

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Friday, April 29, 1977 10:00 a.m.

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

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

MR. HORSMAN: Mr. Speaker, as chairman of the Private Bills Committee, I hereby report that Standing Order 77 concerning publication of notice of application in the *Alberta Gazette* and in newspapers has been complied with in respect of the following petitions: (1) the Alberta Real Estate Association for an act to incorporate the Alberta Real Estate Society; (2) the Alberta Wheat Pool for an act to amend The Alberta Wheat Pool Act, 1970; (3) the Royal Canadian Legion for an act to amend an act respecting the holding of real property by the Alberta command and branches of the Canadian Legion of the British Empire Service League, 1977; (4) the Association of Registered Professional Foresters for An Act to Incorporate the Association of Registered Professional Foresters of Alberta; (5) the Sisters of Charity of Notre Dame d'Evron of the town of Trochu for an act to incorporate St. Mary's Hospital, Trochu; (6) the petition of the Society of Industrial Accountants of Alberta for an act to amend An Act to Incorporate the Society of Industrial Accountants of Alberta has been referred to the Private Bills Committee for consideration, pursuant to Standing Order 81(2).

head: **INTRODUCTION OF BILLS**

MR. MANDEVILLE: Mr. Speaker, could I get unanimous consent of the House to introduce a bill? It was my understanding that the bill was to be in *Votes and Proceedings* yesterday; however, it wasn't.

HON. MEMBERS: Agreed.

Bill 239
An Act to Amend The Credit
and Loan Agreements Act

MR. MANDEVILLE: Mr. Speaker, I would like to introduce a bill, being An Act to Amend The Credit and Loan Agreements Act. Briefly the purpose of this bill is to require tax discounters or tax rebate buyers to hand back at least 90 per cent of the customer's expected tax rebate.

[Leave granted; Bill 239 read a first time]

Bill 238
An Act to Amend
The Amusements Act

MR. TAYLOR: Mr. Speaker, I beg leave to introduce a bill, being An Act to Amend The Amusements Act. This bill provides authority to prohibit games that "entertain" by the simulated killing of human beings.

[Leave granted; Bill 238 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. LEITCH: Mr. Speaker, I wish to table responses to orders for returns nos. 125 and 126. I also wish to table copies of orders made under The Government Emergency Guarantee Act, and the annual report for the fiscal year ending March 31, 1977, under The Co-operative Marketing Associations Guarantee Act.

head: **INTRODUCTION OF SPECIAL GUESTS**

DR. PAPROSKI: Mr. Speaker, I would like to introduce to you, and through you to the members of the Assembly, some 30 grade 6 students accompanied by their teacher Ms. J. Gresniuk and teacher aide Mrs. Betty Fowler. They are touring the Legislature Building in line with their social studies class. I welcome them to the Legislative Assembly. They are located in the members gallery, and I would ask them to rise now and be recognized. They are from Inglewood school in the constituency of Edmonton Kingsway.

head: **MINISTERIAL STATEMENTS****Department of Labour**

MR. CRAWFORD: Mr. Speaker, I would like to announce proposed new regulations with respect to smoke detectors in Alberta. Regulations will be passed as soon as possible under The Alberta Uniform Building Standards Act which will require all buildings with sleeping accommodation which are constructed after July 5 of this year to have smoke detectors and alarms included during construction as an integral part of the building's electrical system.

These alarms and detectors will be equipped with visual indicators that they are in operating condition, connected to the building's electrical supply without a disconnect switch between the unit and the circuit breaker, permanently mounted to a standard electrical outlet or junction box on the ceiling, and served by a separate electrical circuit.

Proposed regulations under the Alberta Fire Prevention Act will require that by January 1, 1979, smoke detector protection be installed in all existing buildings with sleeping accommodation, except for one- and two-family dwellings. Battery-operated or plug-in types of smoke alarms will be accepted for existing buildings. The detectors and alarms for use under the regulations are those bearing an Underwriters' Laboratories of Canada sticker and meeting criteria established by the department. A list of approved units will be published very shortly.

Over the past year, the general safety services division of the Alberta Labour Department has been developing the necessary documentation for regulations, while monitoring on a current basis the publication of standards from authorized standards-writing organizations. As reliable standards have become available, the department has been preparing the criteria for acceptable regulations. In co-operation with various agencies, and with the assistance of the Edmonton fire department, tests were undertaken this past summer to study the various types of units available.

Over the next few months, the government will be undertaking an intensive information campaign, including publication of the new regulations and appropriate public statements on requirements outlining the mandatory aspects of the program. This will be supported by direct mailings of detailed information to relevant groups such as fire chiefs, inspectors, builders, and contractors.

The second phase of the public information program will be geared to the residents of existing one- and two-family dwellings not covered by the mandatory aspect of the program. Through information campaigns to be run over the next year, we hope to encourage home-owners in existing homes to install smoke detectors in their homes. The ultimate aim, of course, is to have every existing one- and two-family dwelling protected through voluntary installation. As well, background and support information will be supplied by the department to local fire chiefs and building inspectors so they can properly respond to public inquiries.

A quick look at some of the statistics related to residential fires will perhaps best show the reasons for these new regulations. Fifty-nine people lost their lives in residential fires last year in Alberta. Between 1971 and 1975 over 200 lost their lives. Seventy-four of these fatalities, which occurred while the victim slept, would undoubtedly have been alerted by a smoke alarm. Of an additional 69 victims, who were asleep after consuming drugs or alcohol, an estimated 50 per cent could have survived with early warning.

These facts, coupled with the knowledge that almost three-quarters of home fires occur during the night, point out the benefits of early-warning devices. Whatever else may be said about these new regulations, it is clear that as a result some people will live who would otherwise have died.

While these statistics are not new, only very recently have standards and technology developed to the point of providing an adequate base on which to develop suitable regulations. I would like to acknowledge the early preparatory work done by the Alberta Building Standards Council, the Department of Labour staff, and by local fire departments. I'm pleased we are now able to respond positively to their concerns. We hope to continue to work very closely with firefighters and local building inspectors over the next while in implementing this smoke detector program.

head: **ORAL QUESTION PERIOD**

Quebec/Alberta Relations

MR. R. SPEAKER: Mr. Speaker, I'd like to direct my

first question this morning to the Premier. It's with regard to businesses moving from Quebec to other places in Canada. I was wondering if the Premier could indicate any plans or policy decisions that have been made to discourage businesses from moving their head offices from Quebec into Alberta, particularly in this time frame.

MR. LOUGHEED: Mr. Speaker, it would not be the policy of the government of Alberta either to encourage or discourage corporate decisions of that nature. It is definitely our view that we should take no overt action to attempt to encourage corporations to make a move from Quebec to Alberta as a result of recent events in that province.

However, we also would not interfere with the normal growth and development of our nation, whereby the west is seen more and more as a significant economic force, and decisions of a corporate nature will be made. We feel that this is the appropriate position and posture for the government of Alberta in these difficult times.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Premier. Has the Premier someone on his staff or one of the ministers monitoring this situation in Alberta at the present time?

MR. LOUGHEED: Mr. Speaker, I have some difficulty with that question. If our posture is one of being neutral relative to the matter, I have some difficulty comprehending the need for a monitoring aspect in a specific way relative to Quebec. Through the Department of Business Development and Tourism, we keep an ongoing evaluation of changes of this nature throughout Canada. But nothing of a special or specific nature has been developed over the course of the past year, other than the normal practices in this area followed by the Department of Business Development and Tourism.

DR. BUCK: A supplementary question to the Premier, Mr. Speaker. In light of the fact that we in western Canada are dedicated to trying to keep Canada together, I'd like to know if any negotiations have been going on between Alberta and Quebec as far as borrowing funds from the Canadian section of the heritage trust fund is concerned. Have there been any negotiations between Alberta and Quebec for Quebec to borrow funds from that portion of the fund?

MR. LOUGHEED: Mr. Speaker, no there have not.

Calgary General Hospital

MR. R. SPEAKER: Mr. Speaker, I'd like to direct my second question to the Minister of Hospitals and Medical Care. This is with regard to the Calgary General Hospital. I wonder if the minister could confirm that financing for the staff of the new wing had been authorized in the early part of 1977.

MR. MINIELY: Mr. Speaker, in my office I'm in the process of finalizing for mailing today to the chairman of the Calgary General Hospital board a response to the entire matter of the Calgary General Hospital, and in particular the telex from the chairman of the board

to the Premier. It would be my intention to have that in the mail today and to table it in the Legislature on Monday. Subsequent to the tabling of that response, I would be happy to answer any further questions on the Calgary General.

MR. R. SPEAKER: Mr. Speaker, supplementary to the Minister of Social Services and Community Health with regard to the new facility in the Calgary General Hospital. Has the minister made new funds available for increased support for day programming in the new facility?

MISS HUNLEY: Mr. Speaker, we work in close consultation on this matter. But I believe programs that take place in the hospital are the responsibility of the Minister of Hospitals and Medical Care.

Alberta Game Farm

DR. BUCK: Mr. Speaker, to the Premier in the absence of the Minister of Recreation, Parks and Wildlife. Mr. Premier, you can farm this out to whoever's acting, if you wish. How many proposals has the Minister of Recreation, Parks and Wildlife received from foundations and municipal authorities or other organizations relative to purchase of facilities and animals at the Alberta Game Farm, in light of the fact that tomorrow is the deadline set out by the government?

MR. LOUGHEED: Mr. Speaker, I'd have to take that question as notice. The matter has been handled by the Minister of Recreation, Parks and Wildlife. I'm not in a position to know whether there has been a request for any extension. If I can get any further information before the conclusion of the question period, I'll try to respond.

MR. DOWLING: Mr. Speaker, if I might. I did have a briefing from the hon. minister last night prior to his departure, and he indicated that at this time he has had no requests for assistance. But he would also like to take the question as notice. If any come, he will apprise the House.

Vehicle Licences

MR. APPLEBY: Mr. Speaker, recently I've had several people ask me about the deadline date for licence plates. I wonder if the Solicitor General could give us the exact time the cut-off will be, before which they have to be purchased.

MR. FARRAN: Yes, Mr. Speaker. As of last night there were 11,000 vehicles for which validating tabs have still not been bought, so some 97 per cent of transactions have been completed. But since April 30 falls on a Saturday, under the powers of The Interpretation Act I gave instructions last night to the police not to take action against vehicles without validating tabs until midnight on Monday. So in effect the licensing period is extended until midnight on Monday.

DR. BUCK: Just like income tax.

NAIT Expansion

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the Minister of Advanced Education and Manpower and ask if he's in a position today to bring us up to date and report fully on the question of the furniture purchase for the NAIT expansion, as he indicated he would yesterday.

DR. HOHOL: Mr. Speaker, I might have. But in private conversation with the hon. Leader of the Opposition, who asked the majority of questions on the subject, I agreed to leave the matter until Monday.

Lamb Processors' Co-op

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. Could the minister indicate what progress has been made with regard to finding someone to take over the operation of the Innisfail lamb plant?

MR. MOORE: Mr. Speaker, as I indicated some time ago, we are in the process of receiving proposals from interested parties. I expect that would probably take another four to six weeks. We indicated to a number of people who expressed interest that we would allow them eight weeks in which to make an initial proposal to us. It would not be likely, Mr. Speaker, that I would have any indication until probably midsummer as to who might operate the plant over a longer term basis.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Is the minister considering a long-term lease agreement, or has some consideration been given to selling the plant at Innisfail?

MR. MOORE: Mr. Speaker, once again, as I indicated in a ministerial statement in this Legislature, consideration is being given to a variety of alternatives. The possibility of a direct sale of the plant with a long-term commitment to continue to slaughter lambs is not unlikely. Neither is it unlikely that a long-term lease of the plant, with or without an option to purchase, might be the end result.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Has the asking price for the lamb plant been established in the event an offer is made?

MR. MOORE: No, Mr. Speaker. We negotiate a little differently than that. We're trying first of all to determine what kind of interest there is, and keeping our options relative to the final price to ourselves until such time as we're ready to act on one of the proposals before us.

MR. TAYLOR: Supplementary to the hon. minister. Is the plant operating right now?

MR. MOORE: Yes indeed, Mr. Speaker. The plant is in full operation. An interim manager was hired, and it's in full position to take delivery of lambs from producers.

DR. BUCK: A supplementary question to the minister, Mr. Speaker. Is the minister in a position to indicate what proportion of the plant is processing lamb and

what proportion is processing products other than lamb? Is it entirely lamb?

MR. MOORE: At the present time, Mr. Speaker, the plant is processing only lamb. There was a period of time, ending in late January, in which they were doing some custom beef deboning. But that contract has expired and the plant is processing only lamb at the present time.

Tax Discounters

MR. STROMBERG: Mr. Speaker, I was wondering if the Minister of Consumer and Corporate Affairs has been requested or will undertake to aid Edmonton city council in reaching a position on tax discounters, possibly by supplying information on tax discounters under last year's amendment to The Credit and Loan Agreements Act.

MR. HARLE: Mr. Speaker, I would have to consider whether or not there was a request. As far as I know, I've received no requests from the city of Edmonton.

MR. STROMBERG: Supplementary. If a request came in, would he then act?

MR. SPEAKER: Perhaps the hon. member's hypothetical question could wait until that happens.

MR. STROMBERG: Thank you, Mr. Speaker. My second supplementary to the minister. Does the minister have a position on the possibility of local option in regulating tax discounters? I raise this question because if Edmonton acts against tax discounters, presumably these operators will all flock to Calgary.

MR. DIACHUK: Camrose.

MR. HARLE: Mr. Speaker, a bill has been introduced in this House today that relates somewhat to the subject. I'm sure that would give ample opportunity for a debate on the subject.

Road Closures

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Transportation. I wonder if the hon. minister could inform this Assembly what formula is in fact used for closing road allowances. If you want, maybe I could give an example: from Cochrane to Carseland.

DR. HORNER: Mr. Speaker, the normal procedure is that the application for closure goes before the local governments, and as a matter of course I approve the decision of those local governments after they've passed their necessary by-laws.

MR. KUSHNER: I have been getting quite a few complaints and the government, in fact, has been blamed. I'm glad the air has been cleared.

My supplementary question is: what happens in the special areas, or the eastern slopes, which are not under municipalities?

DR. HORNER: The special areas, of course, have their own special areas board which looks after that matter

and is, in fact, their local government. The question on the eastern slopes would apply to Crown land, and that would be directed to my colleague, the Associate Minister of Energy and Natural Resources.

Smoke Detectors

MR. TAYLOR: Mr. Speaker, my question to the hon. Minister of Labour is with reference to the announcement this morning on smoke detectors. Does more than one smoke detector meet the requirements set out in your ministerial statement?

MR. CRAWFORD: Yes, Mr. Speaker, the work that has been done in preparation for the regulations led the government to the conclusion that for the protection of the public it would be wise to publish a list of smoke detectors and alarms that had met certain standards and tests. The list is not yet ready for publication, but the brand names are known. I would guess there would be at least five or six such names on the list when it's made public.

MR. TAYLOR: A supplementary. Have all the published names received the approval of the CSA?

MR. CRAWFORD: Mr. Speaker, the agency we are concerned with in regard to performance is the Underwriters' Laboratories of Canada, in connection with the one the insurance industry is involved in. The Canadian Standards Association publication, which I think is already available on the same subject as of last fall, is on a slightly different — it's not on the testing, it's on the criteria. However, both publications are certainly taken into account.

MR. TAYLOR: A supplementary to the hon. minister. Did the department study the range of prices involved in purchasing these smoke detectors?

MR. CRAWFORD: Mr. Speaker, that's a very useful question. I'm sure people will be interested in the knowledge that it is not a very large expense for any person to install a smoke detector. Therefore, a person who wanted to go ahead and voluntarily install one in his existing premises at any time would find that reliable smoke detectors, of either the plug-in or the battery-operated variety, are available for not more than \$40 or \$50. In fact, probably some even under \$40 would be on the list.

As far as the cost to a builder of putting them into new premises is concerned, under the regulations that will become effective in July, I suppose there are a number of different ways of calculating the cost. You'd first calculate whether the configuration of the house required one smoke alarm or two; secondly, if you wanted to figure in the additional cost it takes the electrician when he's wiring the house to wire this one additional part. But even so, I would consider the cost negligible in the overall cost of the house.

MR. TAYLOR: A supplementary to the hon. minister. Have all the approved smoke detectors been used elsewhere, or are any just newly on the market?

MR. CRAWFORD: Mr. Speaker, I'm not sure how long some of them might have been on the market. One of the useful things was — and I mentioned it in passing

in the statement — that we'd had the co-operation of the city of Edmonton fire department in some tests. My officials indicated to me that they went into this in fairly substantial detail with the department and went so far as to cause fires and operate them under controlled conditions, with proper monitoring of the results, in an Edmonton house that was available for the purpose. So in that sense most, if not all, the ones we will put on our list have not only been tested, but have been tested directly under the supervision of our safety services people, in co-operation with a very efficient fire department.

MR. TAYLOR: One further supplementary. Did the department ascertain the average life of these detectors?

MR. CRAWFORD: Mr. Speaker, I'm sure that information is available. My impression is that the battery-operated ones tend to wear out sooner than the electrically-operated ones. The ones that are operated by the ionization process as opposed to the photoelectric process are more inclined to give false alarms later in the life of the unit. I even had one of my colleagues suggest to me that he has one that sometimes goes off when he's cooking, but there could be two explanations for that. I think the electrically-operated ones probably have the same life term as any appliance one would buy for the home.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. Has the department given consideration to what will be done as far as smoke detectors go for older apartments that have already been constructed? Will some move be made to phase-in smoke detectors?

MR. CRAWFORD: Yes, Mr. Speaker, the announcement I made this morning indicated that in fact we will be passing regulations under both The Alberta Uniform Building Standards Act and The Fire Prevention Act. The regulations under The Fire Prevention Act are directed at just the type of situation the hon. member raises and would have an effective date in 1979, which does give a phase-in period.

Public Service Labor Legislation

MR. NOTLEY: Mr. Speaker, in the absence of the Government House Leader I'd like to address this question to the hon. Provincial Treasurer. In light of the invitation to members of the Legislature by the Alberta Union of [Provincial] Employees to meet on Wednesday, May 11, to discuss Bill 41 and its implications from their point of view, will the government give the assurance that second reading of Bill 41 will not be held until such time as members of the Assembly have had an opportunity to discuss this matter with AUPE?

MR. LEITCH: Mr. Speaker, I'm not in a position to give assurance in that term. I'm not certain of the particular invitation to which the hon. member refers. I'm aware of a number of invitations by AUPE to have discussions with a number of MLAs, and I'm also aware that a number of those discussions have been held. However, I believe I can assure the hon. member that there will be a passage of some days

before that bill is called for second reading, and would of course remind the hon. member that even if second reading occurred before the meeting to which he refers, there's opportunity to raise matters in connection with the bill during the subsequent committee stage. Of course on third reading the principle could again be discussed.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister. Is it the intention to give Bill 41 both committee stage and third reading during the spring session, or will it be held over?

MR. LEITCH: Mr. Speaker, it is intended to give Bill 41 third reading during the spring portion of this session.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Were there formal discussions after the report both of government members and members of the Alberta Union of [Provincial] Employees on the task force — between that point and the introduction of Bill 41 — between the hon. Provincial Treasurer and the officials of the Alberta Union of [Provincial] Employees concerning the provisions of Bill 41?

MR. LEITCH: Mr. Speaker, the answer to that is yes, although there were no private discussions between me and the officials of the Alberta Union of [Provincial] Employees. But following the filing in the Legislative Assembly of the task force reports, there was a meeting between senior officers and officials of the Alberta Union of [Provincial] Employees and the Labor Relations Committee of cabinet. The hon. Premier also attended that meeting, and a lengthy discussion occurred at that time.

I also advised the president of the Alberta Union of [Provincial] Employees by letter of the government's intention. I pointed out to him we would welcome his suggestions on the principles and procedures of the bill, and invited him to have discussions with members of the Public Service Commissioner's office. Such discussions did take place during the period we were drafting the legislation.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Provincial Treasurer. In light of the fact that the bill removes the right to terminate services for some employees of the Alberta government, were there any discussions or formal consultations with the bargaining agent for those employees, specifically in the case of the Canadian Union of Public Employees?

MR. LEITCH: Mr. Speaker, it is my understanding there were some discussions on that matter between members of the Department of Labour and members of those unions. I was not personally involved in any such discussions.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Can the minister advise the Assembly what reasons prompted the government to remove an accepted right for the employees who will be affected by the new act? I believe about 700 are represented by union, and another 3,000 . . .

SOME HON. MEMBERS: Order, order.

MR. SPEAKER: It would clearly seem we are now getting into the area of debate. That should obviously be reserved for the time when the bill reaches discussion in principle on second reading.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Minister of Labour. In light of the provisions of Bill 41, is the government giving any consideration at this time to changes with respect to employees of municipalities, hospitals, and school boards with respect to the question of the right to withdraw services?

MR. CRAWFORD: No, Mr. Speaker.

Alexandra Community Health Centre

MR. LITTLE: Mr. Speaker, might I address my question to the Minister of Hospitals and Medical Care. Is the minister prepared to give consideration to a submission from the Alexandra Health Centre in Calgary for supplementary funding in order that they may maintain the same level of service they have been contributing to that area?

MR. MINIELY: Mr. Speaker, I have had a meeting with Dr. MacLeod, chairman of the Alberta Health Care Insurance Commission, on that matter. I am advised that the Alexandra Health Centre is a rather unique concept which arose as a result of community interest. I have asked Dr. MacLeod to review the funding of the Alexandra Health Centre. I understand the basic details of the funding are that the Health Care Insurance Commission pays the doctors' remuneration. That matter is under review. I hope to be in a position to make a decision on it very shortly.

Seat Belt Use

DR. PAPROSKI: Mr. Speaker, my question is to the Deputy Premier and Minister of Transportation. I wonder if the minister would indicate to the House whether he has received representation from the Alberta Motor Association regarding their position on legislation on mandatory use of seat belts.

DR. HORNER: The short answer, Mr. Speaker, is yes.

DR. PAPROSKI: Mr. Speaker, a supplementary. Is the minister now considering mandatory seat belt legislation in view of such representation?

DR. HORNER: The short answer is no, Mr. Speaker.

DR. PAPROSKI: A supplementary, Mr. Speaker. Is the minister considering mandatory seat belt legislation in view of additional overwhelming evidence regarding decreased morbidity and mortality?

MR. SPEAKER: Order please. If the hon. minister isn't considering mandatory seat belt legislation at all, then of course he isn't considering it under any other point of view.

DR. PAPROSKI: Thank you, Mr. Speaker.

Combines Act Investigations

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Utilities and Telephones. The Restrictive Trade Practices Commission under the Combines Investigation Act is holding inquiries on the purchasing practices of communication companies in Canada. Will Alberta Government Telephones be investigated under the Combines Investigation Act?

DR. WARRACK: Mr. Speaker, I've not been informed of any such action.

Christmas Holidays

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Labour. A word of explanation will have to take place first. Last year, Mr. Minister, both Christmas and New Year's fell on a Saturday. On December 10, the Department of Labour issued a news release advising that employees without collective agreements who do not usually work on Saturday would be given no time off work. Both dates will fall on a Sunday this year.

My question, Mr. Speaker, is: is the minister in a position to advise whether the government is prepared to amend the labor standards to ensure that all employees in Alberta, whether covered by collective agreement or not, will receive at least two days off with pay during the Christmas season?

MR. CRAWFORD: Mr. Speaker, I'm perhaps entertained to see the hon. member's mind on Christmas when the rest of us are thinking about spring.

AN HON. MEMBER: [Inaudible] Santa Claus.

MR. CRAWFORD: I don't know whether he wants to be Santa Claus, or ask Santa Claus, or do what, but we've had Christmas so recently that I will be honest and say I hadn't given the matter any thought. He's asked about an amendment of labor standards, and of course the Department of Labour has recently conducted a review of legislation, the results of which I hope will be published during the fall. The review of the legislation itself can't really be done without a look at some of the standards that are normally done by regulation, but which are very relevant to the legislation itself. So I think if this isn't too late in the year to inform the hon. member in this way, I would just say that no answer is ready today.

MR. NOTLEY: Mr. Speaker, one can question whether it's too late or too early, but a stitch in time saves nine. Perhaps I could ask the hon. Minister of Labour, while we have lots of time to consider it: in view of the fact that Boxing Day isn't considered a general holiday, is the government in its review of The Labour Act looking to making Boxing Day a general holiday?

MR. CRAWFORD: Mr. Speaker, I think I can only give a general impression because the hon. member's question acknowledges the fact that review is under way. Naturally we would look at many, many things. But I have the impression that many Canadians and Albertans are of the impression that our society has gone down the holiday road — in the sense of mandatory, statutory holidays upon which people

really must not produce anything — just far enough for a while. That will be the way I approach our review.

ORDERS OF THE DAY

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

[Mr. Diachuck in the Chair]

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

Department of Education (continued)

MR. JAMISON: Mr. Chairman, I'd like to say a few words this morning on the Department of Education, and say to the minister I'm looking forward to his resolution on the Order Paper for May 16 and will be speaking on that subject.

Today I'd like to address a question or so to the minister. A much needed six-core school, which has been approved for St. Albert by the school buildings branch, has been held up for six months because the city of St. Albert is trying to impose on the elected school board officials a development agreement which will increase the cost of the whole school considerably, through such provisions as the school board providing paved parking and concrete sidewalks, plus paved access to and from the school area and to and from the paved parking area, traffic signs and traffic control devices as the city may require, all street and area lighting, adjacent and on the school area, and all fencing as the city may require. On top of these cost demands the city wants control of all school building projects to be with the city engineer, and further control in that after the school board constructs local improvements at their expense the local improvements will become city property.

Mr. Minister, such an agreement could set a precedent in every school district in Alberta. My question is: are you prepared to have your department, in co-operation with the Department of Municipal Affairs, place a requirement on the city of St. Albert to issue a building permit for the West Grandin school immediately, in order that the greatly needed school already approved by our government can be built before a decision is made on the city of St. Albert's proposal to put school buildings under a municipal development agreement?

If I could have a page here I'll shoot the development agreement down to the minister. He may have a chance to look at it.

I would suggest to you, Mr. Minister, that had the city of Calgary and/or the city of Edmonton elected to impose such a development agreement on Calgary and/or Edmonton school boards, all 30 MLAs in those cities would have been making a lot more noise than the one MLA for St. Albert can make today.

SOME HON. MEMBERS: Agreed.

MR. JAMISON: I know the minister is aware that the elected Protestant and Catholic school trustees are

responsible for considerably greater amounts of money than is the municipal government in the city of St. Albert.

While I'm on the subject of school boards' concerns, Mr. Chairman, I would like to add that I will look forward next fall, when the Minister of Municipal Affairs will be making amendments to The Municipal Taxation Act, to full support for school boards receiving their full share of the moneys from supplementary requisitions for homes and buildings under construction in a given year. In this matter the municipality of St. Albert is again setting a precedent for the province by taking both the school portion and the municipal portion of such supplementary taxes for municipal purposes only. This arbitrary action by the municipal government of St. Albert has cost the two school boards in excess of \$500,000 since 1972, through a loophole in the legislation commonly referred to as "the St. Albert loophole".

Further, Mr. Chairman, I would like to point out that as the MLA for St. Albert I represent seven school boards. I would like to bring up a problem which has been festering in the town of Morinville and the rural Sturgeon School Division for possibly 30 years. It is time for government to try to solve this conflict. Mr. Chairman, to the minister, I have with me today four letters and one petition from people caught up in this conflict. Just briefly, the letters are from the Morinville town council, the parish of St. Jean Baptiste, the Morinville board of trade, and the Thibault School Division in Morinville. The petition is from the parents in the rural area around Morinville.

All these submissions are requesting that students in the area be allowed to continue their education in the town of Morinville schools, as in the past. They believe it is the right of every parent and child that children be able to obtain education at the school of their choice. This right will be denied next year, as the Sturgeon School Division insists that they will not enter into any tuition agreement with the Thibault school board, nor will they accept the transfer of taxes as requested by the taxpayers involved.

Mr. Chairman, I have spent hundreds of hours trying to resolve this problem. But without a ministerial order, these parents and students will be denied what they believe are their rights in this matter. Mr. Minister, I hope that all the parties concerned in this thorny matter will be able to meet with you and your department heads in an effort to resolve this dilemma sometime in the next two to three weeks.

Mr. Chairman, I would like the minister to reply to my questions, if it's possible at this time.

DR. BUCK: Mr. Chairman, to the minister. I have just a brief question and a comment or two. Mr. Minister, if this was covered last night, I apologize. I was out getting a candidate to run against you. I thought that's the least I can do. [interjections]

You are aware of the question I would like to ask, Mr. Minister. It is the problems you have in rapid growth areas. As the member suggested or indicated, in St. Albert, portions of the city, Fort Saskatchewan, Parkland — the areas where you have rapid expansion — we're always in a catch-up situation. The rules that cover the rest of the province, where you have to have an X factor of occupancy before you move on to the next state — you're always behind.

So I'd just like to find out from the minister if they

are trying to do something in these areas that are always in catch-up situations. I'd just like the minister to take that under advisement.

MR. R. SPEAKER: Mr. Chairman, my subjects are different. I have two areas I want to cover. Both are raised because of the discussion in the Assembly last evening. The first is with regard to appointment of superintendents. I want to ask the minister if any women are appointed as superintendents in the province. I wasn't aware of any, and the question arose because of the way the discussion went last evening.

The second thing I want the minister to deal with is with regard to the procedure in our study of this back-to-basics concept. As I understand, we'll have a discussion in the Assembly at the present time. Then during the summer there will be a time period when presentations will be made, I believe, to the minister or to somebody in government — I'm not just sure who that medium is. At a point in time when the minister feels these various points of view will be consolidated — a different term was used last evening that I can't just bring to my mind at the moment — into what we believe is a consensus with the definition of "back to basics".

Following that, my question to the minister is: will the minister at that time prepare a white paper on behalf of the government, present it to the House, and say, this is what we feel the back-to-basics concept means? Following that, if this proposal is accepted by the minister, will there be opportunity for public discussion on that white paper? I feel that somewhere along the line the Legislature as such should be opened up to the general public for that discussion; that through our Public Affairs Committee we could bring people into the Legislature to discuss it.

I do it on the basis that this topic is of concern to all Albertans, no matter what social status, economic status, or whatever goes along with it. I think it would be a good topic for the Public Affairs Committee, a good topic for the people of Alberta in general. Even those outside the vested interests could come in and present their views on the subject. In that way I think we would be able to finalize the real attitude or position with regard to back to basics at this point in time.

I would like the minister to comment on how he sees the procedure going further. Last night I felt we arrived at a point where we were just going to get all this information. It would be consolidated. Then nobody really said what was going to happen to it after that. I feel two or three steps are still lacking from this whole plan of presentation with regard to back to basics.

MR. NOTLEY: Mr. Chairman, I just want to follow up a couple of things from last night. Mr. Minister, late last night I had to be a little — I don't know whether it was taken aback or amused. It may have been the lateness of the hour. But in the course of your discussion on school busing — you were explaining the 85 per cent formula — you pointed out that the school bus starts out with one or two students and doesn't get the full load until the end of the trip. I don't think we really need a consultant to understand that. I'm not sure whether . . .

DR. BUCK: Send him to Miniely.

MR. NOTLEY: . . . the minister felt that we — particularly from the rural areas — were complete idiots, or whether it was a little late at night and the minister was looking for something to say and didn't quite have something on his mind. It could have been both, Mr. Chairman.

The point I'd like to make on school busing — and this follows up some of the points that were made by other members — is the concern that's been expressed to me by school divisions [regarding] the smaller buses. It's easier to get your 85 per cent, but unfortunately, once you get into them you have less flexibility, Mr. Minister. If you were talking about a 36-passenger bus, and a family of five people move into the district, all of a sudden you're in some trouble. The argument of the trustees, and the administrators in particular, is that the larger buses offer greater flexibility in the real world of bus runs out there in the school divisions. This argument has been made not only pretty forcefully in my own constituency but advanced in other parts of the province as well. So I just re-emphasize the need to take a second look at the 85 per cent formula.

It might be interesting for some members too — and this may be just a temporary aberration of the market place — but at least several school divisions have been able to purchase 48-passenger buses for less than 36-passenger buses. Now admittedly that's not normally the case. But there are times and places where that does occur, particularly if we're shifting over to smaller buses.

Mr. Chairman, the major reason I wanted to rise is that before we go through estimates I'd like the minister to respond, because we recently received what I thought was quite a useful submission on education by the city of Edmonton to the Provincial Municipal Finance Council. It would probably be incumbent upon us as members of the committee to put the major suggestions contained in this report to the minister and ask the minister to respond.

Mr. Chairman, the first point is the argument that a very large percentage of the cost of education is supported by the property tax. While there was a drop, the property tax, as a base of financing education, is now rising again. The city points out that this dropped suddenly in 1974 but has climbed steadily to almost 33 per cent in 1976, pointing out that supplementary requisition was 9.2 per cent in 1966 and 24 per cent in 1976. So I think that's something I'd like to ask the minister to comment on.

The second aspect the city brings to our attention is to raise the issue of the function and role of regional offices of education. In my travels around the province I see regional offices being accepted by some and questioned by quite a number of others. It's a mixed bag of reaction. Some trustees and teachers feel that the regional office set-up has worked very well. Other people say, quite frankly, it's a bottleneck; it's just another layer of civil servants that represents an obstacle between the government here and the local school board. But I think perhaps we should have some comments on regional offices.

The brief then goes on to recommend the form of revenue sharing for school boards which I support, but then suggests that we should move away from the right to supplementary requisition. Here I per-

sonally have to part company with the city of Edmonton brief. I believe there has to be some access to the local taxpayer if any kind of meaningful autonomy is to be preserved. It's my personal opinion, too, that we may have to move in the same direction as far as hospitals go. That is something we can get into a debate on at another time.

One of the suggestions they made in the brief is that there should be direct access to the taxpayers, that if the government doesn't go along with the city's proposition that the supplementary requisition should be denied, we should have direct access to the taxpayers and an agreement should be worked out between the municipality and the school boards as far as collecting this money is concerned.

As I look over the brief, the main themes are: number one, after many of the moves made in the early years of this decade to shift the burden away from property taxation, the city is saying that is changing, and now we have a larger and larger portion of the cost of financing education being borne by property. The second thing they are saying is that if we are to move away from that particular approach, we need a form of revenue sharing. Where I differ, as I mentioned, is the question of access to the taxpayer for that remaining amount. I think there has to be some elbow room, some "or else" room, some flexibility for the school trustees. In a sense, the city recognizes that by saying that if the government still allows the supplementary requisition after accepting the principle of revenue sharing, that at least should be direct and an agreement should be worked out between the city and the school board with respect to the collection of this additional revenue.

I would put to the minister those questions, plus the function and operation of the regional offices.

MR. BATIUK: Mr. Chairman, mine is going to be very short. The Member for Spirit River-Fairview more or less stated what I wanted to say, and I mentioned it yesterday. I was just wondering whether the minister could advise the real reason the penalty was put on buses that are bigger — they can carry 85 per cent of the load — and whether it's his intention to continue that. It seems a big concern to the school trustees.

MR. KOZIAK: I have the actual rates before me, Mr. Chairman. I don't know if I should read these out in connection with support for school buses. Hon. members are aware that rates vary in terms of the actual per diem grants for buses, from \$23.62 for a 12-passenger bus to \$34.98 for a 61-plus passenger bus. These calculations and grants reflect actual costs determined following substantial study in the area. A school bus that can carry 48 passengers would receive . . . The figures I gave you applied last year. The new figures are somewhat higher, varying from \$26 now for a 12-passenger bus to \$38.50 for buses for 61 passengers and over. Getting back to the 48-passenger bus, that increase was from \$31.42 per day to \$35 per day. That takes into account all the factors that make up the expense of operating a bus, including the driver. Here again, the fact that a 60-passenger bus is not five times as much as a 12-passenger bus in terms of per diem grants reflects the fact that you still need one driver for each. That's a large portion of the expenditure that must be made on a transportation system.

Other factors are common to each. Others are not. The formula takes into account such factors as depreciation, gas, oil, tires — all the costs that go into the operation of a bus. From the information I have and the reaction of the school boards, I gather that the distribution of the per diem grants amongst these various classes of buses has been pretty accurate.

Now as to the 85 per cent loading factor. I dealt with that last night. I'm glad the comments I made last evening had time to germinate in the mind of the Member for Spirit River-Fairview. This morning, some 12 hours later, he was able to stand up and comment on how simple it was.

MR. NOTLEY: It was late last night for me too, Julian.

MR. KOZIAK: We have the situation that in order to receive the full grant — whatever it is, whatever category the bus is in — the load factor of 85 per cent comes into play. If the bus is 85 per cent full, the full grant is paid. Now, 85 per cent full doesn't necessarily mean that in the case of a 60-passenger bus, 85 per cent in numbers are on that bus. As I mentioned yesterday, there is also the weighting factor.

Junior or senior high school students are weighted as 1.20 students. That weighting factor is a change from last year's plan. It's been increased. Last year the weighting factor was 1.15 for junior and senior high school students. Recognizing the concerns of school boards in this area — both the question of seat size and load factor, because this ties in with load factor as well — we increased the weighting factor to 1.20, and as a result school boards in fact reach the appropriate weighting factor that much sooner. I gather the reaction to that change amongst school districts throughout the province has been positive.

Perhaps I'll hold my comments with respect to the issues raised by the Member for St. Albert — I don't see him — and deal with some of the others. He probably just stepped out for a moment.

The regional office concept: as members are aware, we have five regional offices in operation in the province. The reaction to the regional office varies with who you speak with. However, a recent survey of superintendents throughout the province showed they reacted very positively to the services available to them via the regional office. The information I receive from travelling through the rural jurisdictions, meeting with school boards in these jurisdictions, meeting with the capable staff from the regional offices in these jurisdictions, is that they are more appreciated in the rural areas — Grande Prairie, Red Deer, Lethbridge — probably because they can provide a service that a smaller jurisdiction cannot provide for itself and which in many cases a large urban jurisdiction, particularly Edmonton and Calgary, in fact does provide for itself. Surprisingly, even taking that into account, we find that the regional office services are used, particularly at the consultant level, by the large districts as well.

The matter of property taxes and what role the supplementary requisition should play in terms of school financing — whether the provincial government should, as the city of Edmonton suggests, bear the entire education costs — is an interesting discussion. Many factors are involved, not the least of which is the relevance of local autonomy.

There are maritime jurisdictions where the funds

are collected and disbursed centrally, and in fact there are no local decision powers with respect to the raising of funds. That doesn't mean the property taxes go down, because in many of these cases the property tax is still the source of the major portion, if not the majority, of the taxes.

We're fortunate in this province that the major portion of education costs is borne by the general revenue of the province of Alberta, and fortunate because our natural resource revenue contributes over half of that. For example, in 1966 the contribution to the school foundation program, or to total board revenues — which is perhaps a more accurate way of describing it — from the general revenue fund of the province of Alberta was 53.9 per cent, with the rest collected locally from property tax and other means. In 1971, 56 per cent of school board revenues came from the general revenues of the province of Alberta. In 1976, that had increased to 65 per cent. So in 1976, 65 per cent of the revenues of school boards did not come from property taxes but from the general revenue of the province of Alberta.

Now, that's revenue sharing in a very substantial way when you look at the estimates, as we will be doing later this morning, and the large sums distributed to school boards from the general revenue of the province of Alberta. In fact, the residential property tax payer in the city of Edmonton — where the submission came from — pays less today in property taxes than he did five or six years ago. The main reason for that is removal of the then 30-mill school foundation program fund levy on residential property.

I have to agree with the hon. Member for Spirit River-Fairview: I think that for two reasons the elimination of the supplementary requisition would not be a good thing for education in this province. It would destroy the local autonomy of school boards, the ability of the electorate which those school boards represent to make financial decisions for the people and students within their jurisdictions that they feel those people, students, and parents would like.

Secondly, I think the elimination of the supplementary requisition would remove elements of fiscal responsibility. Now there may be arguments as to what level, as a percentage of total school board revenues, the revenue from the supplementary requisition should take. Some schools of thought suggest that state funds should not exceed 50 per cent of school board revenues, and that school boards should be responsible locally for raising the remaining 50 per cent. In that way, true local fiscal accountability and responsibility are developed and exist. We're not at that stage, but that is one school of thought.

The hon. Member for Little Bow posed the question on superintendents. To my knowledge, I do not believe there is a female superintendent of schools. I stand to be corrected, but that is my present information. Again, the superintendent is a position filled by the school board.

On the question of the reassessment of education referred to in the Speech from the Throne — and I'd be loath to refer necessarily to it, as suggested by the hon. Member for Little Bow, as a back-to-basics movement. That is hardly the case. It's a reassessment, [which] I dealt with last evening. Just to recapitulate some of the comments I made, I would expect the debate on the goals and objectives of education, and the priorities that should be attributed to those

goals, to begin on May 16. I expect we'll proceed with that debate throughout that day.

Subsequently, I'm sure hon. members will receive submissions from their constituents and from the constituent groups in the educational systems. The Curriculum Policies Board will complete and submit their recommendations on goals, objectives, and priorities, and we will reconvene this fall.

Although I don't want to be too definitive, at that time I would view us presenting, perhaps, the recommendations or a white paper or something in that line for further discussion on the motion which presently appears on the Order Paper, be it in the form that motion presently takes or in the form of an amendment to that motion. That would be the way I see us progressing through the course of this year on that reassessment. But I don't think that would be necessary, because all the members of this Assembly will have a good deal of time over the summer to canvass opinions in their areas and become well acquainted not only with the issues but the expressions of their constituents in this area. At the resumption of this session in the fall, I'm sure we'll be well acquainted with the concerns and feelings of those we represent in this Assembly, and we'll be in a good position to continue with the debate.

The hon. Member for Clover Bar raised the matter of the concerns and problems of school jurisdictions that can be described as growth areas, in terms of the influx of students or new construction. This is an interesting area: providing school building facilities throughout the province. It's interesting because, as I've mentioned in the course of the question period, we have not in fact experienced an increase in enrolment throughout the province. Enrolments in the province have remained fairly stagnant over the last five years. Yet during that time we've provided, I believe by now, in excess of 80,000 student spaces, or somewhere in that vicinity.

The problem, of course, is that the schools which now exist — the schools built five, 10 years ago — are built in areas where there is no longer the same number of children.

DR. BUCK: We know all that. Let's get down to the nitty gritty.

MR. KOZIAK: People are moving to areas like Fort Saskatchewan, St. Albert, Sherwood Park, the County of Parkland; and surrounding the city of Calgary, the Rocky View School Division, the Foothills School Division. They are in fact providing some interesting times for the school trustees in these areas.

Now I hope the hon. Member for Clover Bar would be aware of the way we recognize problems in these growth areas. First of all, in order for new facilities to be supported for provincial funding, a school jurisdiction must have an occupancy rate of 90 per cent, with some indication of growth. However, if the school jurisdiction has in fact experienced a student population growth of 5 per cent per year over the past couple of years, that occupancy rate is reduced to 85 per cent. Or if it's experienced a growth rate of 10 per cent for the same period, that occupancy rate is reduced to 80 per cent. In this fashion the concerns of the growth areas are in fact recognized for the recognition of new school facilities and provincial government support for that purpose.

The hon. Member for St. Albert raised a number of interesting areas during the course of his remarks. He particularly pointed out the problem that exists with respect to those parents having children presently attending the Thibault school jurisdiction schools, but who live in the Sturgeon School Division district. I can understand the concerns of all the parties involved with this particular problem. On the one hand we have the Thibault school district, which must attempt to provide facilities not only for residents of its district but also for residents of the Sturgeon School Division who have indicated very strongly that it's their intention to send their children to the Thibault school district for their education.

At the same time there are the problems of the parents. They identify with the Morinville community as their community. They identify with the churches and services provided in that community, including the educational facilities and services provided in that community and the programs provided by the Thibault school district, and have made a decision that is where they want their children to receive their education. Yet on the other hand there's the Sturgeon School Division, which is responsible to its electorate; a division surrounded on many sides by a problem that appears in Morinville, where parents want to send their school children to St. Albert, to Edmonton, to Fort Saskatchewan.

Now in the past couple of years many school districts and divisions throughout the province have solved the boundary problems that exist between and among them by entering into tuition agreements. The solution of this problem has been advanced substantially by our supplementary requisition equalization grant, which encourages the execution of such agreements and the free flow of students between jurisdictions.

Sturgeon, though, finds itself in a unique position. Were it to sign and continue to sign tuition agreements for students attending Thibault, it would be in a difficult position to defend an alternate situation with respect to the students in St. Albert, with respect to the students who attend Fort Saskatchewan or Edmonton. In this way they could easily be depleted of a number of their students and risk both a financial problem for their district and an educational problem for those children who remain.

It is not a problem for which an easy solution can be found. However, I wonder if perhaps some consideration shouldn't be given to looking at the present representation found in the school division. My understanding is that there are now four subdivisions, four trustees serving on the Sturgeon School Division board. Perhaps consideration should be given to increasing the number of trustees on the board — perhaps seven trustees. Maybe in that way the parents involved might feel that some of their concerns would better be expressed to the board that must make the decisions in this area. That is one area I'll be looking at over time.

The development agreement that was passed to me this morning by the Member for St. Albert, dealing specifically with the construction of schools in the city of St. Albert, is an interesting situation. I believe we should all recognize that we have two levels of municipal government. We have one that provides the municipal services that are perhaps more directly related to property, but then we have another one

that provides the educational and community services. Because these schools being built are community schools. They're provided there for the benefit of the same taxpayer who is also covering such areas as development charges. Now we recognize this in our Planning Act, and it's being strengthened in the new Planning Act that was introduced this spring by the hon. Minister of Municipal Affairs — that when land is dedicated on a subdivision, a specific portion must go to schools.

I haven't studied the development agreement, but in listening to the remarks the hon. Member for St. Albert made this morning, I think that in this particular case the position of the school boards in St. Albert should be one of continuing to meet with the city but being very strong in terms of their responsibilities and assuring that they're not forced to bear an undue burden in providing new school facilities for the same taxpayer the municipal government must represent.

The hon. member also raised the matter of the St. Albert loophole, dealing with the practice of that particular municipal government in terms of supplementary requisitions on new assessments coming on stream. I understand that the Minister of Municipal Affairs has in fact responded to that concern, so it's unnecessary for me to deal with it this morning.

I believe that covers the comments made this morning by hon. members.

DR. BUCK: Mr. Chairman, I'd just like to make a point or two on catch-up situations. Mr. Minister, I just don't go along with a minister who tells me, we know the situation, and we have vacant schools. Because I've heard that story from the Leader of the Opposition. At one time he was Minister of Education. I've heard that story from the present minister. The thing is that it's just not good enough to hide behind a policy of the department, Mr. Minister. Because in special instances special things have to be done. In these situations where we have rapidly developing areas, the minister just has to get an order in council and build these schools, be they core schools or whatever kinds of schools they're looking at.

I was pleased that the minister came out to open the separate school in Fort Saskatchewan. Because by the time we had that school finished and opened, it was full. It's fine; I know you can do just about anything you want with statistics. But it puts the school boards in a very, very difficult position in trying to explain to the people they serve that you can't have a school until you meet the criteria established by the department. For what it's worth, when I went to the Minister of Education at the time I was representing Sherwood Park, I said, Mr. Minister, I've heard the story too many times that it has to come up to certain levels and a certain projected growth. I said, we're a year and a half behind time, we have to have a school, let's get the thing built. And that's exactly what happened. The minister wrote an order in council and they built the school. And that just has to happen in some of the areas that we have the problems in.

MR. ASHTON: We changed all that through redistribution. It's all solved now.

DR. BUCK: Well it's not really solved, Member for Edmonton Ottewell. The only reason it's been solved

in Sherwood Park to a certain degree is because they've limited the size of the town. But if you had the increased growth factor that you had several years ago, you would still always be behind. So there has to be more flexibility and I think it's going to have to come directly from the leadership of the minister.

MRS. CHICHAK: Mr. Chairman, I'd like to deal with two matters, one the minister has passed off very easily. That is with regard to the appointment of females to the position of superintendents of schools. I'm just not going to let the hon. minister off that easily in saying that these are appointments made by the school boards and that it's in their bailiwick. I think that this government has taken a position, Mr. Chairman, with regard to the matter of recognition of women and giving them an opportunity to fill the leading roles in society. Education and the teaching profession being of the professions where there is the highest percentage of women, I think it's a very sad state of affairs.

The hon. minister may come back to me and say, well, there should be support in the submission of names from the female sector of that profession. Mr. Chairman, I think I have an answer for that as well. That is, I think that for too long women haven't been given an opportunity to develop into the lead positions where they would be obvious candidates for these appointments. I think there needs to be some encouragement and development. My experience has certainly shown me that unless the women perhaps become very vocal, or very much in the forefront in demanding certain recognition, when names are being submitted — whether it's trade unions, the labor federation, or any kind of organization — the first names that come to mind automatically are the names of men. Women aren't even being considered as to whether among them are those who have capabilities to develop for such positions.

I would simply like to ask the minister whether he has issued, or would consider issuing, some directive to the school boards in bringing them abreast, if they're not already aware, that this government has taken the posture and position that we must rectify the inequity that exists, and they should take these matters into consideration and do what they can in overcoming the [inequity].

In making these comments, Mr. Chairman, I'm not saying that there should be appointments simply for the sake of having women in these positions. I can't accept — and I don't think the hon. minister would — that there are no women in the profession, or currently holding other positions, who have the qualifications to fill such positions; who, with some basic direction and preparation which might be very brief, would be capable. So I would like to stress that, and would like to have some comment from the minister on whether he finds it within his realm at least to be able to give some sort of directive to draw attention to that and ask the boards to take a look at this very area and to make some changes and bring about some balances.

I think it is far better for society to try to overcome the inequities that have existed over a long period of time in a peaceful way and to recognize individuals for their capabilities or potential capabilities, rather than to be backed into a corner and forced to provide these recognitions under perhaps undesirable kinds of demands and strains.

Mr. Chairman, the other area I would like to ask the minister to comment on — if comments were made on this topic during last evening's sitting I wouldn't ask the minister to repeat; unfortunately I wasn't able to attend the session last night. I will then read *Hansard*. It relates to the matter of ACCESS. I would like the minister to give some outline of where we are now headed with regard to the matter of the whole ACCESS program: the support and the expenditures; how the minister sees that there be sufficient control of the programs; the use and supply of equipment to the schools; to see that there isn't simply a provision of equipment to the schools that is not going to be used; that there be some sort of co-ordination with regard to television and all the other materials that are necessary or would be required with regard to our whole ACCESS program in the area of education.

MR. JAMISON: Mr. Minister, I listened very carefully to your reply to the remarks I made. Perhaps I should repeat the question again, because I don't feel I got an answer to it, or, in fact, an answer to any one of the three.

Now regarding the development agreement. My question to you, Mr. Minister, was: are you prepared to have your department, in co-operation with the Department of Municipal Affairs, place a requirement on the city of St. Albert to issue a building permit — that's the key word — a building permit for the West Grandin school immediately, in order that the greatly needed school, already approved by our department, can be built? This approval was given six months ago and this agreement has been discussed many, many times between the two schools boards and particularly one school board within the city, with no results. I think this could be done before a decision is made on the validity of the city of St. Albert's proposal to put school buildings under a municipal development agreement.

I urge you, Mr. Minister, to give serious consideration to what I'm saying. I'm only requesting a building permit while we look at this development agreement to see the validity of it and what it is going to cause throughout the rest of the province. If the city of Edmonton or the city of Calgary were to insist that their school boards must enter into a development agreement and impose all kinds of restrictions, just what the cost of school buildings would be under the school buildings branch, a lot of the things that are in the development agreement do not come into where they are funded through your department.

With the question on the Thibault/Sturgeon, I'd like to point out that in 1968 a former minister of education at that time did have the Sturgeon School Division enter into a tuition agreement with Thibault, so the kids in that area circling the town of Morinville could attend that school. These are continuing families. That area there is not being built up with a bunch of acreages. I would like to point out also that the M.D. of Sturgeon is growing very rapidly, particularly the towns and villages — the new town of Gibbons and the village of Bon Accord. I don't think the loss of school children in that area is going to make that much difference.

I requested at that time if you would be prepared to set up a meeting of Sturgeon School Division, Thibault, and all people concerned, with your department heads and you in two to three weeks, to see if we

could come to a final conclusion on this very thorny subject.

I think those are my two questions, Mr. Minister.

MRS. CHICHAK: Mr. Chairman, I just wanted to add to the list of considerations with regard to the appointment of women to key positions. I directed the area of superintendents because that was raised earlier — but I think the whole realm of principals, vice-principals and many other key positions within the educational system, not only those areas that come under the jurisdiction of the school board, but as well, the area of the department.

AN HON. MEMBER: Agreed.

MR. KOZIAK: Mr. Chairman, the hon. Member for Clover Bar again repeated his concern with respect to the provision of school facilities in those areas of the province with growth, and rightfully pointed out that together we recently opened the Pope John XXIII school in Fort Saskatchewan. I notice that the total enrolment for the Fort Saskatchewan Roman Catholic Separate School District for 1976-77 is 488 students, which is 101 more than for the previous year, and over 100 more than the year before that. So that jurisdiction would come within the regulations I quoted to the hon. member earlier.

I think it's one thing to stand up in your place and say, what are you doing about growth areas, pass an order in council, and another thing to be able to tell me that there are school children who don't have facilities. Perhaps the hon. Member for Clover Bar can point that out to me.

I recently met with the school committee of the county of Strathcona, at which time they put forward some plans over the near term for the provision of school facilities for their children. They had a number of items in a sort of long- and near-term plan. At that meeting we pointed out to them that from the information we had at hand we would be prepared to approve two schools if they would only submit a statement of need. It's incumbent upon the school jurisdictions to do that, Mr. Chairman. It's their primary obligation under The School Act to provide those facilities. We recognize the provision of those facilities for funding, but not until the school jurisdiction takes the step of submitting a statement of need.

From that fact I would assume that there isn't the problem. If the hon. Member for Clover Bar perhaps has information that the school committee doesn't, that would indicate there are school children who aren't housed in proper facilities, I would be pleased to be made aware of those facts. But I'm not going to be passing or encouraging the passing of blind OCs to provide school facilities where someone dreams there may some day be children, who may never materialize. Because the funds we spend on the provision of school facilities are the funds we then take away from the provision of instructional funds for school children who actually exist.

I'm pleased that the hon. Member for Edmonton Norwood pointed out the problem that exists, the fact — from the information I have — that there are no women in the positions of superintendents throughout this province. Superintendents, principals, and vice-principals are appointed by school boards. Now, I know there are positions as principals and vice-

principals occupied by women. But the position of superintendent is a different matter, and I'm sure the hon. member's comments which will appear in *Hansard* will be read by many people in the educational establishment, and hopefully the Alberta School Trustees' Association will highlight those comments in bulletins to their members.

Following on the concerns of the Member for St. Albert, I can only confirm what I'm sure the hon. member knows, that the Department of Education does not have responsibilities over municipal governments, over the planning process, over the matter of issuance of building permits, and I will not be directing the city of St. Albert to issue a building permit. That's not within the area of my responsibility.

As to a meeting of the concerned individuals, school boards, involved in the Thibault/Sturgeon issue, that is presently under consideration. However, I do not intend to provide a commitment at this time. I am seeking certain additional background work and information, and I will make a decision as to the value of a meeting of that nature in the future.

MR. JAMISON: As a last crack at the cat, Mr. Chairman, to the minister: last night in your opening remarks you mentioned that the contracts for new schools were coming in and that you were very pleased they were equal to, and in some cases, even lower than they were last year. I'd like to point out, as the last kick at the cat, that if this development agreement needs to be signed next week in order that the school be built, it is estimated that the cost, which is not funded through the provincial government, will be a direct taxation on the taxpayers of close to 20 per cent.

MRS. CHICHAK: Mr. Chairman, I think the minister overlooked another point, and that was with regard to making comments on ACCESS.

MR. KOZIAK: While I'm up on my feet, with respect to the comments of the Member for St. Albert: I gather it's borne by the taxpayer either way, whether it's the municipal taxpayer or the school taxpayer who happens to be the same individual. As I understand it, it's just a question of a shift in responsibility. The situation that exists in St. Albert is not unusual to St. Albert: at times concern is expressed by the municipal government [on] the level of taxation imposed by the school government, and the desire to look good in the eyes of the taxpayer that each represents. I understand the problem that exists.

I believe we dealt with the estimates of ACCESS on Monday of this week. The only area that appears in the estimates of the Department of Education is that of the Authority, a very small amount, I believe under \$100,000, and deals with the sort of intermediary between the government and ACCESS. But with respect to ACCESS itself and its work, I believe that was before this Assembly on Monday evening.

MRS. CHICHAK: Mr. Chairman, if I may, I think we did not realize when Legislative Counsel's estimates were before the House that quickly, that the matter of ACCESS was to be dealt with and discussed there, and not at this time under the estimates of the Department of Education. I think it was passed by

without any questions being asked. So if the minister is agreeable and if he has his material and information — perhaps not material with him but in his head — I hope he would consider dealing with the matter today since we're still on general comment.

The matter of ACCESS is under this minister's jurisdiction at least in some part, although I understand it is under the partial jurisdiction of the Minister of Advanced Education and Manpower as well. I hope the minister today would see fit to make comments under the study of these estimates of Education.

MR. KOZIAK: Basically, the authority under The Alberta Educational Communications Act is the hon. Minister of Advanced Education and Manpower and me. I couldn't go into detail on ACCESS today, because I don't have the detailed information, but if there are some general comments the hon. Member for Edmonton Norwood might want to make, perhaps I could respond to those.

MRS. CHICHAK: Yes, Mr. Chairman. I think my question wasn't really being put for detailed information on specific programs. How are we now directed, in the general philosophy of ACCESS? What route are we now taking in that area, bearing in mind that when ACCESS started it was in its developing stages? I had hoped the minister might at this time perhaps indicate where we're now at in the philosophy and direction of programming. Are there at this stage some points or information he would be able to give us, as to what he sees as the continued or further objective with respect to education by this medium?

MR. KOZIAK: There are two segments to ACCESS: one being the operation of CKUA, and the other being the provision of materials for school children by virtue of multimedia programs, either through television or the dubbing centre. I believe the annual report of ACCESS, which was provided to all members of the Assembly, sets out the work of ACCESS in these particular areas over the past year. In terms of educational programming, particularly television and other areas, ACCESS has a division of emphasis between early childhood, basic, further education and, I believe, advanced — there may be another phraseology for it. Then there's a further division between enrichment, reinforcement, and what have you.

I think the area where the greatest growth is taking place is in the dubbing centre, where programs are made available to school boards on either an audio or audiovisual basis. There has been three- to fourfold growth in the use of these facilities by schools in the last number of years.

The audience or listening group that has been determined by ACCESS is, I think, in the vicinity of 100,000 viewers of their Come Alive program on a weekly basis, and another 100,000 of the material available to schools.

At the moment, one of the areas ACCESS is looking at in terms of the future is CKUA. They have issued a white paper for distribution to the listening audience and others interested in the operation of CKUA, seeking reactions as to how CKUA can better perform its mandate in the area of providing educational broadcasting.

If anything flows from those remarks, I'd be pleased to elaborate.

MRS. CHICHAK: Mr. Chairman, I wonder if the minister could indicate whether any assessment or evaluation is taking place with regard to the direction of educating students via the visual — by film and television. What effect is that having on students' developing their capability in the areas of reading, writing, and comprehension of structure in developing the kinds of skills they will in fact be needing when they are out of the educational system — the arts of composition and writing, and the skills of language arts.

MR. KOZIAK: To some degree no one can be completely positive of the benefits in the areas of development of actual skills by the use of television. However, there are some indications that television, properly presented, does in fact encourage reading. We found that on a different scale, not on the basis of educational television. Some time ago, some of you probably watched the television series called *Roots*. The information I have is that during the course of that presentation on television, sales of the book *Roots* soared. So it can provide an incentive to read. Properly done, television, film, and materials of this nature can provide proper direction and strengthen the work of a teacher in terms of the development of those basic skills by students in the classroom.

Agreed to:

Ref. No. 1.0.1	\$96,900
Ref. No. 1.0.2	\$243,800
Ref. No. 1.0.3	\$833,500
Ref. No. 1.0.4	\$198,000
Ref. No. 1.0.5	\$124,300
Ref. No. 1.0.6	\$9,600
Ref. No. 1.0.7	\$342,600
Ref. No. 1.0.8	\$875,300
Ref. No. 1.0.9	\$114,800
Ref. No. 1.0.10	\$2,100
Ref. No. 1.0.11	\$931,900
Ref. No. 1.0.12	\$132,900
Ref. No. 1.0.13	\$98,900
Ref. No. 1.0.14	\$276,800
Vote 1 Total Program	\$4,281,400
Ref. No. 2.1.1	\$456,968,000
Ref. No. 2.1.2	\$12,100,000
Ref. No. 2.2	\$1,888,000

Ref. No. 2.3

MR. JAMISON: Mr. Chairman, just one question to the minister. Since St. Albert grew from town to city status, I understand the busing service is no longer going to be funded from early childhood services or through the Department of Education. I appreciate, and I know the parish kindergarten appreciated, the extension to the end of this school term. I was wondering if he could give me any more information on whether there will be funding for busing for the ECS next year.

MRS. CHICHAK: Mr. Chairman, my question may relate not only to early childhood services but be spread over the other points in Vote 2. It's with regard not

only to ECS but to learning disabilities and special assistance to young children, where some funding has been provided in the past and directed through the PSS for coping with problems in special communities where children have cultural deprivation. I wonder if the minister could indicate some of the problems experienced in the past year with regard to number or age of children who could be accommodated where private classes within the community have been run through community services to assist young children of low income families and in socially deprived areas that come under NIP, whether some of the funding problems the minister was faced with in the past year have been resolved, and whether there has been some expansion or relaxation in the regulations or standards as to the kinds of assistance the minister can give under these votes. I'm not sure if I have made myself clear. It is a difficult area to be clear on.

MR. KOZIAK: Mr. Chairman, with respect to the comment made by the Member for St. Albert, the ECS program in St. Albert was advised that although the town became a city on January 1, the regulations dealing with city transportation of ECS children, the implementation with respect to St. Albert, would be delayed until the end of this current ECS term in June. However, there are provisions thereafter for ECS funding within city jurisdictions, and regulations that apply.

I invited the operators of the ECS program to meet with the early childhood branch of the Department of Education to become informed of what provisions are available and to see if some funding arrangements, although not on the same basis as previously, could be arranged within the existing regulations that apply to the transportation of ECS children within a city.

The comments of the hon. Member for Edmonton Norwood probably transcend the entire vote, but I would think deal specifically with the special education teaching positions. As I indicated last evening, another 100 special education teaching positions have been recognized for this coming year for the mildly handicapped, which includes those with a language deficit, and an unlimited number for the severely handicapped. We expect that would be in the area of no more than 50 special education teaching positions.

Additional funds under the early childhood services program are provided to operators on a per pupil basis, which are higher than on a per pupil basis elsewhere, for those children who come from disadvantaged areas. The compensatory component of the educational opportunities fund provides for half a million dollars for the two large cities, to cover the provision of services in these areas as well. I think those are the areas the member expressed concerns in, and I hope that provides an adequate response.

MRS. CHICHAK: I have an additional question, Mr. Chairman, with regard to the funding provided for library supplies and establishment within the schools. That grows out of the recent situation in the city of Edmonton — well, not only in the city of Edmonton but across the province. I know substantial funds were made available through the Department of Education on a per pupil basis for library funding or support, through the school boards, for the various

schools. I wonder if the minister has considered or would consider perhaps outlining to the school boards some of the varieties of ways this funding could be utilized not only in the sense of providing funds to the individual schools and building up libraries within the schools but where some of the funding could perhaps be directed to regional library facilities as part of the component of funding through the educational system: rather than building up small, incomplete libraries in every school, where there is a concentration of a number of schools and a regional library in an area, if he might suggest that school boards consider applying some of that funding toward developing adequate regional libraries. I think that would probably be complementary to the substantial funding for libraries on a province-wide basis announced through the Minister of Culture. I wonder if the minister could make some comment in that regard?

MR. KOZIAK: I wonder if we shouldn't wait until Vote 2.5 on that. Because that deals with the special assistance to school boards, which deals with textbooks and readers.

MR. CHAIRMAN: Is it agreed?

SOME HON. MEMBERS: Agreed.

Agreed to:

Ref. No. 2.3

\$16,922,000

Ref. No. 2.4

\$7,361,000

Ref. No. 2.5

MR. KOZIAK: This is the appropriation under which the Member for Edmonton Norwood posed her question. That appropriation of \$20,720,000, special assistance to school boards, is broken down into two categories. The largest by far is teachers' pensions. The sum of \$19,715,700 would be provided out of this appropriation for that purpose. The balance would be textbooks and readers, \$1,004,300. This is a different grant than the library grant provided to school boards, I believe two years ago, when all school boards received the sum of \$15 per student for the purchase of library and learning materials for students. That was a one-time grant. It is not an ongoing grant that we can subsequently impose conditions on. Basically 2.5 is the vote under which we provide assistance to school boards in terms of rental of textbooks and purchase of textbooks at a discount from the school books branch. We provide for a 40 per cent discount on books. This is where that support comes in.

The co-operation that might exist between local libraries and school boards is something I'm sure has been explored locally. In some cases the local library is in the school, and the school and library boards work together in the provision of these facilities. I just wanted to point out that the \$15 per pupil grant does not appear in this vote. That was one time only.

MR. MILLER: Mr. Minister, you lost me on that last part. Approximately \$1 million goes into the school book rental program, as I understand it. You also say the county school committees, or the school commit-

tees throughout the province, can buy books through the school book branch at a 40 per cent discount. Would you please elaborate on that a bit.

MR. KOZIAK: This amount of \$1,004,300 is there to provide for that.

MR. MILLER: Forty per cent?

MR. KOZIAK: Discount. Yeah, it isn't a discount plus \$1 million in addition.

Agreed to:

Ref. No. 2.5	\$20,720,000
Ref. No. 2.6	\$1,778,000
Vote 2 Total Program	\$548,035,000

MR. KOZIAK: Mr. Chairman, perhaps just before we go on, I may have created some confusion in the mind of the hon. Member for Lloydminster when we discussed textbooks and readers under Ref. No. 2.5.2.

What I'm saying is that a total of \$1,004,300 is available for this purpose. It isn't that they get \$1,004,300 plus a discount. This provides for the discount, plus a \$2 per pupil reading grant for the elementary students. The way this works out is: about \$400,000 will be provided to school boards throughout the province as a reading grant, which they use for this purpose. The remaining portion of the vote, approximately \$600,000, will cover the cost of the discount school boards receive when they purchase books from the school books branch.

I hope I'm clear on that, because after I made my comments I noticed the hon. member was shaking his head. So I wanted to stand in my place and see if that couldn't be resolved.

Agreed to:

Vote 3 Total Program	\$6,636,500
Vote 4 Total Program	\$5,827,100
Capital Estimates	
Ref. No. 1.0	\$48,100
Ref. No. 2.0	—
Ref. No. 3.0	\$62,100
Ref. No. 4.0	\$153,000
Department Total	\$263,200

MR. KOZIAK: Mr. Chairman, while I'm on my feet, I had intended to provide one bit of information to hon. members before moving that the resolution be reported. I think I will take this opportunity to do so.

During the study of the estimates of the Department of Education last year, a number of hon. members — including the Member for Grande Prairie, the Member for Spirit River-Fairview, and others — raised the question of utility costs in schools, and the rising utility costs in this expenditure for school boards. In view of the fact that the throne speech dealt on page 19 with the matter of energy conservation programs, I thought it would be useful for me this morning to bring to the hon. members' attention two research projects being undertaken by the planning and research branch of the Department of Education, in conjunction with two school boards.

These research projects are valued at \$60,000 each. One is in conjunction with the Calgary Board of

Education, and one is in conjunction with the Edmonton Public School Board. Now, what will happen is: the Calgary Board of Education will be selecting three of its existing schools, and monitoring and modifying energy use. There will be some renovations to these schools, which will be partly financed through the building quality restoration program. Our goal as a result of these studies is to reduce electricity consumption by as much as 40 per cent, and fuel consumption by as much as 25 per cent in existing schools.

I think the information that will be available from this study will be beneficial to schools and jurisdictions throughout the province of Alberta. Concurrently, the Edmonton Public School Board will be applying new energy conservation standards on its next core school, with the target of cutting electricity consumption in half and reducing fuel consumption by 30 per cent.

So both reports, which we expect will be due in two years, hopefully will identify areas of costs and savings that can be shared by all school jurisdictions in reducing the consumption of electricity and fuel, thereby providing substantial financial benefit to those school boards.

Agreed to:

Department Total	\$564,780,000
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MR. KOZIAK: Mr. Chairman, I move that the resolution be reported.

[Motion carried]

Department of Utilities and Telephones

MR. CHAIRMAN: Mr. Minister, do you have an opening statement?

DR. WARRACK: Mr. Chairman, there are really two ways I might proceed. I leave it essentially to the pleasure of the members of the Legislature to decide on their preference, perhaps particularly the Member for Bow Valley, who I know has the primary responsibility in their portion of the other side of the House with respect to Utilities and Telephones.

I think what I would do at the outset, Mr. Chairman, is draw hon. members' attention to the extensive remarks I made on the budget speech, as in *Hansard* starting on page 326, where I dealt extensively with the resource management of natural gas, regarding the price protection plan, the recommitment, and the major emphasis those have in this budget. Also, the rural gas program and the extensive success that's been enjoyed there.

Moreover, I indicated a number of remarks with respect to the upcoming, at that time, communications ministers' conference held in Edmonton about a month ago. I also remarked with respect to the status of the Alberta Government Telephones operation and rate review under way at the present time.

Finally, I also gave some additional indication with respect to the basic thinking of handling the REA rebuilding amount, which was a B budget program. I offered that I would very much appreciate the comments of all hon. members with respect to any area of

that, to be formulated in terms of its implementation particularly with respect to the work already done by the committee chaired by the hon. Member for Whitecourt, with the hon. members for Vegreville and Athabasca on it as well. I believe I also indicated that desire in response to a question posed earlier by the hon. Member for Bow Valley.

Mr. Chairman, if it's the pleasure of the House, I'm prepared to make extensive remarks on all these matters. Last year, having previously spoken on the budget, I did not do so. Of course the difficulty with that is that while it perhaps avoids unnecessary repetition of many things and the taking of the time of the House, it does expose one to some cheap political shots about being afraid to talk about something, or some kind of misguided view as that.

Mr. Chairman, I put it essentially to the pleasure of the members of the House whether or not they would like to have extensive remarks made. Essentially if anyone feels in their mind that there's any avoidance of areas of importance in the Department of Utilities and Telephones responsibility, they could indicate so. I would then launch into my extensive remarks. Rather than do that at the outset, I simply pose the opportunity to respond to questions and comments, unless the judgment of the members is that they'd prefer to have extensive remarks by way of introduction.

MR. MANDEVILLE: Mr. Chairman, our procedure on this is: we're going to be discussing the rural gas co-ops, REAs, and telephones. We're going to have some opening remarks in each area. We appreciate that the minister's prepared to answer these questions, extensively or otherwise.

I'm going to start off with our gas co-ops in the province. I was hoping last year that we wouldn't have to get too intensive in this area. However, I still get many letters from gas co-ops and customers who are very concerned. As early as this morning I got a letter dated April 27 from the Howell Gas Co-op. Mr. Chairman, the biggest concern most of the gas co-ops have . . . I'm just going to read very briefly from this Howell Gas Co-op letter, and these are the remarks we're getting from many of the co-ops in the province:

At the last general meeting the Howell Gas Co-op Ltd. held April 25, 1977, the members unanimously went on record as opposing the 15.04 cents per M.C.F. increase by Gas Alberta which came into effect April 1, 1977.

A letter to you concerning our disagreement with the above huge increase (over 20 per cent) should be appropriate at this time as I understand all government members will be available for attendance at a meeting on Wednesday, May 4th, 1977 in Edmonton with the Federation of Alberta Gas Co-ops to discuss this subject.

We are pleased that the government caucus are going to be meeting with the Federation of Gas Co-ops. I'm sure they're going to bring up some of the same points I am as far as gas co-ops are concerned.

The biggest problem the gas co-ops are facing today is not a stability as far as gas prices are concerned. Their concern is this: they're not hooking up. Many have signed up, but they haven't hooked up. The reason is that they're not sure what future

increases in gas prices are going to be. For example, on April 1 our gas went from 56 cents to 69.5, and possibly a further increase in July. This is really causing concern with the gas co-ops.

What's so very unfair for the people who are not hooking up — for example, in the Dry Country Co-op I understand 400 members haven't hooked up. Where they've got the pricing of their gas into the capital, it's unfair for the people hooked on to the gas co-ops who are paying so much of the capital costs, and the people who aren't using it are not paying for the capital costs. They're also having a problem with charging a service charge to some of these people who aren't hooking on.

Another problem we're facing, and they're facing it throughout the province, is with so many leaky gas lines in the province. One in my constituency lost \$16,000 worth of gas last year. Other areas are having more problems than we have in my constituency. I might say to the minister, in my constituency the gas co-ops are running fairly well, with the exception of the one co-op that has this leaky pipe.

Another area causing concern with the directors and the co-ops is: they're having problems getting insurance. They need liability insurance, and many of the companies won't write insurance as a result of the problems they're facing with the gas co-ops and some of the malfunctions of the co-ops that are causing problems.

Another problem they're faced with — and I hope the minister will do something in this area — is that under the federal Income Tax Act they're only able to use 50 per cent of their capital costs for income tax purposes. Here again, I hope the minister and the Provincial Treasurer would put pressure on to see if we can get some changes in the act, so rural gas co-op members can use all of their capital for deductions.

Another area I get some concern on, and I think especially in my own area and some of the southern parts, is as far as our co-ops in existence when the new gas program came into operation are concerned. They feel they haven't got the grants from the government. When they want assistance for putting in new construction or replacing lines, sometimes they run into problems getting the grant for pipelines.

One came to me that can't get a 100 per cent grant for the transmission pipeline; they're going to get 50 per cent. The reason they can't is that it's plastic pipe, and a lot of the services are going to be used for irrigation. They're going to pick up 50 per cent.

So I'd like the minister to see if there's any possibility of giving some of our existing co-ops which put in their own gas co-ops before the gas program came into existence — I'm not saying special recognition, but making it easier for them when they're applying for their grants for main trunk lines.

As I said, I hope our estimates aren't going to go on till May 4, when the government caucus are going to meet with the Federation of Gas Co-ops. I think this will be a very useful meeting. Many of the rural members from the government side will get first-hand information, which I know they have already, as far as rural gas co-ops are concerned. I would have to say that I think the government has used some of the board of directors as salesmen to go out and sell the program. They're getting pretty upset with the fact that they're not able to get their members con-

tented, or hooked on to the gas co-ops.

Many co-ops have told me the royalties from gas are large. In 1976 the government got around \$519 million in royalties. They paid a rebate of \$70 million on the Federation of Gas Co-ops. The gas co-ops appreciate the increase, from \$35 million to \$105 million. However, the majority of this rebate is not going back to rural Alberta as far as our rural gas co-ops are concerned. I've heard figures batted around that 3 per cent of our gas is used by rural Alberta, and 1 per cent is used by rural gas co-ops. If that is the case, certainly not too much of the rebate is going back to the rural gas co-ops. If these figures aren't right, I hope the minister will correct them. Because these are figures I have heard as far as gas consumption in the province is concerned.

Another item that's going to be brought up when the federation meets with the government caucus is the fact that we do have, for example, Sherritt Gordon getting 720 billion cubic feet of gas. I realize it's on contract at 20 cents per MCF. And down there in Medicine Hat their fertilizer plant is getting 20 billion cubic feet. Here again, I realize this is by contract. However, this is one of the concerns rural gas co-ops have had. They're concerned with these commercial prices in relation to their prices.

Some of the suggestions that I have brought up before, and I'm going to bring them up again — I realize the minister is trying to take care of the capital in the best position he can in coming out with grants that are, in my estimation, pretty good. However, anything over the \$3,000 — possibly we could go into the heritage trust fund and finance this at a low interest rate for some of our co-op members. I'm sure this would be beneficial as far as the gas co-ops are concerned, and we would be able to get more rural people using gas in this province.

Another area I know the Federation of Alberta Gas Co-ops and many of the local gas co-ops are concerned with, and much representation is made — if we could freeze the price of gas for, say, five years, this would solve our problem. Or if we had a three-price system — a price for Albertans, a price for Canadians, and a price for world gas — I think this would solve many of our problems.

Mr. Chairman, if we are not able to solve some of these problems, certainly we're going to have problems getting 80,000 members hooked on to the rural gas co-ops, which is the projection. If the minister could comment, how close are we getting to the 80,000 members, or what is the number of potential hook-ups we have in the province at this time?

MR. NOTLEY: Mr. Chairman, I noticed when the minister began his remarks that he mentioned his speech on March 16 and then made reference to asking whether the committee would like to have a general speech outlining a number of things or responding to questions so he wouldn't have to face a problem of cheap shots. Well, Mr. Chairman, having had a chance in the last couple of minutes to look over the speech of March 16, the minister should know about cheap shots, because quite a number are contained in that particular speech; as a matter of fact, I think more cheap shots than information.

Mr. Chairman, I want to deal with two aspects of this department. The first is to follow up some of the points the hon. Member for Bow Valley has made

with respect to rural gas co-ops. The second is to say just a few words as far as rural electrification associations are concerned.

Dealing first of all with rural gas co-ops, Mr. Chairman, I don't think there is any doubt that the government has improved their capital position in the last year. The announcement made several months ago with respect to the 90-10 sharing of capital costs over \$4,500 is an improvement. It's welcomed by rural gas co-ops in the province.

However, there is still a fairly serious capital problem. The point the Member for Bow Valley makes is one that has certainly been brought to my attention. That is that on that portion of the overage which is still borne by the gas co-op — whether it be the 50 per cent between \$3,000 and \$3,750, the 75 per cent between \$3,750 and \$4,500, or the 10 per cent over the \$4,500 — that share might well be financed through some form of revolving fund similar to the REAs.

Mr. Chairman, I realize that is a significant departure from the hopes set out in the initial position paper of 1972. But the costs have gone up. It seems to me that if we are going to make these gas co-ops viable, one step might be to allow the overage to be financed through low-interest loans similar to the REAs.

The second part, of course, is the major concern of the Federation of Alberta Gas Co-ops. I would simply say to the members of the committee that I hope when the federation meets with the government caucus, particularly the urban members of this Assembly give serious consideration to their proposal that there be a gas price freeze for gas co-ops. Now I know the immediate argument that will be raised is: how can you justify a price freeze for rural gas co-ops and not a price freeze for urban consumers? That's the obvious argument that will be raised, and it's a legitimate initial argument for urban members to bring up. But it seems to me, Mr. Chairman and members of the committee, that there are ways to answer that argument. I would like the urban members particularly to consider some of the things that have been said by the co-ops and some of the things the hon. Member for Bow Valley has said today.

First of all, as far as the rural gas program is concerned, we are talking about a very small percentage of our overall consumption of natural gas in the province of Alberta. Slightly over 1 per cent of the natural gas consumed in Alberta, about 4 billion cubic feet, is consumed by the rural gas system. So the cost of maintaining a price freeze over the next five years — or it could be a shorter period than that, perhaps over a three-year period since you've announced there will be a three-year program — is not some huge amount which will break the province. We're not talking about millions and millions of dollars. We're talking about a figure which, I believe, could be justified. We're talking about considerably less — as I look at the statistics — than a million dollars. Now, people shouldn't talk about a million dollars lightly. But I think that has to be balanced against the investment we've already made in the rural gas program.

So the first point I want to underline is that the amount of gas consumed by rural gas co-ops in Alberta is really a small percentage of the total.

The second, Mr. Chairman, is to urge urban mem-

bers particularly to look at the comparative gas rates. Because when I look over the rates in the city of Edmonton or Calgary, or some of the smaller cities in Alberta, invariably the rate that is paid is considerably less. As a matter of fact, that will vary from some gas co-ops where you have very high gas rates to others where the gas rate may not be quite as high but you have a very high service charge. A year ago the North Peace Gas Co-op had a gas rate of \$1.75 per MCF. What happened in April 1976 is that the gas rate was reduced from \$1.75 to \$1.20 per MCF, so that's slightly above our urban centres. You may say, well, not that much. But unfortunately we charge a \$14 a month service charge before you begin paying your \$1.20 per MCF.

When I look at the gas rates of the various co-ops in the province, Mr. Chairman, and I have the figures here for all of them — and I want to underline this for urban members — in almost every case — there are several exceptions — the gas rate is significantly higher than urban consumers are paying. I would argue that we can justify a three-year price freeze for the gas co-ops, even though that is providing a little bit of additional monetary support that urban consumers may not be receiving.

Mr. Chairman, I suppose it's the old argument that the same is not always equal. It's the argument you can make when you look at school grants, for example. You have so much per capita for students, whether it's urban or rural; it doesn't take into account the differences in cost. The government has slowly but surely begun to recognize that. We now have programs which take the differences into account. I'm simply saying that the same sort of proposition should be advanced with respect to the rural gasification program. We have a very significant investment of almost \$80 million in the rural gasification program, and I think it is important that we make sure that investment is safeguarded.

Mr. Chairman, the Member for Bow Valley brought out an extremely valid point [on] rural gas co-ops. Many co-ops have people who would join the co-ops. In the North Gas Co-op, we have 150 people who have signed the agreement, but they're not burning gas. The gas co-op in High Prairie is another one where a large number of people are not burning gas. Of course the economics of the co-op, whether it's in High Prairie, or the North Peace or in southern Alberta, is that if these things are going to stay afloat, we have to get people burning gas.

As the brief the federation presented to the cabinet this year points out, the problem is that we are reaching the point where when you consider conversion costs, it is no longer that economical to switch over to gas. We're reaching that point. The difficulty with a gas rate that bobbles up throughout the year — we're going to have an increase every few months. Even though 25 per cent of that increase will come from the consumer and 75 per cent will be shielded, from the gas program, nevertheless we're not sure of the timing of these gas increases. There will be periodic gas increases throughout the year. The difficulty the co-op board of directors may point out very clearly is that it's tough to persuade the people to convert to make the co-op viable, if you just get them talked into one price and then three or four months later we've got another price increase.

That's the argument, and I try to put this in the

least combative way I can, because I hope the caucus will consider the case that the federation is making. It's not an unreasonable one, and it's not one which is going to cost the province an arm and a leg. As a matter of fact, if I thought it would help, I'd speak against it; if I thought that would have a reverse psychology. I'm sure the other hon. members of the opposition would too. But I think it is so important, particularly in a number of these gas co-ops where it's just such an 'iffy' proposition. With that kind of guarantee, we could move from an uncertain status to nail it down, and in three years we'd have that rural gas program beyond any problem, out of the woods. It's basically a good program and, as I say, I think much has been done to improve the capital financing. But I want to second very strongly those two suggestions the Member for Bow Valley made. They are basically recommendations by the Federation of Alberta Gas Co-ops. I hope that within the caucus you people take the bull by the horns and convince the government to move on this matter.

The only other point I want to deal with is with respect to rural electrification associations. There is a good deal of concern about the maintenance reserve fund which many REAs argue has been depleted. Quite frankly [there is] some argument by many of them that there's no way they can really monitor what a power company charges for putting in a pole or a tap or what have you, that frequently these costs are higher than they should be, and that the reserve fund has been depleted. Certainly it is not anything like the amount needed to rebuild the lines.

A small beginning has been announced in the budget this year, but I'd like to add one other factor which is particularly relevant in northern Alberta where we have a lot of brushing that is required. As things stand now, that does add additional costs to the REAs. In several REAs in my own constituency, for example, they've had to levy pretty substantial additional amounts on each member in order to complete brushing programs which have been necessary as an initial step if they are to take advantage of Alberta Power's new ongoing brush control program. Alberta Power came up with an ongoing brush control program in 1976. Unfortunately, for many of the REAs to be able to take advantage of it, they had to make a fairly substantial investment in initial brush clearing which has meant heavy levies on the individual members.

But just concluding, Mr. Chairman, getting back to the gasification program. When you meet with the federation, I certainly hope that favorable consideration is given to their recommendations.

MR. THOMPSON: Mr. Chairman, I'd like to ask the minister a couple of questions regarding the advertising budget for AGT. I'd like to ask him where it is in the votes, how much has been budgeted for advertising, how it compares with last year's advertising budget, and some justification for having an advertising budget for AGT.

DR. WARRACK: Mr. Chairman, I'll deal with the last point first if I may, because I can be brief about it.

The advertising budget for Alberta Government Telephones is within the Crown corporation of Alberta Government Telephones' own operating budget.

So it's not in the votes we have here. My memory is that the magnitude of budget involved in advertising in the past year was about \$1.3 million. I have a nod that tells me my memory is correct. But I can't remember what it was last year. I would guess that it would be something like a 10 per cent difference one year to another. Another nod tells me that's roughly in the ballpark.

I think it's important to outline a couple of things with respect to advertising. You need to look at what the advertising is done for. For instance, there's an area of simple public information that needs to be handled. A good example of that occurred this past year both in Lethbridge and Medicine Hat where happily for those regions of Alberta they were experiencing much more rapid growth than had been anticipated by AGT in the previous planning period. As a result, the capacity was not in place to meet the growth requirements and there were pretty major service problems experienced by both Lethbridge and Medicine Hat.

One of the things that was done, and you might have seen the ad in the papers of those areas, was the "Please bear with us" ad, explaining that there were going to be service problems and why, and that they'd be resolved by, as I recall, November of last year. That was a matter of public information. I had a lot of calls from the area and people urged us to advertise even more, by way of public information. So that's one concrete kind of example.

Secondly, there is a lot of opportunity for saving costs that would otherwise have to be paid by AGT if people didn't realize they could impose those costs. For example, you'll notice that from time to time there are quite a number of ads in the advertising placement, meant to save costs for AGT and therefore in the rates, to help prevent people cutting cables. Now I'll also admit that one of the worst cutters of AGT cables is AGT. And that's the truth. We've been doing some work on improving that.

But nonetheless there's a service we advertise in order that people can be aware, where to contact AGT. It's "Dial before you dig". Because if they don't, the cables are cut, people's service is cut off, and it's very expensive to replace them. So that's an example.

Another example is the BICS effort; that is the Building Industry Consulting Service. If a building is being built, for example, of major office building proportions, we advertise — particularly in industry and trade magazines — please contact AGT before you finalize your design in order that we can assist at the design stage with your communication system problem in the building. If that isn't done, it ends up being costly for the builder and for AGT.

Another area of cost saving you probably noticed recently was, through the fall some ads were run asking people to let us know if they are in a rural subdivision area and will need telephone service this spring. If so, we can plan it into a co-ordinated, well-planned and scheduled work effort. If not, all those people go back and forth on a one service by one service basis and that's a very inefficient and costly thing to have happen. So that's a cost-reducing effort by way of advertisement.

The third is to generate revenue. That's primarily in the long-distance area. Like a lot of things, you

have a peak requirement. Of course during the business week, that is to say not on Saturday and Sunday, but Monday through Friday, and at particular times during those days, we have very extensive demands by way of long-distance capability. You have to have enough equipment in place to meet those peak demands. So if you are at a time other than those peak demands you have of course excess capacity and a lot of hardware you are not using.

Now there is a major positive thrust by way of revenue for the telephone system if people can be encouraged, for example through advertising — I guess the theme right now is; "Get the long-distance feeling", to make long-distance calls, using that otherwise idle facility you have to pay for anyway, to generate the total revenues involved. Basically public information, cost-reduction, and the revenue-generating efforts that can be used to cover the necessary costs of running the telephone system are the three basic reasons why there is advertising by Alberta Government Telephones.

I can't see the clock but I'm informed that it's nearly 1 o'clock, so I guess I just sit down. I don't adjourn anything, do I? Okay.

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

HON. MEMBERS: Agreed.

[Motion carried]

[Mr. Speaker in the Chair]

MR. DIACHUK: Mr. Speaker, the Committee of Supply has had under consideration the following resolutions, reports the same, and requests leave to sit again:

Resolved that for the fiscal year ending March 31, 1978, amounts not exceeding the following sums be granted to Her Majesty for the Department of Education: \$4,281,400 for departmental support services, \$548,035,000 for financial assistance to schools program, \$6,636,500 for regular education services, \$5,827,100 for special education services. The Committee of Supply also has under consideration certain other resolutions and reports progress on same.

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

HON. MEMBERS: Agreed.

MR. FOSTER: Mr. Speaker, I move we call it 1 o'clock.

MR. SPEAKER: Does the Assembly agree to the kind proposal of the hon. Acting Government House Leader?

HON. MEMBERS: Agreed.

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

[The House adjourned at 12:55 p.m.]