is made available for all people across the province. Certainly we can go through each and every item and indicate whether it's located in Edmonton or Calgary, or in southern Alberta or northern Alberta. But if you examine the proposals in this document, you notice a sort of barbell effect where the greatest impact is in the northerly part of our province, Edmonton, then through the corridor down to Calgary, Calgary, and

then southern Alberta. If you examine it carefully, the east-central and west-central parts of our province do not get the same direct impact that these particular areas receive. I think we can certainly argue that they receive benefits, there is no question about that, but not the same magnitude of impact that the other areas receive.

I'd like to add this to that comment. Yesterday and the day before I had the opportunity to travel in the area of Hanna, Consort, and Coronation on another responsibility for this Legislature. People were talking about the heritage fund at that particular time. One of the comments that two or three people made — and I take this as representation from the guy on the street, the average citizen, not a vested interest group. Our Premier has indicated in this House that that opinion is very valid and one that we must listen to. What they were saying — and as I say, more than one person said it — was that really the fund isn't going to do much for us out here. That was a perceived point of view. Certainly I could have taken this document before us and said, now look, you're going to receive medical benefits from the health sciences centre, you're going to receive indirect benefits from better production in southern Alberta, from cancer and heart research, and so on. But I think a listening stance is very important in a situation such as this — not a debate stance, because it was a point of view from an average citizen or guy on the street in east-central Alberta.

How does that relate to my first basic tenet? I think when we prepare a plan in the future and work on various proposals for capital projects, we should take into consideration that the projects should directly affect as many areas in Alberta as possible. I think the two areas I've outlined should receive consideration in our future proposals and projects. That's my first point, the first tenet that I think is significant.

Secondly, the individual should be the recipient of benefits as directly as possible. I can use the irrigation project as a good example. We will find that the farmers of southern Alberta will receive direct benefit on their own farms because delivery systems of water will be improved, rehabilitation will take place, production will increase. That relates to income increase, greater ability to pay taxes, greater ability to pay back any loans that may be there, and better land for present and future generations of Albertans. To me that is a very significant program and a very significant criterion to be used in other projects of the future, where we can bring the benefits and that dollar in the heritage fund as close as possible to the individual so he can take his own responsibility and develop Alberta and preserve a heritage at the very same time. That's the second principle.

The third one I'd like to comment on is a concern that we be able to maintain a separation between the ongoing operation budget and this heritage fund. I'm sure that through political pressure it is going to be very easy, and very expedient at times, to slip in programs that are popular at the time, gain votes, but are not really heritage-type programs. They may be ongoing budget types of programs.

Let me give just one example of this particular item. We have some difficulties in the area of hospitals at the present time. We have waiting lists. I've just done a recent survey of a number of hospitals in Alberta, and we have people waiting to get into

various hospitals. At the same time we have a reduction in the number of beds in a number of hospitals across the province. I can give figures to support that particular statement, Mr. Speaker. There is going to be a growing pressure that we put capital expenditures for hospitals under the heritage fund. At the same time we recognize that when we expand, when we do these things, we must put more money into the operating budget. Somewhere along the line the priorities and the responsibilities for spending cannot be responsible. So I think we ought to be very careful that we continue to recognize that hospitals, operating of hospitals, and other such programs are a budget responsibility. I want to indicate to the government at this time that if the two start to interact and it starts to become a political game, they should certainly be open to very, very severe criticism in the times ahead. To me that's a third tenet that's very significant in discussing the proposal before us.

With that, Mr. Speaker, I want to say that I support the programs. I'm very enthused about the research going on in the area of health care. I think that's important. We need special consideration for such areas. With that, Mr. Speaker, I appreciate the remarks.

MR. SPEAKER: May the hon. Premier close the debate?

HON. MEMBERS: Agreed.

MR. LOUGHEED: Thank you, Mr. Speaker. I will be relatively brief and will try to respond to some of the comments that have been made during the course of the debate on this important motion.

I think it has been well expressed by the Member for Drumheller where the priorities are. The priorities are clearly in terms of the improved health care of our citizens; the strengthening of our economic viability in the province, both in terms of food production and the emphasis on the renewable resource base of the province; in terms of the oil sands relative to maintaining our strength in crude oil supply; and in terms of parks for people. This of course ties very closely into the whole matter of health, which is the first and pretty obvious major priority that has been outlined in this capital projects division.

The fact is really a matter of looking and making a balance. I'm sure that when hon. members looked at this document and studied it over the weekend, they had to look at the questions we faced in reaching these conclusions. The questions were to strike that balance between a social investment and an economic investment. Frankly, I think we have done it well. I think we've done it well in the sense that this year we've taken a very major important new thrust in the area of health care facilities and applied health research. So those have been our priorities, and they are people projects in the fullest sense of the word because even the economic ones have to be looked at in terms of the job security of the people involved. Mr. Speaker, it's been noted that this motion and this presentation made to the Legislature is the beginning and not the end of a series of capital projects division bills that will be presented to the Legislature.

Mr. Speaker, I did want to respond to some of the remarks made by the Leader of the Opposition, which

I noted. I regret that he's not here, but perhaps his colleagues will pass them on to him. I detected a strange sort of underlying resentment that we were able to do these things for the people of Alberta. I hope I was wrong, because I think he did say in his remarks relative to the budget that they were all important projects, but [with] almost a resentment that we were able to do it.

I just want to say this about the projects to all the Members of the Legislative Assembly: picture yourself in nine other legislatures in Canada and picture yourself in a situation here. With the capital projects division — I believe this really goes to the third tenet the Member for Little Bow referred to — we're really doing things that we would not otherwise be able to do, we simply couldn't do. In our budget we're already the largest spending province in Canada, so in the capital projects division we certainly are investing on a long-term basis in projects we would not otherwise be able to do. We had contemplated that over a period of time for those projects which were announced in advance of the estimates being presented to the Legislative Assembly.

Mr. Speaker, I want to refer to one of the questions raised by the Leader of the Opposition. It should not be taken that any of these projects will save operating costs. In the course of the estimates with regard to the ministers involved, there certainly will be questions as to any additional operating costs that might flow out of the project. But any suggestion — I don't know if it was made in that sense — that this will reduce our operating cost coming out of the operating budget and into the budget here of the capital projects division is simply not so. It won't happen that way. There'll be some, quite obviously by the nature of the facilities, and I'm sure that when we hit committee stage each matter has to be looked at in a different way. There are going to be situations where a project might, to a degree, have an increased operating cost, and that involves the applied health research area of cancer and heart disease that the minister will describe as one area that is over and above — it's a new thrust over and above what exists at the present time.

I would just like to emphasize again how extremely excited we are about that program, and working with many able people in this province in terms of making and providing the very best in care in these two areas for the priority this year. In cancer and heart research a great deal of it will go in terms of renovations and improvement of facilities, upgrading of facilities. This is a very important field, the question of equipment, the finest equipment available anywhere in the world. There will be an operating component there. But we looked at the matter of research and we felt — and I think all the speakers on both sides of the House, in all corners of the House, have recognized that research should be included within the capital projects division and have accepted that. We looked at the matter of pure medical research. We still intend to move in that direction in a subsequent stage. But we felt we did not have to delay, that we could move this year with an applied research program in the two areas of cancer and heart disease. I think it was a sound decision to do that.

Mr. Speaker, the Leader of the Opposition also made some observations regarding the budget, the

combination of the capital and operating budgets of the province generally and the budget here, the sense of threat there of adding it all together in terms of saying what the expenditures were. I look at it this way, and I always have; I did when I sat in that seat in the Legislature: the key question we face in this province is the matter of ongoing operating costs. We have a flexibility in our capital budget. We're all aware of that and acquainted with it, and it's something [over which] we can have some measure of control. We're not binding our successors in that area. It was almost a suggestion from the Leader of the Opposition. He implied, and I'm sure he will clear it up in due course if I misinterpreted it, that he really didn't want us to have a capital projects division; that he wanted to be in the position that we weren't spending this money as he calls it. I think we can look at these areas and call them investments of a long-term social and economic nature. It's a difficult area to draw the distinction. The Member for Little Bow pointed that out. We're conscious of it.

But where I draw the line and put the test is that we're doing here what we could not otherwise do, and what no other government in Canada can do. That's what the capital projects division means to me, and I'm glad it's at 20 per cent. I think that's the right balance of figure. I think there should be enough in it, but not too much.

Some questions were raised by the Leader of the Opposition — some of them I've answered — which had to do with the matter of research. There are two applications of research involved in medical research that we're considering. This is the first phase in our applied health research program with emphasis on cancer and heart disease. We're going to work up, in close co-operation with the academic community and the medical profession and many others involved, another approach in terms of medical research that would be more of a pure long-term nature than the specific applied research that's here.

I'd mention again, in answer to the question, that it will not reduce our operating costs. I did want to point out that there could be some increases in people. I would hope that if we met the objective — if I look under hospitals and medical care, Mr. Speaker, I would be disappointed if with the southern Alberta children's hospital, the Alberta health sciences centre, and the southern Alberta cancer centre we're not able to attract new people to the brilliant nucleus we have here in these scientific and medical fields. But I sure want to hope that we are attracting the finest brains in the world here, not simply adding, because of outmoded facilities, to an increased maintenance staff or laundry staff or things of that nature; that we bring in modern facilities, and with these modern facilities we cut back on staff or at least hold the line on staff who are not that essential, and bring in others who create a real brain centre for Canada in medical research here as a result of this program. I hope that's what we can try to do.

Mr. Speaker, I deplore the sort of petty allegations about geography that were raised by the Member for Spirit River-Fairview and the Leader of the Opposition. I really think we should go beyond that. I think it's been rebutted effectively by the Member for Drumheller. But really this province, as I travel it, doesn't look at it that way. They don't look at it that way in Hanna, they don't look at it that way in

Coronation, they don't look at it that way in High River, they don't look at it that way in Drumheller, and that's pretty petty. This is a program for all the people of the province. You can give the arguments if you want to give them. When last I looked, the northeastern part of Alberta and northern Alberta are obviously going to get a very heavy percentage of the \$44 million investment in the Alberta Oil Sands Technology and Research Authority. That really was one of the weaker arguments I've heard in this House.

Mr. Speaker, the hon. Member for Spirit River-Fairview . . . We've been in this Legislature a few times, and I only get nervous when he implies that we're perhaps going too fast. When he suggests that we're going too slowly, then I know we're doing it right. Because we're involved in something — he's well aware of it, and they all are in this House — that nobody has ever done in parliamentary democracy. The Alberta heritage savings trust fund is a unique approach. I think one of the opposition members last year in committee tried to point at me in terms of, you know, what's your yield going to be, and when are you going to make these decisions? At that time I said we were going to move pretty slowly in the whole area of our investments in the Alberta investment division, the Canada investment division, and the capital projects division, as we have. I probably shouldn't but I just can't resist saying to him that we will look at the Canada investment division in terms of some of the thoughts that were expressed. I've already discussed that with people in other parts of Canada in terms of the Atlantic provinces. But I'm glad he didn't make a strong pitch for Saunders Aircraft in Manitoba.

Mr. Speaker, the one concern I have with the approach from the Member for Spirit River-Fairview is that when you talk about where the money's going, for a little bit let's remember where the money's coming from. We tend to forget that. We tend to forget that these funds are coming from the non-renewable resource of oil and gas. So when we put in the Alberta investment division some funds in terms of trying to strengthen that area, and we put in the capital projects the Oil Sands Technology and Research Authority, quite clearly there should be a balance. I think it's a pretty good balance there.

The other matter raised by the Leader of the Opposition that concerned me — it's one we thought of, as a matter of fact — had to do with municipal debt. I was at a meeting of some 300-odd people over the weekend where we discussed that subject. I would be very interested at some stage when he presents his specific proposal on municipal debt in this area of the capital projects division, because there is this little problem involved: how to do it. Because if you do it this way and say, okay we will just eliminate 20 per cent of municipal debt in this province, and make it equal right across the board for all municipal governments, there are a certain number of municipal government people I've talked to who have some concern about that. Because that means that over many, many years they've been very careful about the dollar in their municipality. In the municipality next door, they haven't been very careful at all. So we go across and with a stroke of the pen, down to 1977 — Mr. Leader, just look at everybody nodding around this room, they've been there — we

just settle all of that account. Now isn't that a great way to reward effective local government.

If there is another way of doing it, and we're examining some, I look forward to the Leader of the Opposition to give us his concrete suggestions with regard to this particular matter.

MR. CLARK: That's what you'll get.

MR. LOUGHEED: That's good. We'll look forward to it.

Mr. Speaker, I just want to say too that there is something strange about this attitude that seems to prevail in the hon. Member for Spirit River-Fairview. I'll look forward in due and appropriate time to going through the streets of Edmonton Norwood and Edmonton Beverly. I want to walk with a lot of those people as they go down to the Capital City Park. I would like to walk with them, and perhaps he might join me on one of those walks. Because they don't have automobiles; they don't have high incomes. They're looking forward to having a park in this city.

AN HON. MEMBER: Hear, hear.

MR. LOUGHEED: Finally, Mr. Speaker, it's a first step. It's a very important one for us. I think it's an imaginative approach and a balanced one. But more than anything else, it's going to make life better for the people of this province. I hope we have the support of the Legislature.

[Motion carried]

MR. HYNDMAN: Mr. Speaker, I move that you do now leave the Chair and the Assembly resolve itself into Committee of Supply to consider the estimates of the projected investment of the Alberta heritage savings trust fund, capital projects division.

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

HON. MEMBERS: Agreed.

[Mr. Speaker left the Chair]

head: (Committee of Supply)

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of Supply will now come to order for consideration of the 1976-78 estimates of proposed investments for the Alberta heritage savings trust fund, capital projects division.

There is a slightly different format this time. Could I have the agreement of the Committee that we go through it as laid out, each project one after the other, take the total, and take the votes as we go along?

HON. MEMBERS: Agreed.

MR. MINIELY: Mr. Chairman, I could think of no better time to talk about a health care legacy for Alberta than within the context of the Alberta heritage savings trust fund, capital projects division,

during this current year. I would address myself to specific remarks on health care, as phrased by the hon. Leader of the Opposition in particular, when I conclude my general remarks.

Mr. Chairman, the Premier has identified the top priority for utilization of the Alberta heritage savings trust fund, which embraces two basic principles of our government: one, improving the quality of life for all Albertans in present and future generations; and secondly, the development of a health-care system that fosters personal well-being, mental, emotional, and physical.

The four major thrusts we are now undertaking are one of the results of the assessment period I mentioned earlier in this Legislature. We have received input from different groups of Albertans across our province. These four major thrusts are: the recently announced Alberta health sciences centre will provide a consistent base for research in health professional education. It will tie in with research that is a result of daily practice. It will provide for the sharing of health care knowledge between urban and rural health care locations. It will provide for co-ordinating the ever-changing technical aspects of medicine and permit experimentation periods before inclusion in province-wide health care programs. It will take into account the standards of the multiple of health professions that are necessary to achieve balance and quality in health care programs. It will help to define various health professional standards in daily practice that are relevant to the daily life of Albertans.

Mr. Chairman, how can our heritage be geared to the future more than to the requirement of Alberta's children? The specialized children's hospital in Calgary will advance our knowledge in research, education, and treatment of disease from which our children suffer. The principles of policy programming in the Calgary children's hospital will be similar to the Alberta health sciences centre.

We must begin to recognize in health care programming a decision-making process which recognizes priority of disease incidence for Albertans. There are two major and mounting health care challenges in Alberta and Canada which require priority attention for our citizens.

Mr. Chairman, more Albertans are affected by heart disease than any other single area. For that reason it is our intention to develop a comprehensive cardiac care program for Albertans. It will provide a balance of diagnosis, prevention, treatment, surgery, and rehabilitation to meet the needs of existing and future patients and families in our province. We will expand existing diagnostic, treatment, and surgical programs through various hospitals in Alberta and build upon the existing base in a co-ordinated fashion. In addition, we intend to begin a trial rehabilitation facility that has evolved from a balanced voluntary citizen health professional input.

All these programs geared to heart disease in Alberta will be the subject of ongoing assessment and are capable of further expansion as effectiveness is proven. At a time when the productivity of our society is of major concern, they will provide Alberta with a leadership role in heart disease, but will take into account Alberta families and individual Albertans who suffer heart disease and who desire a productive and useful existence.

The second disease which must receive high priority on the basis of incidence is cancer. In our province we have developed considerable facilities that are capable of expansion. In particular, we must now provide services in Calgary for southern Alberta similar to those which exist in the capital city. Here again, cancer treatment and research will be expanded, with recognition that they are indivisible. Our aim is not only to improve the quality of cancer services for Albertans but to ensure the availability to more citizens as our province grows and expands.

Through the Provincial Cancer Hospitals Board we intend to expand treatment and research programs that now exist as a base, in order to meet not just the needs of Albertans now but the needs of Albertans in the future who may suffer from this major disease. We also wish to ensure that generations of Albertans yet unborn will be able to afford and benefit from this care.

These new thrusts embrace the position outlined by our government as presented in my address to this House in May 1975: to develop a proper mix of health care facilities, to develop cost-effective programs, to balance facilities to urban and rural needs, to keep people out of hospitals, and to move health care facilities out into the community by gaining community support and involvement.

Mr. Chairman, I have found considerable support for these principles as I have talked with people across the province. We have gained remarkable co-operation from most sections of Alberta society in an initial year of restraint, but the majority of Albertans I have talked to are in accord with your government. They want to see balanced controls on health spending. There is a growing awareness and acceptance that cost-increased de-escalation or restraints are here to stay. The majority of Albertans with whom I have talked are anxious that these restraints provide for an orderly and gradual development of health care services in keeping with the needs and population growth of our province.

Mr. Chairman, the major thrust being undertaken through the Alberta heritage savings trust fund also emphasized that it is not enough to focus on high quality buildings or amassing the sophisticated equipment of medicine. Programs can only be effective through the insistence by our citizens, by the many and varied health care professionals, and by government that the highest standards of initial ongoing training be maintained for all health care professionals. Attention to this area suggests that much of the present training for the health professions defeats the development of a health care system that balances the mental, emotional, and physical, and further suggests there are many who would even dilute the standards of training. We have only begun studies in this area, but standards for personnel in the health care field must receive increasing and continuous attention.

A further area highlights the problems in our province of a large land mass with a high population centred in two major areas, a few smaller cities, and about one-quarter of the population scattered over the vastness of Alberta. While our government has had success in reversing this trend, population must nevertheless be taken into account in our planning. The priority of disease incidence that I identified as an operating principle identifies given kinds of regional

service that are specialized and placed in regional centres. As you will see later, Mr. Chairman, our study of proper ambulance services is a part of ensuring accessibility to this type of facility for all Albertans. There are innumerable dilemmas from the demographic data.

We do not pretend to have all the solutions, but through these four major thrusts we are in the process of implementing sound cost-effective measures to extend knowledge and services across the province. In the months ahead our continued process of assessment will bring attention to other areas such as pure and applied medical research in Alberta which the Premier mentioned today. This area must be developed in consultation with the medical profession, faculties of medicine, medical services research foundation, and others.

The problems of the elderly have seen the emergence of many programs. Yet preliminary reviews show that little data collection or research has been done to establish priorities in geriatric care. I intend that Hospitals and Medical Care activities will move in conjoint fashion with Social Services and Community Health so that proper program priorities related to the needs of people, but ones that are cost-effective, can be implemented. We are committed to the principle that whenever possible, dollars available for health care will be maximized for patient services and minimized for administrative costs. To this end we have completed detailed studies of alternate forms of administrative and organizational patterns and are continuing in detailed appraisal in this area. While our review is still in process, in the months ahead we will announce steps in administration and re-organization to ensure cost controls and efficiency.

The information-gathering and -reporting system in Alberta is comparable to that existing in any other province. But there is room for improvement. Some significant steps are being made in this direction. We must improve the quality of information upon which policy decisions are based. We are continuing development of the standardized information systems for all hospitals in the province. The Provincial Auditor, Bill Rogers, has been of invaluable assistance, as has the Alberta Hospital Association through its systems development group. We have a limited pilot project under way.

While many of the participants are impatient that we have not authorized its gross expansion, we plan within the concept of a limited pilot project to extend it in a major hospital setting. This will allow us to assess the advantage in the future of standardized reporting and procedures and, beyond that, the freeing of valuable professional time for reassignment to areas for which such persons were trained.

Many of these things relate to our emphasis, which I discussed in this House earlier, on the need to bring accountability to citizens through their elected government. Many of the steps are internal to the administrative and organizational pattern of any large corporate department. But our assessment to date highlights the need for a greater balance in the decision-making process. In the health care delivery system in Alberta, it is our conviction that inputs are required from a number of segments of our society. Too often decision-making rights of one group have been usurped, neutralized, or negated by another group. I do not believe it is adequate, for example, to

have input from only one section of the health care professionals.

The physicians in this province have conducted themselves in an exemplary fashion, but it is not sufficient. It is important to ascertain the positions held by other health care professionals as well. In similar fashion, our studies show that input from legal municipal groups is of utmost importance, but that gross imbalances occur if they are seen as synonymous with the primary input of local citizen board or volunteer groups. It is from this latter group that the most initiative for innovation arises. It is important to gain input from varying levels within the civil service who are charged with the daily operation of the procedures and programs that evolve from policy. But again, these must not usurp, negate, or neutralize the input into decision-making of the groups I have mentioned.

It is not sufficient to provide token roles for any of these groups. I am confident that when we present our final plan in the months ahead, we will present a functioning formula that guarantees the inalienable rights of these groups of Albertans. Mr. Chairman, implied in what I am saying is a new and emerging policy position and role for your provincial government in the design and operating methods of the health care delivery system. It begins with the needs of the individual at the local citizen involvement level and extends to embrace input from the groups I've mentioned.

Our studies to date suggest the role for elected provincial government is the establishment of policies that: govern and determine province-wide, uniform, and equitable standards for all areas of the health system; provide overview planning for existing services and programs to ensure a mix and balance of services across the province — in this regard the MLA for Grande Prairie, Dr. Backus, has provided me with an excellent overview of the levels of health care which has proven helpful to me; establish guidelines for performance, perhaps through more formal accreditation of facilities; ensure proper financing and fiscal controls and an appropriate relationship between financing and planning; and Mr. Chairman, to ensure that decision-making is based on input from the local citizens and concerned or involved community segments which in turn are accountable to citizens through their elected government, combining standards with flexibility to meet local needs. These are suggested directions based on direct discussions with Albertans in their home communities and policy seminars held with various groups in Alberta. The MLA for Sedgewick-Coronation, Mr. Henry Kroeger, has been of invaluable assistance as a member of the Alberta Hospital Services Commission in this process. It is my intention to utilize his contribution even more in the future.

We are now prepared to study these many related inputs for preparation of a document for cabinet consideration. I am hopeful that a detailed report will be presented for consideration by this time in the third and final phase of our policy development and implementation process. It is our conviction that this input to decision-making is essential. Policy decisions must, however, remain with elected government — decisions based on realistic and equitable policy positions. Mr. Chairman, sincerity of input from all segments is assumed, but it can suffer from

the tunnel vision of vested interest that serves individual or local but not province-wide needs. In our view, to ensure this balance is a policy requirement of provincial government.

To avoid duplication the concept of joint planning, as suggested by my colleague the hon. Helen Hunley and I in both 1975 and 1976, is now a reality and a process that perhaps must be extended to balance input between permanent and elected government personnel. Drs. Bradley and MacLeod, chairmen of the commissions under the Ministry of Hospitals and Medical Care, have been of tremendous value in developing this concept.

To appreciate the significance of co-ordinating related government departmental activity, one only has to look at the experience of some provinces. A clipping from a Toronto newspaper — spending in health ministry is \$100 million above budget, and that was in the first quarter — clearly shows the negative spinoff that can occur when one department plans programs without consultation with related portfolios which may end up having to administer the new areas. My colleague Miss Hunley and I are convinced that through joint planning we can offset this process in Alberta before it occurs.

In Ontario this has not only resulted in violation of self-determined fiscal restraints but has led to unplanned deficits to the degree that dollars have to be borrowed from one portfolio to make up deficits in another portfolio. Mr. Chairman, this fails to guarantee immediate service to citizens, let alone to future generations. The terms "cost effective" and "cost control" when considered in this light become very much a part of the human scene.

Local health boards and administrators must have a share of the responsibility for planning. We are within a concept of permanent restraints, attempting to combine local decision-making with increased flexibility by the gradual introduction of the principles of local initiative and local incentives in our financial policy.

We have discussed several times the desirability of encouraging efficient hospital administration through a financing policy which would provide incentive to operate with surplus rather than encouraging the full expenditure of annual budgets. In my view the objective is sound, but detailed analysis is necessary to ensure that using the principle would not at a later date place increased financing requirements on government by the expansion of programs through surplus fund utilization.

I believe we should examine the concept of hospital audit committees. Hospitals that have utilized this concept in the United States have found that establishing audit committees of the board has increased the board members' knowledge and understanding of the hospital system and management actions.

The establishment of satisfactory fiscal arrangements with the federal government is essential in the longer term to maximizing local financial flexibility. Federal government involvement in provincial responsibilities for health care has had many benefits. But the historical and now established pattern of the federal government is changing its intent. This has major negative financing and planning import for provinces in health care. In Alberta we are fortunate. We can afford to be different, to lead rather than to follow.

Again let me refer you to my earlier remarks on Ontario. The present federal cost-sharing proposals, when viewed superficially, look inviting. But when examined closely, they invite participation in health care programs that are ill-defined. They invite participation from one base in a given six-month period to another base in a subsequent six-month period.

Recently the Manitoba government, in relation to the needs and rights of native people, noted that the federal plan to decentralize responsibility was marked by a withdrawal of service in given areas. This is not without its impact on health care costs in our province. There are specific communities where there is a substantial native population. In such communities our preliminary appraisal suggests we should have particular and special kinds of outpatient and emergency facilities and hostel bed care.

Finally, Mr. Chairman, there are two areas we are only beginning to examine that involve the concept of personal responsibility. First, let me talk about health care costs and staffing. Earlier in this House I reported that Alberta's position is consistent with other North American areas in the fact that 75 to 80 per cent of costs are attributed to staff costs. The trend set by the federal government a decade or so ago has allowed for a whiplash effect in negotiations with service professions at the provincial level, just the way it has federally. I believe that all governments at all levels and the service professions and occupations in hospitals will have to assume increased degrees of personal responsibility. I have been more than pleased with the co-operation to date from the various employee groups in Alberta and the Alberta Hospital Association. Because of this co-operation Alberta has been able to show leadership, and we must advance that kind of personal responsibility.

Canada's productivity has only increased by 2.7 per cent. That's what's available to each of us, not 8 per cent, not 20 per cent, or 30 per cent in either direct wage returns, improved working conditions, or other hidden costs. We have only begun in this area, but we must work arduously and we must work now.

Mr. Chairman, I trust you will see from the foregoing that we are trying to ensure the principles enunciated by the Premier in his remarks on the

Alberta heritage savings trust fund; namely, the importance of the quality of life for citizens of Alberta, and a health care system that attempts to ensure for each Albertan a state of mental, physical, and emotional well-being. We must regard with caution those who mouth platitudes for programs without due regard for plan and the financial base for them. Personal responsibility implies social responsibility and is a part of all the programs I have outlined. Albertans may anticipate that the Alberta heritage savings trust fund as it relates to a health care legacy for Albertans will focus not on individual professionals, nor on buildings, but on the quality of life for individual Albertans, what you and I would want if we were to suffer these diseases. More than that, this can be a major point of intervention to a non-disease orientation.

Mr. Chairman, this heritage of health care for Albertans will ensure that our province is in the forefront and that our citizens have access to the finest care not just in Canada or North America but in the world.

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 certain resolutions, begs to report progress, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until tomorrow afternoon at half past 2.

[The House rose at 5:31 p.m.]

