

**LEGISLATIVE ASSEMBLY OF ALBERTA**Title: **Wednesday, March 15, 1978 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS****Bill 228**  
**An Act Respecting**  
**Consumer Accounts and Records**

MR. TAYLOR: Mr. Speaker, I beg leave to introduce a bill, being An Act Respecting Consumer Accounts and Records. The purpose of this act is to provide a channel through which consumers and creditors may handle errors in billing. It is also to ensure to the consumer a standard of privacy in regard to any information held by the creditor relating to the consumer, and to establish a course of action which will allow the debtor to have any personal information relating to him removed from the creditor's possession.

[Leave granted; Bill 228 read a first time]

**Bill 216**  
**An Act to Amend**  
**The Municipal Government Act**

DR. BUCK: Mr. Speaker, I beg leave to introduce Bill 216, An Act to Amend The Municipal Government Act. The purpose of this bill is to repeal certain sections of The Municipal Government Act dealing with the functions of the Local Authorities Board, specifically to return to the LAB power to make the final decision on annexation petitions.

[Leave granted; Bill 216 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. DOWLING: Mr. Speaker, I have the honor to table the fifty-eighth annual report of the Alberta Research Council for the calendar year 1977, as required by statute. A copy will be made available to every hon. member.

MR. GETTY: Mr. Speaker, I'd like to table a reply to Motion for a Return No. 103.

MISS HUNLEY: Mr. Speaker, I wish to table the annual report of the Alberta Alcoholism and Drug Abuse Commission for the year ending March 31, 1977, as required by statute. Copies will be provided to all hon. members.

MR. SCHMIDT: Mr. Speaker, I would like to table a reply to Motion for a Return 114.

MR. SPEAKER: I'm pleased to be able to table the annual report for *Alberta Hansard*.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. APPLEBY: Mr. Speaker, it's my pleasure this afternoon to introduce a group of 33 students from the Boyle High School. They are accompanied by teacher Mr. Peter Avasthi, two parents Mr. and Mrs. Andy Mikaluk, and their driver Alex Harmata.

Mr. Speaker, I think I should note that this is the seventh consecutive year that a group of students from Boyle High School have visited this Assembly. They are seated in the public gallery, and I'd ask them to stand now and receive the welcome of the Assembly.

MR. GETTY: Mr. Speaker, I'd like to introduce some 50 or so grade 9 students from the Louis St. Laurent high school in Edmonton Whitemud. They are accompanied by their teacher Miss Bonar. They are in the members gallery, and I'd ask them to rise and be recognized by the House.

MR. BOGLE: Mr. Speaker, I would like to introduce to you, and to members of the Assembly, four distinguished guests from the town of Taber. They are here today, Mr. Speaker, to meet with various government department officials to discuss the affairs of the town of Taber as they relate to the government. They include Her Worship Mayor Helen Wentz; Charles Daisley, councillor; Ken Kurio, councillor; and Clarence Schile, town administrator. Would they rise and receive the welcome of the house.

MR. MINIELY: Mr. Speaker, it's my pleasure to introduce to you, and through you to the members of this Assembly, 25 students from Alberta Vocational School in the constituency of Edmonton Centre. They are accompanied by their teacher Laura Ho. They are seated in the public gallery, Mr. Speaker, and I would ask that they stand and be acknowledged by the Assembly.

MR. LITTLE: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of the Legislature, Alderman Don Hartman of the city of Calgary, accompanied by his wife Peggy. Alderman Hartman's ward superimposes the constituency of Calgary McCall, which the members know is the largest and fastest-growing constituency in the province. May I ask Alderman Hartman and Peggy to rise and be recognized by the Assembly.

head: **ORAL QUESTION PERIOD****Student Loans**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Premier. It flows from the meeting the Premier had yesterday with the president of the Students' Union of the University of Alberta. I believe the Minister of Advanced Education and Manpower was also in attendance. Will the Premier advise the Assembly what commitments, if any, were made by

the Premier or the minister at that meeting with regard to the provincial student loan programs?

MR. LOUGHEED: Mr. Speaker, I would like to deal with that matter at some length during the course of the debate on the motion this afternoon.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier. Were any other commitments made to the students in the course of that discussion yesterday afternoon, in addition to commitments in the area of student loans?

MR. LOUGHEED: Mr. Speaker, I have some difficulty answering the second question any differently than the first.

MR. CLARK: Mr. Speaker, perhaps he can answer the third then. Is it the Premier's intention to take part in the debate early this afternoon?

MR. LOUGHEED: Mr. Speaker, I'm not sure when, but I know that I will.

#### University Financing

MR. CLARK: Mr. Speaker, then let me direct a second question to the Minister of Advanced Education and Manpower. Perhaps he too will want to waffle around until later on this afternoon. [interjections]

MR. SPEAKER: Order please. The hon. Leader of the Opposition knows well that question period is not a time, if indeed there ever is one, for making inflammatory statements of that kind.

MR. CLARK: Mr. Speaker, I'd never want to be accused of that.

Can I put the question to the minister this way, then. Mr. Speaker, is it the intention of the minister to go back now to his cabinet colleagues and reassess the question of the level of expenditure, the level of funds made available to the universities in Alberta, in light of the discussions the minister has had with people at the University of Alberta this weekend, the students yesterday, and the demonstration this afternoon?

DR. HOHOL: Mr. Speaker, it's just incredible that after this number of years the hon. Leader of the Opposition would find cause to use words like "waffle" with respect to my presence here, but we'll debate these issues in the course of the debate.

MR. CLARK: Waffle! It's worse than that.

DR. WARRACK: You're a pancake.

#### Temporary Employment Program

MR. MANDEVILLE: Thank you, Mr. Speaker. My question is also to the Minister of Advanced Education and Manpower. Could the minister indicate whether STEP will be in operation this summer?

DR. HOHOL: Mr. Speaker, in the weeks ahead, during the period of the sitting of the House, we'll have an

announcement with respect to employment programs during the course of the next year.

MR. MANDEVILLE: Supplementary question, Mr. Speaker. Has the minister given consideration to making provisions in the budget for STEP and making it a permanent program?

DR. HOHOL: Mr. Speaker, as the hon. member knows, the estimates come down this Friday. Information with respect to the subject of the question will be contained in that document.

#### Coal Gasification

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the hon. Minister of Business Development and Tourism. Will the coal gasification project be continued this summer?

MR. DOWLING: Mr. Speaker, over the course of a number of years, we have been directly involved in coal gasification through the Research Council. I believe the amount of money set aside for that program was approximately \$750,000, of which \$130,000 was spent in this last year.

During the course of the next few months, we will be examining the results of the gasification process that took place in Forestburg, which was undertaken with the Research Council, the federal research body, and about 12 private companies. Through a system of gas chromatography, they are able to determine the types of gases given off at the stack when they burn them, and that will be continued during the next few months.

It's our intention, though, to proceed with a presentation to the resource research fund organization for additional money for a long-range program.

MR. TAYLOR: A supplementary to the hon. minister. Has any location for the continuation of the project been decided upon, or is that still to be decided?

MR. DOWLING: Mr. Speaker, I should have mentioned in my answer to the first question that the gasification experimentation that was undertaken dealt with coal to a level of 1,000 feet below the surface. It is very important that this group now move to an area where the coal depths are greater, and the width of the seam is greater as well, so it might be determined what *in situ* burning does in that kind of deposit.

MR. TAYLOR: Supplementary to the hon. minister. Will the coal fields of Drumheller and East Coulee be considered among those where it might be a suitable project?

MR. DOWLING: Mr. Speaker, it is my understanding of the situation that the coal deposits in Forestburg as well as Drumheller are much the same, and that the group would have to move to an area other than those to find a coal seam deeper than 1,000 feet, with the required breadth of seam.

MR. TAYLOR: One final supplementary, Mr. Speaker. When the project continues this summer, will the

gases be gathered and contained, or has the project yet reached that stage?

MR. DOWLING: It hasn't, Mr. Speaker, but I suggest that the present thinking would indicate the gases so generated would first of all be burned on site to examine their contents. If the process proved beneficial in terms of a commercial process, they would be taken through a pipe and burned directly rather than stored.

#### **Agricultural Marketing**

MR. NOTLEY: Mr. Speaker, I'll sidestep the temptation to ask the Minister of Advanced Education and Manpower a question and instead refer my question to the hon. Minister of Agriculture, and ask whether or not the minister has had an opportunity to discuss with the federal Minister of Agriculture, Mr. Whelan, a proposal that particular gentleman made over the weekend at a meeting, I believe, of the North American farm movement, with respect to an international organization of food exporting countries, modelled somewhat on the lines of OPEC.

MR. MOORE: Well first of all, Mr. Speaker, it's not my understanding that the federal Minister of Agriculture did make that proposal. As a matter of fact, news reports I have read quote him as saying he was misquoted in that particular regard.

I would say, however, that for a number of years we have been continuing our efforts to ensure that the federal government trade negotiators, whether they are involved in the International Wheat Agreement talks, bilateral talks with the U.S., or multilateral talks in Geneva, do take the approach of ensuring that we take every opportunity we can to get a situation where we have a good return for our product. The International Grains Agreement is a very complex structure that has been developed over a good number of years, and we hope the manner in which it might be changed will be beneficial to Canada.

Insofar as a cartel situation is concerned, Mr. Speaker, quite frankly I don't believe that is the answer to agricultural incomes in Alberta, Canada, or elsewhere. I think we have to approach the matter in a responsible way, ensuring that we provide food to those countries which need it at a reasonable price, and that we get a return for our farmers that's acceptable to them.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Minister of Agriculture. Where does the government of Alberta stand with respect to the proposals of some organizations for an international meat agreement?

MR. MOORE: Quite frankly, Mr. Speaker, our position is that we want to continue the existing North America market concept. We think there is a great deal of value in broadening our trade with the United States in terms of meat products. However, we believe there are other countries, notably Japan and the European Economic Community, which have far too many restrictions on the importation of Canadian agricultural goods into their market place. As I said earlier, we're working very hard, through GATT and through the government of Canada, to try to correct

some of those deficiencies.

Beyond that, Mr. Speaker, I'm not sure what else I could say about international meat trade except that, as I said in my comments last week, we have pressured the federal government in a variety of ways to ensure that Alberta and Canadian beef producers are not hurt by extensive imports of offshore meat. We have pressured the United States as well for greater access into their market.

MR. NOTLEY: Mr. Speaker, supplementary question to the hon. Minister of Agriculture. Has the government of Alberta considered pursuing the proposal of an international meat agreement modelled somewhat along the lines we presently have with respect to the international grains arrangement, where producing countries would in fact get together and consider a joint strategy for both imports and exports around the world?

MR. MOORE: No, Mr. Speaker, I don't think we've placed a great deal of emphasis on that type of strategy, for a number of reasons. First of all, the type of meat marketed by Australia and New Zealand, for example, differs very considerably from the good quality fat beef produced in this province. We think we have an opportunity in the Japanese market, the U.S. market, and elsewhere to market a good quality product which obviously is marketed at a considerably higher price than the so-called boneless cow beef sold by many countries in the world.

I don't think, Mr. Speaker, that Canadian agricultural producers, certainly in the period 1968-70, gained anything at all from the International Grains Agreement. Sure, there was a price which was upheld by Canada, which cost us a lot of money in terms of storage and interest costs and lack of opportunity for producers to deliver. When talking about worldwide international agreements, one also has to consider, Mr. Speaker, whether in fact the setting of minimum prices puts you in a position where you're really setting maximum prices as well.

Without getting into the debate about whether or not the International Wheat Agreement or some such idea would work on beef or meat, Mr. Speaker, I think we should first of all consider whether or not any positive long-term benefits can be provided for Canadian and Alberta agricultural producers under those schemes. I think there can, but one must be very, very careful about the kinds of details one agrees to.

MR. NOTLEY: Mr. Speaker, a final supplementary question to the Minister of Agriculture with respect to the landing of offshore beef, largely from Australia and New Zealand. My understanding is that the quota this year has been increased marginally, by about 2 million pounds if I am not mistaken. Has there been any formal representation to Ottawa by the government of Alberta with respect to that marginal increase? Because it clearly has an impact on our markets.

MR. MOORE: Mr. Speaker, first of all, we've made extensive representations to Ottawa over the last several years in a variety of ways. A year ago I made representations and tabled in this House a document I presented to the Canadian Senate, which was undertaking an investigation of the effects of offshore

imports on the Canadian beef industry. We've made extensive verbal and written representations, at meetings, to the government of Canada, the Minister of Industry, Trade and Commerce, the Prime Minister, the Minister of Agriculture, on the subject of beef imports. We've had discussions, with Ottawa present, with officials in the United States on these subjects.

When the increase was announced we took the position of wanting to check with the Canadian Cattlemen's Association, the Alberta Cattle Commission, and those responsible farm organizations in Alberta and other parts of Canada. We found they felt that the very fact the Export and Import Permits Act had placed a ceiling on imports of offshore beef was sufficient to ensure that our industry would not be harmed in 1978 by the imports of offshore beef. I'm confident that is the case. A certain amount of our trade is hamburger trade, as the hon. member would know, and cannot be filled by the kind of cattle produced in this province; that is, grain-fed fat steers and so on.

So I think we're in a good position for 1978, Mr. Speaker. Our cow numbers are down, the prices are rising steadily, and it's a positive increase that we think will carry on throughout the year and will not be affected by the degree of offshore imports at the present time.

#### **Housing Programs**

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the hon. Minister of Housing and Public Works. Has the government of Alberta received any word from the federal government as to whether or not NIP and RAP will be continued in Alberta this year?

MR. YURKO: Mr. Speaker, that matter was a topic for discussion between the provincial ministers and the federal minister at the conference held at the end of January and the first day in February. The provincial ministers impressed upon the federal minister the need to extend NIP, the neighborhood improvement program, and RAP, which I believe terminates at the end of March this year. It has been a very successful program. We have not yet received any word from the federal government as to whether or not the program will be extended to new towns and new areas, but certainly we do understand that the funding for the programs now approved and in place will continue.

#### **SAIT Aeronautics Department**

MR. MUSGREAVE: Mr. Speaker, I'd like to address my question to the hon. Minister of Advanced Education and Manpower. Could the minister advise, in view of the crowded facilities of the Southern Alberta Institute of Technology, with particular regard to the problems of the environment being created by the aeronautics department, if there are any plans to move this department to a peripheral part of the city where they could set up a separate campus?

DR. HOHOL: This has been a consideration of the department and the institution in a global approach to planning the campus at SAIT. No determination has

been made and is not likely to be, but the matter is under close study.

MR. MUSGREAVE: A supplementary, Mr. Speaker. Could the minister advise if any discussions have been held with the federal government on the takeover of the old air terminal that's now vacated?

DR. HOHOL: I would have to check the recency of discussions, Mr. Speaker. I am aware that there have been within the last year and before, but not that there have been any recently.

#### **Laycraft Inquiry**

MR. GHITTER: Mr. Speaker, my question is to the hon. Attorney General. I'm wondering if the Attorney General could advise the House whether or not it is the policy of this government to allow members of the Executive Council to appear before judicial inquiries appointed by the Executive Council.

MR. FOSTER: Mr. Speaker, I think there's something in the law of Alberta that provides members of the Executive Council with an out if they don't want to appear. But I, of course, would never take advantage of that circumstance.

MR. GHITTER: A supplementary, Mr. Speaker. Is it then the intention of the hon. Attorney General to appear before the Laycraft Inquiry? If that is the case, has he been subpoenaed to appear?

MR. FOSTER: Mr. Speaker, I have been trying to appear before the Laycraft Inquiry for the last three days. So far, I have been unsuccessful in doing so.

MR. GHITTER: A final supplementary, Mr. Speaker. I wonder if the hon. Attorney General would take under advisement the suitability and wisdom of the chief administrative officer of justice in the province of Alberta appearing before his own inquiry.

MR. FOSTER: Mr. Speaker, I realize very well that the questions being put by the hon. Member for Calgary Buffalo are serious and well intended, because it is a very important point. This inquiry is unique in the sense that it touches directly upon the administration of justice. It turns out that my office was directly involved in some of the significant aspects giving rise to the Laycraft Inquiry. On some matters, the knowledge I have is unique in the sense that it's not in the possession of other persons who could be called before the inquiry.

I have been told by commission counsel that they would like to have me appear before the inquiry. Of course, commission counsel recognizes what is being asked in those circumstances. I could not imagine responding in any way suggesting that I feel that invitation is inappropriate. I'm saying that I believe the commissioner of the inquiry and commission counsel appreciate that to invite the Attorney General to appear before such an inquiry is a very unusual step. My only response is that this inquiry is dealing with some unusual matters; and having been requested to appear, I have indicated to commission counsel that I would make myself available at the convenience of the commissioner.

**Rail Line Rerouting**

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the hon. Minister of Transportation and the Deputy Premier. Has the government of Alberta or the Department of Transportation received an invitation from either the Canadian Transport Commission or the CPR in connection with the change in rail routes between Lake Louise and Stephen?

DR. HORNER: The Canadian Pacific has made us aware of its proposal relative to the rail routes in that area. Insofar as we don't have any objection to it, and it will increase the capacity of that particular line, we are generally in agreement with it.

MR. TAYLOR: A supplementary to the hon. minister. Will the government of Alberta be making any recommendations as to which route should be followed in order to achieve the results they want? More than one route is possible.

DR. HORNER: Mr. Speaker, we will be having a look at it. As a matter of fact, I have already had a look at it. But the fact is that a great deal of that particular routing is in the national park and therefore not under our jurisdiction.

**Gaming Centres — Calgary**

MR. MUSGREAVE: Mr. Speaker, I'd like to address my question to the Attorney General. I understand some promoters of gambling in the city of Calgary have requested permission to build gambling halls so that they can hold permanent casinos in our city. I'd like the Attorney General to advise if he has been approached on this matter, and if he supports such an endeavor.

MR. FOSTER: Yes, Mr. Speaker, I have been approached, not because my concurrence is a condition precedent to such gaming facilities being constructed. I assume they have approached me primarily to discover my attitude. I suppose many of these people would have been wiser not to approach me, frankly, because my view is quite definite: I don't believe that my office or indeed the government should be seen to be endorsing the establishment of permanent gaming centres in any community in the province, for many reasons, not the least of which is that we want to be absolutely free to license organizations or to pull their licences, depending on their conduct.

If I were foolish enough to grant whatever approval I could grant to the establishment of such a facility, I'm sure I would then be called upon to ensure that we license sufficient gaming operations in that facility so as to allow it to pay for itself. In short, I would have committed the government, and certainly the gaming control section of this department, to a gaming operation in perpetuity, and I don't want anything to do with approving gaming centres. I want to be absolutely free to license or not license as the circumstances dictate.

**ORDERS OF THE DAY****head: GOVERNMENT MOTIONS****5. Moved by Dr. Hohol:**

Be it resolved that government policies and support regarding quality improvements at Alberta universities be confirmed.

DR. HOHOL: Mr. Speaker, I am looking forward to the debate, as I'm certain all hon. members are. As government we welcome the debate. It will assist in no small measure in clarifying, interpreting, and defining the role of the university in the larger society today, examining its capacity to fulfil that role within the financial support that quality education requires.

There is neither question nor even doubt in the minds of Albertans about the university being a centre for excellence in teaching, in research, and in community service. In my capacity as minister, I am responsible and accountable to the taxpayers to lay before them information regarding financial support that this government has provided and will continue to provide the universities to enable them to perform their significant work. I am certain that from this information Albertans will judge that the institutions are being funded in a manner adequate to their fulfilling their responsibilities as communities of scholars.

On the subject of financing, Mr. Speaker, since 1971 the government of Alberta has consistently increased its grants to the three Alberta universities. The total operating grant to universities in 1971-72 was \$89 million, constituting a total increase of 12 per cent over the previous year. The University of Alberta's operating grant for the same period increased by 8 per cent or \$4.2 million.

In 1974-75 the government announced a period of restraint. During that first year, operating grants to all Alberta universities increased by 8.5 per cent, for a total of \$106.8 million over the previous year's \$98.4 million. Of that amount, Mr. Speaker, the University of Alberta received \$67 million. This amount for the University of Alberta was over two-thirds of the total budget of \$98.4 million for the three Alberta universities in 1973-74.

Since 1974, the government of Alberta has provided a total of \$643 million to the three Alberta universities. Of this amount, the University of Alberta received a total of \$396 million, capital and operating. During a period which was otherwise marked by a freeze in capital construction, \$73.6 million was allocated to the three universities for capital. During the same period of restraint, the proportion of universities' operating revenues generated by government grants has continued to increase. In 1974, government grants made up 85.6 per cent of university revenues. In 1975, this increased to 87.6 per cent. In 1976, while the percentage remained substantially the same at 86.9, it generated an additional \$18 million to the universities. The restraint figure in per cent, for the fiscal year 1977-78, was 10 per cent. Estimates for that year show an additional \$14.4 million for the three universities. Of that figure, projected additional revenues from provincial grants to the University of Alberta were \$8.7 million.

Operating grants per full-time student increased at the three Alberta universities from 1974 to 1977-78

by 49 per cent; that is, from \$3,573 in 1974-75 to \$5,336 in 1977-78. The figures compare favorably with estimated figures of 46.8 per cent at universities in British Columbia, 42.7 per cent increase at the universities in Saskatchewan, and 35 per cent increase at universities in the province of Ontario for the same period.

On a per capita basis, Alberta provides the highest support to postsecondary education in the nation. In 1977-78, every Albertan paid \$90 in support of post-secondary education, compared to \$82 paid by the residents of Ontario, \$73 paid by British Columbians, and \$83 paid by the residents of the province of Manitoba.

Mr. Speaker, with respect to enrolments during the period 1974-75 to 1977-78, the total full-time enrolments at the three universities increased by 1,937 students, or 6.5 per cent. In 1977-78, full-time enrolments actually decreased by about 1 per cent. As a point of comparison, Mr. Speaker, during the same period grants increased by 9.3 per cent. Projected enrolment at the three universities for 1978-79 is expected to increase by less than 1 per cent, for a total of about 225 students, while the operating grant is expected to increase by 8.5 per cent, for a total of \$14.2 million.

In the area of tuition fees, Mr. Speaker, tuition fees constituted 20 per cent of the universities' operating revenues in 1969-70. In 1977-78, they constituted about 11 per cent, a decrease of nine percentage points in eight years. This period is significant, because it marked an increase in tuition fees for the first time in nearly a decade. Government approved an increase in tuition by 25 per cent in 1976-77, bringing them up to a total of \$500. Still, Alberta tuition fees remain among the lowest in Canada. Compared to the University of Alberta's \$500, for example, tuition fees at the University of British Columbia are \$572; at the University of Toronto, \$675; and the University of Saskatchewan, \$520. In 1976-77, the year of the 25 per cent increase, 11.3 per cent of the universities' operating revenues were generated by tuition fees, in comparison to 16.2 per cent in Ontario, 11.5 per cent in Manitoba, and 12.7 per cent in Saskatchewan.

With respect to student finance, while tuition fees were raised only once since 1971 and a good time before that, student financial assistance has increased from \$2.8 million in 1971-72 to about \$10 million projected for 1978-79, about three times the 1971-72 figure.

In summary, Mr. Speaker, I'm satisfied that government financial support for the universities of our province is consistent with the notion of quality education in our universities. During the period 1971-78, operating grants for these institutions have risen every year to a total of \$927 million, with an estimated total of \$184 million for 1978-79. Of this amount, the University of Alberta has received \$575 million during the period 1971-78, and an estimated \$111.5 million for 1978-79.

Mr. Speaker, in light of these significant annual increases to our universities, I am puzzled and perplexed when responsible people in responsible positions constantly refer to these increases as cutbacks. To disagree on how much support institutions should receive is a fact of institutional financing, but to constantly refer to increases as cutbacks is distortion.

To knowingly attempt to turn fact into fiction does not serve the public interest; indeed it serves no one's interest. An increase, Mr. Speaker, is an increase.

Mr. Speaker, our universities stand tall among the universities of the land. Their good works are a matter of enviable record among institutions of higher learning. Our government's resolve is to see that their capacity for outstanding scholarship continues to grow. As evidence for this commitment, Mr. Speaker, I have presented to all hon. members and to all Albertans a record of financing universities that will stand the examination of all fair-minded persons.

Mr. Speaker, in closing I should like to table four copies of a pamphlet entitled *Some Facts about University Funding*.

Thank you.

AN HON. MEMBER: Come on, Bob. Get up, Bob.

AN HON. MEMBER: Nothing to say over there.

MR. CLARK: Mr. Speaker, I waited because we were awaiting with bated breath the words of the Premier to report on the meetings he had over the weekend, once the university community had caught the government's attention. However, it appears the Premier would sooner make his comments later on in this debate.

Mr. Speaker, let me say at the outset that I think this is an appropriate debate for us to have today. Let me also say that I think the priority placed on post-secondary education in this province over a period of many years is first class.

Having said that, though, Mr. Speaker, I'd like to introduce my remarks this afternoon by refreshing the collective memories of the government on what I think the government would now really regard as ancient history. In 1970 the Leader of the Opposition at that time, the now Premier, suggested that the funding patterns of the government of that day were leaving the provincial universities in a state of — and I quote — "financial emergency". That was in 1970. But I submit to you today that a postsecondary institution can be faced with no greater emergency than a lowering of the quality of education it is able to provide. This is precisely the crisis that has been brought about by the funding policies of the present administration.

I concur wholeheartedly in the Premier's rather dated and dusty expression of concern for the quality of advanced education in this province, but it seems that in the intervening years power has brought some change in values to the Premier's concerns in that area.

Also in 1970, Mr. Speaker, Dr. Max Wyman, the president of the university at that particular time, now with the Alberta Human Rights Commission, claimed that "the inadequacy of the government grant this year will mean a deterioration in academic standards."

Mr. Speaker, I want the members of the House to understand those were the comments of the president of the University of Alberta in 1970. The comments I referred to earlier were the comments of the Leader of the Opposition in 1970. At that time, Mr. Speaker, they were lamenting about university financing. And I'll go on in a few minutes to use the words not of a Social Creditor, but of the present chairman of the Board of Governors of the University

of Alberta, to point out that the funding the University of Alberta has received in the last number of years hasn't kept pace with inflation.

Now, if the president of the university in 1970, and the Premier today, were talking about the inadequate funding in 1970, and funding since that time until today has not kept pace with inflation — and I'm not using my figures, I'm using figures presented to the Minister of Advanced Education by the chairman of the Board of Governors — then, Mr. Speaker, I think we had better be looking very seriously at this question of the kind of financing, the kind of support, the universities in this province have been receiving from this government.

I make the point, these aren't my words. They are the words of the now Premier in 1970 when he was on this side of the House. In fact I recall the Premier at that day asking me as Minister of Education about a letter the president of the university at that time had sent to the government, which for some reason got to the opposition before it got to the government. We hadn't even seen the letter at that time. If that had happened today, I wonder if the president would have been called in for a rather face-to-face talk.

MR. R. SPEAKER: Fired.

DR. BUCK: Just have a little Tory get-together now.

MR. CLARK: Just have a little get-together Sunday afternoon.

I think, Mr. Speaker, what we'd better recognize very carefully is simply what's going on here.

So, Mr. Speaker, the president of the university in 1970 indicated the inadequacy of the government grant that year would mean a deterioration in academic standards. But in response to the most recent grant proposals from the Department of Advanced Education, the vice-president of finance and administration of the University of Alberta has revealed that the provincial grants have failed to keep pace with inflation since 1971. That's the vice-president of the University of Alberta saying right now, or in the last very short while, that since 1971 the pace of grants to the University of Alberta has not kept pace with inflation.

Now, Mr. Speaker, those aren't my words. That isn't a point of view being put forward by any political party. Those are the comments of the vice-president in charge of finance and administration at the University of Alberta. In other words, throughout the entire term of the present government that's been the case: provincial grants have failed to keep pace with inflation. I must therefore come to the conclusion that the ancient expression of concern about the quality of postsecondary education was nothing more than Progressive Conservative pre-election propaganda, and that the credibility gap between the government's claims and actions has been widening since their election in 1971 as far as finances to the universities in this province are concerned. We used to hear a great deal about concern, a little concern shown in this particular area. The University of Alberta has already detailed the unavoidable effects of approximately several million dollars [shortfall] between the university's requirement and the provincial grant for the next academic year. It deals with elimination of jobs and cutting back in the libraries.

I'd like to take just a moment now, Mr. Speaker, and read into the record for the debate this afternoon what I believe to be an accurate comment of correspondence that went to the Minister of Advanced Education on, I believe, the middle of August 1977 from the chairman of the Board of Governors at the University of Alberta, where he points out the dilemma of the University of Alberta. He said:

I am now in my sixth year as a member of the University. In all but one of those years, the increase in the operating grant has been lower in percentage terms than the increase in the rate of inflation. Since it has been demonstrated in previous submissions that our costs have risen faster than the general price index, the magnitude of the problem faced by the administration of the Board must be apparent.

That's the submission — not made by the opposition, but by the chairman of the Board of Governors of the University of Alberta to the minister. The chairman of the Board of Governors later goes on and says:

... punitive budgeting has [already] affected the academic programs of most if not all of our faculties. My colleagues on the Board and I have made it a point to talk to as many Deans and Department Chairmen as we can about their objectives and their problems. The story is the same in every case — insufficient staff, inadequate funds for supplies and services ... Their morale as a group is low ... One of the ways in which the workload problem is being resolved is by the introduction of quotas — with Engineering and Business Administration and Commerce being the most recent ...

Mr. Speaker, those are the comments of the chairman of the Board of Governors at the University of Alberta in his submission to the government. The response of the Minister of Advanced Education and Manpower to these charges has been that he will reconsider the proposed level of funding to the institution if, and only if, the university representatives can qualify the reduction in the quality of education that will be incurred by these limitations. Now I submit, Mr. Speaker, the hon. minister is an educator himself; he's entirely aware of the difficulty in measuring educational quality. The minister himself recognizes from his educational background that that is indeed very, very difficult.

But when we start to place quotas on faculties such as Engineering ... I've been told that for every working day in Alberta last year, two new engineers came to the province because there weren't enough Alberta engineers to fill the gaps, to take on the jobs. And here we're placing a freeze or a quota on the number of young Albertans who can enter that faculty. At a time when we hear of a large number of projects on the drawing boards that are going ahead as far as resource development in Alberta is concerned, this just doesn't make sense. Why do we have to impose quotas in the area of engineering when the jobs are obviously available for young Albertans? Does it really make common sense that the University of Alberta should be forced into doing that at this particular time?

We've heard a lot during this session about the high priority this government places on agriculture. Once again I'm advised by people from the university

that we're in the process of imposing a limit on the number of young Albertans who can enter the Faculty of Agriculture. Yet how many times have we heard in this very Assembly that agriculture is the most basic industry in this province; that when our non-renewable resources have gone, the future of Alberta to a very great degree is going to depend on agriculture? So what are we doing to prepare for that time? Well, in good old Conservative fashion we're placing a limit on the number of young Albertans who can go into Agriculture at the university. That's really a very rich part of the heritage the Conservative government in this province can live with.

I'd also suggest, Mr. Speaker, that any person with a great deal of common sense and good faith must recognize and admit that a program of overloading teachers, increasing the student/faculty ratio, and decreasing the availability of learning resources can't lead to any other conclusion than a reduction in the quality of education.

A further result of this government's inadequate support for postsecondary education is the tuition fee increase. The minister indicated in his remarks, and quite properly so, that there had not been a tuition fee increase in Alberta since 1969, and at that time student fees made up something like 20 per cent of the cost of education. Fair ball. And the government of that day made a clear policy decision that for three years there would be no increases as far as student fees were concerned. I make no apology for that.

But, Mr. Speaker, what we're looking at today, what we have to be looking at, is really the make-up of our student body. Currently, students from families earning the lowest income in Alberta, representing fully 40 per cent of the population, make up only 16 per cent of the undergraduate student body. On the other hand, students from high-income families, representing only 20 per cent of the population in Alberta, account for nearly 50 per cent of the undergraduate enrolment at the University of Alberta. I recognize that to a certain extent, and to a very real extent, this difficulty in participation in advanced education is a continuing problem. When we were the government we didn't by any stretch of the imagination have all the answers in this area of making it possible for more young Albertans from low-income families to have an opportunity to participate in a university education.

But, Mr. Speaker, this very government, in the most recent Speech from the Throne, said: to improve the lot in life of the disadvantaged groups in Alberta. This is what the Speech from the Throne said. This government at this session was going to take a number of steps to improve the lot of disadvantaged groups in Alberta. I say, frankly, having the tuition fees for students increased isn't going to move in the direction of making it possible for more young Albertans to be able to attend university.

Mr. Speaker, if my arithmetic is accurate, I believe some 20 of the 24 members of Executive Council have had the privilege to participate in postsecondary education at the university level. I would genuinely and sincerely expect that these individuals would be some of the strongest supporters of the university system in this province. That's why I keep asking myself, why is it that during the time of this government the increases the universities got from this government don't even keep up with the rate of infla-

tion? This province has never had a government with more of its front bench members graduates of the universities.

If we may return briefly to 1970, I remind the Premier of his words from the advanced education debate that took place at that time. He said, "Albertans are concerned ..." That's a very good word, "concerned".

Albertans are concerned about education costs, they are also concerned about the quality of education at Alberta universities.

Indeed that was true in 1970, Mr. Speaker. It's true in 1978 also. I suggest to you now, Mr. Premier, and to the members of your cabinet that these words have never been as appropriate as they are today in light of the funding patterns of this government to the universities of this province.

This approach, which really borders on an almost anti-intellectual, regressive approach of this government, that seems to be tied to a balance sheet, is in our judgment not enabling the universities in this province to continue at the high level they have obtained.

As I indicated earlier, we need well-educated agricultural personnel to return agriculture to the prominence it deserves, which is a principle the government claims to support. Yet the university funding policy for this same government has necessitated a freeze on the enrolments of the Faculty of Agriculture and the Faculty of Forestry. We need chemical and other engineers to develop oil sands in which the government is sinking so many million dollars. But paradoxically, a freeze has also been placed on the Faculty of Engineering. We need a well-educated inquiring populace to meet the increasingly complex challenges Alberta will face in the future. Yet this short-sighted policy as far as university funding is concerned promises not that, Mr. Speaker, but promises a reduction in quality and also that fewer young Albertans are going to have the kinds of opportunities most members of the cabinet and several on this side of the House have had. That's an opportunity to take part in the university system in this province.

Mr. Speaker, I would urge this government today to demonstrate its concern for the quality of advanced education that it's been professing for the past eight years. I would ask that this Assembly be given the government's undertaking that no quotas will be imposed on any faculty at the universities in this province for reasons of inadequate financing.

Finally, on behalf of the people of Alberta, I would demand and would expect a commitment from this government that it will neither actively cause nor passively permit a lowering of the quality of postsecondary education in the province, and that this government is still responsible for providing a move in that direction. In 1970 the Premier described the university funding situation as one that requires clear answers. I would say, yes, it does require clear answers. It will be very interesting to hear the justifications of this government for its grants not keeping up with the cost of inflation during the past seven years of Tory administration.

I might just say, Mr. Speaker, that this debate today centres to a great degree on the situation of the University of Alberta, because of the initiative of the faculty and students at the University of Alberta. But



many of the very same points can be made with regard to the situation at the University of Calgary and the University of Lethbridge. They are caught in somewhat the same bind as the University of Alberta. The University of Alberta situation is somewhat unique because of its being an older institution; nevertheless the problems of the University of Calgary or the University of Lethbridge should not be minimized.

Mr. Speaker, it seems to me that what we need to do is rather to elevate our sights as far as this debate is concerned, so I'd like to move an amendment to the debate. If hon. members were following along, the government motion reads:

Be it resolved that government policies and support regarding quality improvements at Alberta universities be confirmed.

My amendment will remove "confirmed" and replace it with the words:

accelerated so that the quality of Alberta universities be substantially improved, thereby assuring that good value is provided for the investments both of taxpayer dollars and student tuition fees.

Mr. Speaker, the resolution would now read:

Be it resolved that government policies and support regarding quality improvements at Alberta universities be accelerated so that the quality of Alberta universities be substantially improved, thereby assuring that good value is provided for the investments both of taxpayer dollars and student tuition fees.

MR. NOTLEY: Mr. Speaker . . .

MR. SPEAKER: The amendment is open for debate if hon. members wish to speak to the amendment.

MR. NOTLEY: Mr. Speaker, I rise to participate in the discussion of the amendment. As I read it, the amendment is sufficiently general to allow us fairly broad latitude in discussing this important matter.

Mr. Speaker, in rising to participate in the amendment, I would first of all like to say that I think part of the problem the University of Alberta, the new UAC, and the University of Lethbridge face has been the fact that our universities and postsecondary institutions in total have been the victims of the government's so-called restraint policy. I recall the first ministers' meeting in Ottawa; there the discussion centred on fighting inflation by cutting back — or not cutting back but at least marginally increasing public spending, keeping public spending increases down. The implications of that sort of policy, not only in Alberta but right across the country, are that inevitably the quality of those public services will be jeopardized.

I don't know anyone — and this is answering the hon. Minister of Advanced Education and Manpower — who is saying there has been a cutback in funding. But people are saying that, as a consequence of the restraint program which has approved increases less than the costs to the institutions, there has been a cutback in services. And that is a totally different thing. Nevertheless that is the thrust of the representation made by the universities, and it is the thrust of the vast majority of the student body who were assembled in the front of the Legislature this afternoon.

The point I want to make, Mr. Speaker, is that simply jumping on this fashionable bandwagon of fighting inflation by approving increases less than the costs may save the government problems for a year or two, but those problems inevitably catch up with the government and with the people being served by whatever the program may be.

For example, Mr. Speaker, in reading over material from the University of Alberta I note that one of the things the university would like to look at specifically, in addition to the increase being granted, is the high cost of utilities. I gather that the increase in utilities alone this year is going to be somewhere in the neighborhood of \$932,000. It isn't good enough to slap on an 8.25 per cent increase to the universities when many of the costs the universities have to cope with on a day to day basis are going up by far more than 8 per cent. Inevitably, what you are doing with that sort of budgeting approach is forcing the universities into a situation where they have no choice but to compromise the quality of education, slowly but surely cut back the programs and the studies available to the student body.

So, Mr. Speaker, that's why it seems to me both the amendment and the debate itself are so crucial. The government are saying in their motion that they want the Legislature to confirm the existing policies as if those policies are adequate. The amendment is saying that if we're going to have quality education at our universities, we have to accelerate the investment. We have to break away from this simple-minded concept that somehow we can fight inflation by jumping on public expenditures while, on the other hand, the costs of services to public institutions are going up by a much higher amount than the budgetary increase allotted by the province.

I want to raise one other point before getting into some of the statistics I'll cite to defend my case. Much has been said about the heritage fund being invested. I don't think that's the issue at all. It's not a question of whether heritage fund money should be invested in the universities. What is at stake in this debate is whether there will be sufficient funding from the province so that we can preserve our academic heritage. Mr. Speaker, I believe we have a very excellent university system in this province, but the thrust of the debate is whether we are satisfied with it as it stands or whether we feel there must be additional money in order to preserve and improve that excellence in the years ahead. It's for that reason that I think the amendment should be passed.

MR. SPEAKER: I have some difficulty with this amendment. I've been hesitant to intervene. Hon. members know that ordinarily when an amendment is proposed to a motion it is of such a nature that, first of all, it is not a direct negative to the motion, because that's achieved by defeating the motion; and secondly, that it permits of a limited type of debate specific to the amendment, so that once the amendment is carried or lost members other than the mover of the amendment may then speak to the main motion.

But the more I study this amendment, the more it seems clear to me that the debate on the amendment would be identical to the debate on the main motion. Therefore if the amendment were to be allowed, each member could speak twice on the same topic by

speaking to the amendment and to the motion. It is therefore with regret and respect that I must say the amendment is out of order.

MR. CLARK: Mr. Speaker, with great respect to you, sir, the issue at stake, and what the government is proposing in this motion, is that we confirm what we're doing today, which is really falling behind. The essence of the amendment is that we're not satisfied with falling behind. The amendment talks about acceleration. To confirm or to accelerate, to fall behind or to go ahead, are certainly two completely different things. That's the essence of why the amendment has been put.

Mr. Speaker, with the greatest respect, sir, I would ask that you reconsider your ruling so that in fact we can debate this matter this afternoon from the standpoint of having an option for members — whether we either accelerate our university developments in this province as part of our heritage and future or are prepared to confirm, to stand still, to continue to fall behind.

MR. YOUNG: Mr. Speaker, I would submit on the point of order, if I may, that you have quite correctly assessed the matter. The question of accepting an amendment which purports to accelerate as opposed to confirm, if accepted, would mean the denial of the original motion — the denial of the "confirm". It's counter to the original. In studying my own notes, I have come to the conclusion that I could speak twice with identical notes if this amendment were permitted. [interjections]

MR. NOTLEY: Mr. Speaker, with great respect, it seems to me that the purpose of the amendment is to place squarely before the Assembly the question of whether we are going to move beyond what is in the motion, essentially a confirmation of existing policies. It seems to me it is not inconsistent with that motion to say that instead of just confirmation we can in fact ask for additional amounts or for an acceleration; that is, an addition to. Therefore, Mr. Speaker, I don't want to see the debate dragged out for a long time, because quite frankly I'm just as happy to debate the major motion as I am the amendment. But I do think the amendment would be in order.

MR. KING: Mr. Speaker, I believe the *Standing Orders* and annotations say that a ruling, once made, is the property not of Mr. Speaker but of the House. Your ruling has been made. Whether the members agree with it or not, I would invite them to stand if they would wish the House to overturn your ruling.

MR. SPEAKER: As the hon. member knows, the recourse of an appeal from a Speaker's ruling is not contained in our *Standing Orders*. I should apologize to the hon. Leader of the Opposition and to the hon. Member for Spirit River-Fairview for not having invited them to make their comments before I made the ruling on the motion. Were I to find myself in any serious difficulty over that, I would ask the unanimous leave of the Assembly to disregard what I had said and to reopen the question. However, what has been said by the hon. Leader of the Opposition reinforces my opinion that the purport of the amendment is diametrically opposed to that of the resolution. It is

consequently a negative.

I still have the difficulty that there is nothing which could be said on the amendment that could not also be said on the main motion. Therefore we would be in contravention of another very sound rule of debating in any deliberative body, which is that a person speaking on a motion, other than the mover and seconder, cannot speak twice. I regret, therefore, that I must remain unrepentant and leave the matter as I said previously.

MR. CLARK: Mr. Speaker, then all we can simply say is that we deeply regret your ruling.

MR. NOTLEY: Mr. Speaker, if I can . . .

MR. YOUNG: Mr. Speaker, if I could speak to the motion . . .

MR. SPEAKER: It's now a question of who has the floor with regard to the debate on the motion as originally moved by the hon. Minister of Advanced Education and Manpower. It's my understanding that the hon. Member for Spirit River-Fairview rose to debate the amendment, and the hon. Member for Edmonton Jasper Place rose to debate the motion. I must therefore recognize the hon. Member for Edmonton Jasper Place.

MR. YOUNG: Mr. Speaker, I am very pleased with the opportunity to participate in the debate on the motion before us today, because I think it is a very important issue. It affects 50,000 students, or thereabouts, in the province of Alberta. It affects somewhat over 3,000 academic teachers. It affects about two million citizens. Mr. Speaker, it is very important, not only to this House and to the futures of the universities, but also to the future of this province, that this debate be well conducted and be, in a sense, a form of communication and lead to greater understanding.

Mr. Speaker, I wish to emphasize that much of the focus this afternoon originates around documents, statements, and discussion initiated at the University of Alberta, a great university, a university which dates to 1908. It has made a tremendous contribution to this province and still has a tremendous contribution to make. I would hope that in that light this debate is seen as a means of communication and understanding.

I would also hope, Mr. Speaker, that those who participate are mindful of the motto of the university. That motto is "whatsoever things are true". This afternoon it should be our challenge to seek, in the midst of the discussion which has occurred and which will occur, that which is true.

Mr. Speaker, as a slight aside to some comments I wish to make, I would like to say that in my opinion the search for that which is truth will be slightly different from that which I have seen in certain news reports. I wish to make special reference to a report in the *Edmonton Journal* by Mr. Das. While I will not go so far as to call it irresponsible, I will call it detrimental, a block to public understanding, an impediment to the greater progress of the university, and generally not a credit to what I would consider to be the function of a newspaper, which is to communicate effectively. I hope that gentleman will be charged with enough concern at my comments to

listen to me through this afternoon, because he obviously did not hear me Saturday last.

Mr. Speaker, I would like to commence my comments in terms of the comments of the hon. Leader of the Opposition. Perhaps it is a strange turn that he can quote from the Leader of the Opposition some years back, and that I am able to quote from the Leader of the Opposition today, when he was Minister of Education. He said then, on the matter of university and higher education funding:

... it becomes a matter of priorities within the financial resources of the province ... certainly taking into very serious consideration the economic circumstances of the time.

MR. CLARK: That wasn't eight years after falling behind.

AN HON. MEMBER: Oh, you had your turn.

MR. YOUNG: Mr. Speaker, that was when he held a portfolio. Now that he is Leader of the Opposition, the hon. Member for Olds-Didsbury in his response to the Speech from the Throne completely failed to mention anything about university financing or universities generally. The hon. Member for Spirit River-Fairview had the same oversight. This afternoon we are supposed to believe that we have a crisis on our hands, and that these hon. members have suddenly developed a very serious, long, continuing, and abiding interest in the fate of the universities. But as I have said, I perused the responses to the Speech from the Throne and in neither speech did I hear one word about universities.

Mr. Speaker, I should like to turn to some documentation provided by the university to the hon. Minister of Education, wherein the document states:

Professor Leitch noted that in every year except one since 1971 ...

Pardon me. This is not that document. This is quoting from one of the student newspapers:

... the university has received an increase in its operating budget less than the increase in inflation.

Mr. Speaker, it is with regret that I say, after serious and careful study, I am unable to agree with that statement. If members of the university community are listening to me, I hope they will set me correct later on. But I will try to develop for them my analysis of why that statement is not correct.

Mr. Speaker, I have taken the university grants and indexed them. Since the university submission used the period 1971, I have indexed the grants beginning in 1971. If we look at the U of A only, and operating grants only, we will find that operating grants rose to an index of 201 in 1977-78 from 1970-71; an increase in the index from 100 to 201, just over double. To be even fairer to the author of that statement, I have then adjusted for increase in enrolment at the university, and the grants per full-time student have increased on the same method, an index, to 189. Then I have checked against the rate of inflation. On the same basis, the consumer price index rose to 167. Perhaps that's not fair. So let's take an index of selling prices, wholesale prices, if you will, which may be a more valid ratio or index to use. That increased to 176.7. I regret that on the

basis of my analysis, it does appear to me that the statement is not substantiated.

MR. CLARK: A little more enthusiasm.

MR. YOUNG: Mr. Speaker, the question, then, of tuition fees, since tuition surely plays a part in university finance. Having examined tuition fees, and again used the index procedure, and again worked on the basis of the '70-71 period to the current year, undergraduate university fees rose from \$400 to \$500. The index increased from 100 to 125, well below the rate of inflation, well below government grants.

I address myself to the students, as I had the pleasure to do with several students today: I do not believe that an increase of \$50 is a major deterrent to the possibility of gaining a good education. It may be an inconvenience, Mr. Speaker, and it may be a challenge, but it's surely not a deterrent. It may require students to delay their education one year. I can't believe it, but maybe that would happen. But what it will certainly do in very small measure — and this is what I think will in fact happen — is make them think once more about whether they really want to go to university.

In this day and age, I cannot believe an increase of that magnitude is a significant deterrent to students in the province of Alberta. That is especially so when I note that at the University of New Brunswick, in a province in which there is not nearly the same opportunity for employment as in Alberta, students at the undergraduate level have to pay \$740. Mr. Speaker, even if we had increased student fees at the rate inflation has increased, we would still be up to only \$668. Maybe the students in New Brunswick have a case, but I do not believe the students in Alberta have a very solid case.

Mr. Speaker, I would like to go back to the information provided to me and say that there is a further statement included in the release from which the hon. Leader of the Opposition read. The statement is: "He also noted that despite a slight increase in enrolment, the number of staff has remained constant." Unfortunately, in the time allowed I have not been able to get the number of academic staff for 1970-71. I have been able to find it for 1974-75. The number of academic staff on campus: 1,538 at the University of Alberta; on leave, 119. In 1976-77: 1,590; on leave, 162. A small increase in the number of staff: only a 3.4 per cent increase in the number of academic staff on campus, but a major increase in the number of academic staff on leave. In a two-year time frame, an increase of 43 staff members on leave from the university campus — a 36 per cent increase in two years of staff members taking leave.

Mr. Speaker, I'm speaking on a very small point, but it is a point that's included in a news release, or in public information. There was an increase of 52 academic staff members in that two-year time frame, as nearly as I can analyse, based on the data provided to me. Fifty-two staff members at \$28,000 a year, which is the average salary at the U of A, works out to almost \$1.5 million — 25 per cent of the alleged shortfall that produced the cutbacks. So I say ...

MR. CLARK: Don't use cutbacks.

MR. YOUNG: That's the alleged cutbacks — the alleged shortfall and the alleged cutbacks, hon. member. In this particular argument, I am speaking about what the news release says, not what I believe.

Mr. Speaker, I say again that I'm speaking on a very small point, but some of the information I am getting does not tie with the generalizations contained in some of the statements that have been made. I invite the university, in further meetings I hope to have with its representatives, to make a more substantial case to me than has been made at the present time.

Mr. Speaker, I should like to refer to some inaccuracies in the yellow brochure which was readily available at Varsity weekend. Incidentally, and as an aside, I'd like to compliment those who promoted Varsity weekend. I think that was an exercise well worth doing, an exercise which should be repeated, and a very useful communications effort on behalf of the university and the students of the university. Since I believe it was the students who initiated the project, my compliments and appreciation go to them.

However, this little yellow brochure says:

The government spending policies have forced the universities to:

— force the library budget to be cut by \$150,000 next year.

Small point, Mr. Speaker, small point. But very large in terms of principle. The fact of the matter is that it communicates a misconception of how the university is funded. In recent years the university has been getting what is generally termed to be block funding. A major allocation of funds is made without strings to the university. It is then [up] to the university administration to determine how that money will be divided in the operation of the university.

It so happens that — for whatever reason, and I'm sure for quite valid reasons — the university Board of Governors in approving the budget agreed to a budget which did not include everything made in the original submissions of the budget. But that is not a cutback. One cannot cut back something one didn't have. On principle it wasn't the government who made that decision; it was the Board of Governors deciding in their best judgment the priority to which the dollar should be assigned within the university.

There is no way, Mr. Speaker — and hon. members here in the House well know this — that we would have it within our power to supply enough money to any university, or any other public institution, on a block funding basis if that body desired to have a shortfall in some position. You know, they could just decide not to put enough in the line which provides for the cleaning of floors or for the library or whatever, and say, we didn't get enough money to clean the floors properly, or we didn't get enough money to do the library as well as we would like to have.

My major point is this, and it's a point I trust hon. members will think about closely and the university and constituents of the university, the Board of Governors, the academic staff, and the students will think about carefully: do they want this Legislature deciding line by line what kind of funds are allocated to what priorities in the university? That happens in at least one province, as I understand it, Mr. Speaker. I don't want that challenge. I don't think I have the information to make those decisions. I think that's a responsibility which can be carried out most efficiently by the university in total.

Furthermore, Mr. Speaker, it's against my political philosophy, and that's even more important to me. I believe we function best as a society, both in our home setting and work setting, when as individuals we have the maximum opportunity to make decisions based on the set of criteria we have before us. It seems to me that work is more satisfying, our life is more satisfying, and better decisions are made that way, because we see more detail. We have a better understanding of what's happening and where the priorities are at our particular level of decision-making. I oppose centralization of a nature which this statement might seem to invite. I oppose the centralization which my hon. colleague from Spirit River-Fairview favors. I think when this debate is concluded we should be very clear among ourselves, whatever the outcome, that we try to maintain the integrity, the independence, and the discretion for the university to make the maximum number of decisions. The kind of matter I've talked about is precisely the area that I as a member of this Legislature hope to avoid.

I should like to direct my comments for a moment to the matter that faces every one of us in the Assembly, and that is the question of priorities: how and what priorities are given to the expenditure of public funds. It's a subjective question, Mr. Speaker. It's a question to which we all respond based upon the values we have. In this Chamber we respond to it in the sense that we try to know the pulse of the public. We try to look at custom, at what's been happening over time, and try to determine on that basis whether the expenditure we are allocating is adequate or inadequate.

I wish to reflect on only one point on the priority given to postsecondary education, because at this stage it becomes postsecondary, it goes beyond the university. I checked one indicator of adequacy of our postsecondary policies in institutions as nearly as I could. I checked to see what proportion of the population of our province from the age 18 to 24 were at postsecondary institutions in 1971 and in 1977. Attendance at postsecondary institutions was 20.93 per cent of the population in that age group back in 1970-71. The comparable statistic in 1976-77 is 21.74 per cent. Mr. Speaker, that may not be good enough. Especially in certain areas, given certain facets of the development of our province, it may not be good enough, but it is definitely an improvement. It has occurred because our province has grown very rapidly in population. It has occurred because over the intervening years from 1970 we have structured a very dynamic college and technical system. So while the University of Alberta may not have grown very much, our technical schools and colleges have grown remarkably, and they are part of the opportunity for postsecondary education.

Mr. Speaker, I come back to that small criterion on which I hang my hat, which isn't very good, about the proportion of that age group who may be at university. I notice it's improving, Mr. Speaker, and I think that suggests that all is not lost. In fact it does suggest we are making some rather startling improvements and increases at postsecondary institutions, given the rate of growth in the population of this province.

The issue of quality is a much more difficult one to deal with, Mr. Speaker. I have not seen in material

given to me — either the brochures, the material from the Board of Governors, or the material presented to me by students today — a convincing argument, or data, with respect to quality. I invite them to make that case to me at a later time.

Mr. Speaker, the last major point I should like to communicate is the question of government policy in the economic conditions of our time. Last night I watched the news, as I presume most people did. One million unemployed in Canada. While I drove down to the Legislature this morning, I listened to a financial analyst berate politicians because of our incapacity to control public growth. Maybe financial analysts aren't the people I should be listening to, but they are part of our society. The point I wish to make is that the economy is ill. Maybe the Alberta economy is not so ill, but the economy in general is ill. It's an illness brought about by expectations, by people trying to get too much from it too quickly, by inflation which causes all kinds of upset in business decision-making and all kinds of upset in terms of our ability to export. We need to have that capacity.

In our own case, this year we as a government were faced with a decision of what to do when we removed the public service from the Anti-Inflation Board. First of all, we had to keep in mind that the private sector is controlled, will remain controlled this year, and that the controls put upon the private sector are for wage guidelines of approximately 6 per cent — and I guess I may add, if they're lucky in some cases 6 per cent. That's number one, Mr. Speaker.

We looked at the situation of agriculture in this province, the situation of our farmers who are trading on the international markets but whose costs are determined domestically. We had to keep in mind their plight.

We looked at the impact of inflation on different levels of income earners. Does inflation hit someone earning \$30,000 as sharply and as hard as it hits someone earning \$10,000? I suppose that's a value judgment, but my value judgment is that inflation hurts the low-income earner more than the high-income earner.

We looked at the forecast of the consumer price index. The forecast at the time the examination was made was for maybe a little over 6 per cent. That may or may not come to pass. Having examined all those criteria, we suggested guidelines of 6 to 7 per cent for wage increases in the public sector, that these would be reasonable. In making that statement, we hope that those in the higher income brackets would accept somewhat less than those in the lower income brackets.

Mr. Speaker, I think that was the right decision. But when I look at some of the material coming from the university — and I have not completed my examination, so I extend myself rather tenuously and tentatively into this area — I saw in that document a statement that academic salaries were at the final selection process in August 1977 — I don't know what's happened to it at the moment — and that the range of settlements seems to be between 10.25 per cent and higher. Now, Mr. Speaker, as an individual member of this Assembly I say that if the university puts this case to me — which they have tried to do, and which may be a valid case in some respects — then I would like to see whether the wage guidelines of the province have been observed in terms of the

application of the university. It is the responsibility of the government of this province to try to treat various sectors of our society equally and fairly. I think that is the reason for those guidelines, which I support, and the reason I've extended my debate into this area today.

I think there has to be an understanding that while things are good in Alberta, while we have a tremendous heritage fund, we are living in a land with relatively low taxes, because we're able to use 70 per cent of our oil revenues to replace what would, in other provinces, have to come from direct taxation. Mr. Speaker, while we're doing all those things, we tend as a population and as citizens to be lulled into the position of accepting expectations which in other provinces could not be sustained. My concern is that in this province we can't sustain them either if we try to spend all our heritage fund and all our natural resources revenue for services to people. We will build a structure which is not capable of being supported later on. We will build a structure which invites all kinds of citizens to come to Alberta looking for the land of milk and honey, and the land of milk and honey won't be here then. We need to be aware that this province cannot conduct itself as an island in the total of Canada or in the world.

Mr. Speaker, I have appreciated the opportunity to participate in the debate, I look forward to the more intimate debates which I have enjoyed over the past year with university representatives, and I hope I may be able to continue on those occasions with some of the questions I have.

MR. NOTLEY: Mr. Speaker, rising to participate in the important debate taking place this afternoon, I'd like to make a couple of observations about the comments we've heard today by the hon. Member for Edmonton Jasper Place.

While I respect the views of the hon. member, we debated these differences when we were on the foreign investment committee. One point of view is that the way you fight inflation is that you ignore some of the important cost inputs, such as energy and utilities and what have you, the interest rates, and that you jump on public expenditures and somehow try to slow inflation using that approach. Mr. Speaker, that particular economic philosophy is not, in my judgment, adequate in this day and age. It should have gone out with the economic views of Herbert Hoover. Nevertheless it's a point of view and, in my judgment, gets us into all sorts of problems. Because once you begin slapping artificial ceilings on the amount of money you make available to public institutions, you have to be able to answer the question: will those public institutions in the goods and services they buy from the private sector be protected by the rates prevalent in the private sector?

Of course the unfortunate story which comes through loud and clear, if one reads any of the information from the universities of this province, is that no, they are not given that assurance. They have ceilings slapped on them, but when it comes to utility prices, when the natural gas has to be purchased to heat the university, we don't have 6, 8, or 9 per cent ceilings there, Mr. Speaker; we have the increases that are authorized by the Public Utilities Board. There is not a member in this House who doesn't know that those increases have been substantially

greater than any of the increases granted by the government to the universities over the last seven years of the term of this government.

First of all, I think we have to recognize that those people in charge of public institutions have to live within the total economy. The hon. Member for Edmonton Jasper Place waxes eloquent about the need for exports in the world. That's perfectly true, although I think it would be interesting to underline for him the fact that Canada has a surplus on its merchandise exported abroad, where we have an enormous deficit — and Tories may not like to hear this — of some \$4 billion in interest and dividends that are going out annually because of the excessive foreign ownership of our economy.

I'm not here today to get into a discussion on the balance of payments question, but to talk about the impact of restraints on public spending, particularly the universities and the postsecondary system in total.

Another comment the hon. Member for Edmonton Jasper Place made, which I think has to be answered, is the suggestion that because of block funding allocated to the universities — it's really not something you can blame the government for, that the library is going to be in some difficulty this year. Mr. Speaker, the fact of the matter is that when decisions are made by this Legislature, and we authorize allocations of funds that do not keep pace with inflation, the impact of those decisions is going to be felt by the institutions in question. Now we can side-step the issue and say: oh, it's the fault of the Board of Governors; they're not doing the job. Or it's the fault of the General Faculties Council or perhaps the fault of the administration. That's not the question at all, Mr. Speaker. There are certain inevitable consequences. If you don't make enough money available, those people in charge are going to have to cut back services in some places. In my view, it is irresponsible for this Legislature — I say this with the greatest respect to the hon. Member for Edmonton Jasper Place — to side-step or duck the implications of what happens at the university levels when the boards have to come to grips with the funding we've made available from the province.

Mr. Speaker, I want to deal with this question of where we stand statistically. The hon. Minister of Advanced Education and Manpower presented statistics in his remarks today. Unfortunately he didn't give the source of the statistics. I intend to table the source of the statistics that I'm citing. May I begin by referring you to page 59 of *Hansard*, and a statement by the hon. Premier in which he says:

... this province now, and with the proposed increase, is by far the leader in Canada in its per capita support to university and postsecondary education.

I suppose if we look just at the universities, as I notice the Hon. Minister of Advanced Education and Manpower did, the government may have a case. But unfortunately the Premier didn't say that. He said: "and postsecondary education".

Now, Mr. Speaker, filed with the library by the planning secretariat of the Department of Advanced Education and Manpower — and I take it this is not some group of opposition bogeymen who have infiltrated the government — we have statistics which point out that in 1976-77 we are not first per capita

in the amount of funding for advanced education; we are second.

Mr. Speaker, when I look at the information from Statistics Canada . . . When I had my office contact Statistics Canada this morning I was advised they were really quite intrigued, because apparently another hon. gentleman in this House had his office contact Statistics Canada. I believe it was the hon. Minister of Advanced Education and Manpower, so they tell me. But if you look at the most recent figures in Statistics Canada on postsecondary education, it's interesting to note that we are not second now, we are third. Not too bad, admittedly just a few cents behind the next province, but we are third.

So when the Premier gets up here and says we're by far the leader in university and postsecondary education, I wonder where he is getting his statistics from. In any event, Mr. Speaker, for what it's worth, the statistics I've cited today are from Statistics Canada, as well as the government's own document, which I'll table at the conclusion of my remarks.

In that information contained in the planning secretariat's material, we find that Alberta is not only second, as of last year, in per capita expenditures, but in a more important yardstick we stand sixth among the provinces in the per student expenditure in postsecondary education. Mr. Speaker, I think that is probably a more relevant yardstick to compare than the per capita expenditures. One of the things we can be proud about — and I mentioned this during the debate last year when we discussed the goals of education in this Legislature — and frankly I am very proud about, is that we've made it possible for a higher percentage of younger people in this province to go on to university. Fair ball. That's something that as a government, as an opposition, as residents of this province, we can take a good deal of pride in.

But, Mr. Speaker, today, with a larger percentage of young Albertans going on to postsecondary education, the issue, the question, is: are we allocating sufficient funds from the budget of the province of Alberta? When I see we are sixth in terms of per student spending, to me that tells a real tale about the commitment the government is placing on postsecondary education.

Another interesting bit of information in this report, on page 7, reviews the allocation of money from the provincial Legislature and the government of Alberta to the postsecondary institutions in the province. Yes, the minister is quite right when he says that the government has increased the expenditures. I'm not arguing those statistics at all. But, Mr. Speaker, page 7 suggests that when you take account of inflation, instead of an increase there has actually been a decline of 11.48 per cent in per capita expenditure since 1969. That's taking account of the increase in costs, the inflation factor.

Mr. Speaker, you then have to move from an assessment of the statistics to analyse, first, the question of what is the impact on the universities of the financial restraints this government has imposed. Well, despite the fact the hon. Member for Edmonton Jasper Place doesn't like me citing the library, it happens to be a fact. One of the results of the Board of Governors having to live within the proposed budget for this year has been some pretty sharp and, I think, unfortunate decisions — decisions I don't blame them for. I don't see what other course they

could follow, given the very narrow guidelines we've provided in terms of extra funding. But the fact remains that there will be cutbacks in the physical plant, Faculty of Extension, and the library. Those are some of the implications of the 8.25 per cent increase the Legislature will be increasing this year, unless the government reconsiders its position.

In addition, we have the comments of the vice-president of the university, who indicates there will be pretty substantial cutbacks:

[Dr.] Horowitz said the cutbacks will likely mean that at least 20 senior academic positions and 40 sessional positions will not be filled over the next two years.

Mr. Speaker, you can cut your staff in a number of ways. You can lay people off — and that's not being done at this stage — but you can fail to hire, or you can substitute sessional people for full-fledged professors, or assistant and associate professors. Obviously, that is the sort of thing the universities are going to have to look at, to live within the restraint policy. But every time you fill a vacant position with a sessional lecturer instead of opening up an opportunity for a full-fledged professor, I maintain that over the long run you jeopardize the quality of education at that institution.

The very point the hon. Minister of Advanced Education and Manpower made when he began his speech, the question of a university being, if you like, a common ground of scholarship where there can be an interplay between the student on one hand, and the well-educated professor, the instructor, the top-flight professor on the other hand, is something that, in my view, may very well be prejudiced if we are forced to follow the logic of a restraint program which isn't providing sufficient funding so the universities have the latitude to fill these positions with at least the fully qualified people we should be striving to bring to Alberta — and I'm not suggesting the sessional lecturers aren't competent. Mr. Speaker, if we want our universities to be centres of learning respected throughout the continent, we should be striving to bring the best to our province. Quite clearly, that isn't going to happen if the present restraint program, this Draconian restraint program, is carried on indefinitely.

What about some of the other questions that have to be examined? Quotas are now in place in the faculties of Medicine, Law, Engineering, Agriculture, Business Administration, and Forestry. Quotas are being considered for certain aspects of the Faculty of Education as well. I could go over the problems at the University of Lethbridge, where I gather reserves will be virtually wiped out this year.

At UAC: inflationary increases of 11.4 per cent in all supplies and services, but they're stuck with the same 8.25 per cent increase; cutbacks anticipated in the fine arts program, humanities, university theatre, and their library as well. And at the UAC, Mr. Speaker, the fear that sessional lecturers will continue to replace senior professors. I underline what I said before, Mr. Speaker; I think we have to consider the impact on the quality of education when our universities are forced to substitute sessional lecturers for full-fledged academics.

Mr. Speaker, what will be the impact on the province itself? Let's take a look at some of the faculties that are going to impose quotas or have imposed

quotas. We have, for example, the views of the Dean of Engineering, Peter Adams. He says, "The number of undergraduate students will have to be reduced." Then I quote from Dr. Adams again:

The net result of this reduction will be that an increasingly large proportion of engineering positions within the Province of Alberta will be filled by graduates from outside the Province. At the same time, our own students will be refused places at this University and will be unlikely to find places in outside Universities.

Dr. Adams goes on to say:

The Faculty will be unable to continue to respond to the opportunities and challenges related to the industrial growth of the Province.

Mr. Speaker, that's the Dean of Engineering at the University of Alberta.

The hon. Member for Edmonton Jasper Place asked whether or not there was any evidence. Here we have the Dean of Engineering saying that the faculty is not going to be able to meet the challenge of this province as far as engineering is concerned; that we won't be able, as I quote him again, "to respond to the opportunities and challenges related to the industrial growth of the Province".

Mr. Speaker, we can say, forget Engineering. We'll get the engineers from some other part of Canada. So we won't need to worry too much about that. We could say that. I don't think many responsible people would argue that, but we could say, you know, that's just the way the ball bounces; the Board of Governors has to deal with that problem.

Let's look at the impact on Business Administration. I quote D. J. Tyndall, Acting Dean of Business Administration and Commerce, with respect to admissions quota:

This will drastically lower the availability of University level education in Business for Alberta [students] at a time when there is a clear need and effective demand for increased opportunities in this area.

I go on to quote from Dr. Tyndall on reduction in course offerings:

In order to staff the required basic courses offered by the Faculty, it has been necessary to cancel a number of important optional courses, [example], Risk Management.

Mr. Speaker, I thought this government was in favor of free enterprise. But here we have a situation where one of the courses that will have to be cancelled is risk management. Mr. Speaker, we can say, suppose Business Administration is another example of, you have to cut your cloth according to — however the old saying goes.

Let's look at the impact on innovation and science. This Legislature has already made vast amounts of money through the heritage trust fund for various kinds of oil company research. Clearly one of the things the new west has to be concerned about is innovation, technological improvement, scientific advancement.

Well, Mr. Speaker, what does W. E. Harris, chairman of the Department of Chemistry, have to say? He says:

A rough analysis indicates that between 1971/72 and 1977/78 the cost of solvents has more than doubled. The cost of other chemicals has risen approximately 50%. Glassware has

increased approximately 50% and laboratory accessories and other items have risen between 40% and 50%.

During the same period the numbers of our academic staff and non-academic staff have remained relatively constant. The increase in total budget for these two classes of employees between 1971-72 and 1977-78 is 47% and 62%. Our 1971/72 budget for supplies and sundries

... And this deals with everything from solvents to chemicals. It would seem to me, Mr. Speaker, that if you're running a chemistry department, it's probably going to be necessary to have chemicals. In any event, the budget for supplies and sundries in 1971-72 was \$663,800; the budget this year, \$627,290.

Now some members can get up and say, so what? That's up to the Board of Governors, you know. That's their responsibility. It's up to the administration. They've cut you back, Mr. Harris, don't come crying to us.

Mr. Speaker, we can't take that position for the very simple reason that, as I've said over and over again, the Board of Governors and the administration have to live within the implications of the financial increases allotted by this Legislature.

The hon. Leader of the Opposition has already talked about the situation at the Faculty of Agriculture. How can we possibly contemplate quotas in the Faculty of Agriculture when we have the Premier saying that agriculture is now our most important industry? We have the Minister of Agriculture saying this at various meetings. Most of the cabinet ministers — particularly at rural meetings, I would hasten to mention — emphasize agriculture as our most important industry. Surely if we're going to have a future for young people in agriculture, one of the things that will be necessary will be to make it possible for young men and women who want to get into agriculture to go on to university, without quotas.

To suggest, Mr. Speaker, that somehow the quota system is a concoction of a few of the academic bureaucrats over at the university, unrelated to the funding of this province, completely begs the question of the implications of that funding — the implications not only to the university, but to the province as a whole.

What about the impact of the government's policies on the student? Mr. Speaker, I have a totally different approach to student fees than the majority of members of this Assembly. I recall debating the position that I've taken on a number of occasions, and the government simply disagrees. I'll state my position again very clearly: as long as anywhere between 85 and 90 per cent of the cost of our universities has to be borne by the taxpayers anyway — in other words, all the taxpayers of the province are paying between 85 and 90 per cent of the costs of our postsecondary institutions, our universities — in my view we should eliminate any barrier that stops a young person from going on to university.

I know I'm not going to persuade the government of Alberta to pick up the 12 or 13 per cent, or whatever it is at this stage; we can quote various figures as to what now comes from university fees in any given year. But I think I can say, Mr. Speaker, that in view of the fact that we now have a task force examining the fee structure and soliciting recommendations

from the various members of the Legislature, it would be appropriate for the government at least to make that additional required funding available to the institutions, so we don't have fee increases during the time of the task force hearing. If the government doesn't want to do that for any length of time, it might be an incentive for the task force to complete its hearings and findings and make recommendations to government all the sooner. Mr. Speaker, that doesn't mitigate the fact that, in my view, we should move as an objective to the elimination of fees at the university.

Now, Mr. Speaker, I raise that because even though we have a high percentage of young people attending university in this province, the figures — and I'm not going to dwell on them — do reveal very strongly that those students tend to come from middle- and high-income groups. We do not have anything like the number of students we should have from the lower-middle and lower income groups. Mr. Speaker, the more we take this approach that in an institution where most of the costs are funded by the taxpayer, a part of the cost still has to come from the individual, what we are doing is putting a premium on that person's ability to buy into the education system, as opposed to judging that individual on the ability that that person has as a student and scholar.

Mr. Speaker, we can talk about the student program. I will await with interest the comments of the hon. Premier in this debate, as I gather some changes will be made in the present student loan program. Suffice to say that even though additional funds have been made available, the fact is that these are loans. Fair enough, some of them can be cancelled when a person completes university. But we've got away from the combination, that we had even 20 years ago, of grants and loans during the course of a student's study. I say, Mr. Speaker, that the whole approach of student financing in Alberta should have been reviewed some time ago.

I recall the Worth report made recommendations in 1972. I frankly didn't agree with those recommendations, but I thought that would be the prelude to a much greater commitment to removing the obstacles, especially for lower income and rural people going on to university. But to date, Mr. Speaker, as I've watched the work of the Students Finance Board, and having some dealings with that board in my capacity as MLA for a northern riding, I simply say that what we've seen over the five years since the Worth report is essentially more of the same. And more of the same in students' finance isn't good enough.

Where do we go from here? In the question period the other day, the hon. Minister of Advanced Education made the point that he wanted documentation from the universities, more information. Well, fair enough, that's not an unreasonable proposition for the minister to advance. But I would say that the universities probably have an even stronger case to ask the government how they came up with this 8.25 per cent increase. What magic formula was used to arrive at that? Quite frankly, Mr. Speaker, although the hon. minister led off the debate and didn't take his full period of time, I listened carefully and didn't see or hear, in a debate of this consequence, an outline of how the government arrived at 8.25 per cent. He had a little help from the hon. Member for Edmonton Jasper Place; but quite frankly, after listen-



ing to the member from Jasper Place, I wasn't sure whether those were the reasons that had prompted the government to move as they did.

What can be done? Let me suggest four proposals. First, I voted against the decision in 1973, I believe it was, to do away with the Universities Commission. I think there's a strong argument, if we are concerned about institutional economy — I think most of us are — that there should be a buffer between the Minister of Advanced Education and the institutions.

Secondly, a lot of discussion has occurred over the whole question of the role of the boards of governors. I think the position of the boards of governors has to be strengthened. I think if we're serious about institutional autonomy we have to recognize an expanded role for the boards of governors.

Mr. Speaker, I would suggest that this Legislature seriously consider an alternative method of choosing the boards of governors at our postsecondary institutions. This is in no way trying to make snide comments on the quality of the members of the boards of governors. You have some outstanding people on the boards of governors.

Mr. Speaker, it seems to me that the position of being on a board of governors would be strengthened immeasurably if, instead of the present method of appointment — we all know how it operates — we strike a different course. I would suggest that one-third of the members of a board of governors be appointed as a consequence of a resolution of the Assembly to represent the public as a whole. I would suggest one-third be chosen by the alumni. If, in the case of British Columbia, the chancellor of the university of UBC could be chosen by the alumni, why can't members of the board? The remaining one-third [would] be chosen by the faculty, to have representation from the students and the non-academic staff.

It seems to me that that kind of structural change, Mr. Speaker, would go a long way to strengthening the position of the boards of governors in terms of independence from the provincial administration. As I say, coupled with a universities commission, in my view it would strike an important blow for institutional autonomy.

I've said that until such changes are made, and particularly until the proposals come from the task force studying university fees, it's my view that university fees should not be increased. I don't think we can simply say to the institutions, look, you can't increase the fees; we're going to deny that right to increase the fees. It seems to me that this Legislature has to take the responsibility of living up to the implications of our decision to set up a task force. No point setting up a task force to study student fees, Mr. Speaker, then turning around and forcing the universities into a position where they have to push up fees anyway. It seems to me that the *quid pro quo* could be, at the very least during the time this task force is meeting, that sufficient adequate additional funds be made available so fees do not have to increase.

Mr. Speaker, I conclude my remarks by making some reference to the whole process of block funding. It troubles me — and I see that my time is almost up, Mr. Speaker. I'll just close by saying that instead of the block funding approach, I think a form of formula funding — not line by line, no one is arguing that — tied to a three-year period, coupled with these

other proposals I have made, would go a long way to improving the quality of education, maintaining the institutional autonomy of our universities, and contributing to the academic excellence which must, in the final analysis, be the measurement of any university.

MR. LEITCH: Mr. Speaker, I take particular delight in participating in this debate, because I'm one of the fortunate members that the hon. Leader of the Opposition referred to as having attended postsecondary educational institutions. I was fortunate enough to attend the University of Alberta, an institution that I had great respect and admiration for then, and have great respect and admiration for now.

I may say, Mr. Speaker, that I've had occasion a number of times in recent years to return to the campus. When one does that, one can't help but compare the physical facilities, the classrooms, the student-to-professor ratios, all the facilities that are there today as compared with what was there at the time we attended. Of course the difference is so marked that there is really no way of comparing it. I think that's great. It's improved tremendously; it should improve. There's no reason why it ought to have been the way it was in the years I was there.

But the real issue in this debate is how much it has improved. As all hon. members who've taken part in the debate are using various statistics to deal with that issue, I want to limit my remarks this afternoon, Mr. Speaker, to some of the statistics being used in that debate.

First of all, I want to direct my remarks to the statistics the hon. Member for Spirit River-Fairview has been using. He has been quoting from a document entitled *An Examination of Tuition Fee Structures in Alberta*, Technical Paper 1, *The Institutional Perspective*, which was filed, as I recall, by the Minister of Advanced Education in this House some time ago.

The figure the hon. member quoted from that document — he was quoting from Table 14, which he used to say that Alberta was in second place in per capita support for postsecondary education. Of course, he has told part of the facts that are in those documents, but not all of them. [interjections] Mr. Speaker, I would now like to take a moment to deal with some of the remaining facts in that document. I'm now quoting on the per capita support for postsecondary education.

Starting in the year '69, Alberta was number two; in the year '70, Alberta was number two; in the year '71-'72, Alberta was number one. It was number one in the next year, '72-'73. It was number three in '73-'74. It was number one in '74-'75, number one in '75-'76, and number two '76-'77. The hon. member used the '76-'77 figures. I'd invite him to look down farther in the chart where they give a ranking for the provinces over the period of time referred to in the table. The ranking shows Alberta at 1.6; the next closest province, Nova Scotia at 2.8. I think that, Mr. Speaker, was the relevant figure.

Let me say one more thing about this table. It combines capital and operating.

MR. CLARK: Right.

MR. LEITCH: One should be a little cautious when one uses those tables — nothing wrong with them, you just should be a little cautious when you use them, and let people know that. When you combine capital and operating over a relatively short period of time, which this is, the capital contributions can result in a fairly significant distortion to the numbers. The Leader of the Opposition will be interested in this: in the 1960s, prior to the period covered by this document, very major capital contributions were made to the universities in this province. As a result of that, they dropped off in subsequent years.

One other factor about that table, Mr. Speaker, is that it contains two comparisons: one on a per capita basis and one on a per student basis. The hon. Member for Spirit River-Fairview — and I suppose there is reason for his doing this, because it makes his argument sound better and makes his case look better — chooses to use the support per student basis and not the support per capita basis. My argument is simply that there are very, very sound reasons for using the support per capita basis.

The first sound reason for using that is simply that that's the measure of what the taxpayer contributes. The per capita basis determines, in other words, the per taxpayer contribution. There is no question, Mr. Speaker, that over a relatively short period of time the taxpayer in Alberta has contributed more than any other taxpayer in the rest of Canada to the cost of postsecondary education.

Mr. Speaker, let me look at this from a taxpayer's perspective for just a moment. I'm sure a lot of taxpayers in Alberta tonight are going to get two things out of what's occurred today: number one, an appreciation — which I'm not sure they've always had — that they are contributing more to the cost of advanced education than any other taxpayer in the other parts of Canada. The next thing they're going to be aware of is that there was a march [from] the university today saying, you should contribute even more. I think when he puts those two facts together, he's going to wonder about them.

Mr. Speaker, there are some other reasons you can't use the support per student approach as opposed to the per capita test. There's a very simple reason for that. In all these statistics on education, no common parameter determines what is a student. Some will include only full-time, some part-time, and some non-resident. There is no common base used across Canada so that you can take the per student support cost in one province and compare it confidently and accurately with the per student support in other provinces. It's a useful number to have as a guide, but one has to use it with caution.

I should say too, Mr. Speaker, that other aspects of postsecondary education make it questionable whether one should use the support per student concept. That flows out of the nature of the institutions. The cost of the student in the institution will vary depending on the type, location, nature of the institution, size, and so on. In addition, the make-up of the studies in the institution will have a bearing on the cost per student. Obviously in some faculties the cost is much higher per student than in others. So you have to look at the mix of students in any particular institution to use the support per student test confidently.

Mr. Speaker, I would now like to turn to one other

statistical item that has become prominent in this debate. I am referring to *The Gateway* special issue, Wednesday, March 15, [1978]. I quote:

In a Statistics Canada study on the portion spent by each province of the overall Gross National Provincial product in the field of education the province of Alberta ranks a dismal ninth. Obviously, other provinces see education as more of a priority and a right for their residents and are willing to spend a higher portion of their revenues.

Mr. Speaker, I have the greatest difficulty following the logic of that statement. Let me begin explaining that difficulty by calling to the attention of members of the Assembly that included in the gross provincial product is, of course, all our non-renewable natural resource revenue.

Frankly, I was a bit surprised when I saw that document say we rank ninth out of 10 provinces, because it wouldn't have surprised me at all if we had ranked tenth. Why? Mr. Speaker, I think governments approach — and should approach — spending on education, support for education, in much the same way a family does. How do you do it as a family? I suggest to members of the Assembly that the way the family does it is to say: first of all, out of our income we must provide the basic necessities of life, food, shelter, clothing, necessary medical attention; after that, we must provide for the education of our children. If you have a very limited income, that would be the order of your priorities: the very basic necessities, then education.

Now let's suppose suddenly your income doubles, or increases dramatically, as has been the case with the province of Alberta non-renewable resources. Does the average family increase their spending on the education of their children in proportion to the increase in their income? They just don't. They have provided a level of education for their children. If they suddenly have additional moneys, they will provide some of the additional moneys for improving the level of education, but surely they turn their attention to other things: some new furniture for the house, perhaps the old car needs to be replaced, even mother and dad may need a holiday. Mr. Speaker, that's what governments do.

That's why, when you look at these other provinces with small gross provincial products, they're putting a higher percentage into education. As the province's gross provincial product grows larger, a smaller percentage goes into education. That's what this government has done. In my view it has supported postsecondary education very generously. It's got additional funds. It's turned its attention to the mentally ill, the handicapped. It's providing home care, day care, all the other things which, frankly, Mr. Speaker, in questions of support from the provincial government, perhaps had in other years taken a lower priority than support to postsecondary education.

Mr. Speaker, I'll close my contribution to this debate by referring to one last statistical item that's been quoted on a number of occasions as being contained in a letter from the president of the University of Alberta, in which there is an allegation that support from the government has not kept pace with inflation. The hon. Member for Edmonton Jasper Place referred to that. I haven't had the pleasure of

debating the statement the president of the University of Alberta has made on that topic. I'm sure I will in the near future, and I look forward to that debate, because I just flat-out disagree with him.

I'm working with a slightly different time frame than he worked with, but I don't think that difference would alter the conclusions, although it may change the numbers a little bit. The figures I've reviewed, Mr. Speaker, indicate that over the last four years, from 1974-75 to 1977-78, the provincial operating grants have increased an average of 14.8 per cent per year, while the effective inflation on education spending over the same period was 10.1 percent, and full-time student enrolment increased an average of 1.6 per cent per year. It seems pretty clear to me from those figures — and that was during the period of the government's restraint program — that the operating grant increases more than accommodated inflation and student enrolment increases. Like the hon. Member for Edmonton Jasper Place, in these numbers I have not used the consumer price index, which would have averaged 8.8 per cent per annum over the same period, but rather the special inflation index relating to educational spending, which was higher than that — the 10.1 per cent I earlier referred to.

Mr. Speaker, that is the last statistical item to which I wish to refer. I'd simply conclude by saying how much I've enjoyed the contributions to this debate until now, and I'm looking forward very much to those who will speak after me.

MR. CLARK: Mr. Speaker, I wonder if the Provincial Treasurer would be prepared to table the information he quoted from on the rate of inflation?

MR. LEITCH: Mr. Speaker, I was quoting from a memorandum, but I'll certainly look for the information and will be happy to provide it for the House.

SOME HON. MEMBERS: Oh, oh.

MR. R. SPEAKER: Mr. Speaker . . .

MR. GHITTER: Mr. Speaker . . .

MR. SPEAKER: I believe the hon. Member for Calgary Buffalo was on his feet first.

MR. GHITTER: Mr. Speaker, thank you for allowing me to take part in this debate this afternoon. I will endeavor to be brief.

I must say at the outset, having listened to the addresses from the hon. member, hearing to a degree what was yelled on the steps of this place, and reading what has been reported by some members in our newspapers and some members in our *academia*, that I have the feeling we're experiencing the old NDP con game, Mr. Speaker.

AN HON. MEMBER: Oh no.

MR. GHITTER: It's like you take a conclusion over here first, and then you get whatever material you can, and you kind of put it in a milk shake, and you bring it out and you say, well now, this proves my point even though the conclusion was made before.

It surprises me, Mr. Speaker. Particularly, I would very much like to have debated the amendment. I

regretted your overruling the amendment today — correctly, sir — but I would very much like to have debated it, because this afternoon we experienced my colleagues on the supposed right wing of this House, the Social Credit Party, coalescing with the NDP on the basic assumption that if you spend more, quality is assured. Here they are, falling all over themselves, my friends in the Social Credit Party who come down to the city of Calgary and have their little breakfast meetings, and they say to the people in Calgary: that government in Edmonton is spending, spending, spending; they're getting more and more to the left, the left. That's what we hear from them.

MR. CLARK: The Alberta Energy Company [inaudible].

MR. GHITTER: And what do we have today in their amendment that they wish us to debate? Talking about education: "... be substantially improved [by the acceleration of funds], thereby assuring ... good value". Spending assures good value, Mr. Speaker. The old shell game: look under the shells and there's a bottomless pit of money, and all you have to do is spend and you'll get quality; spend, you'll get good education; spend, we'll get better universities. Mr. Speaker, I suggest that is nonsense. You don't get quality of education by spending. Unfortunately that seems to be the attitude in our society today.

I have to recall when the hon. Provincial Treasurer mentioned his comparison ... Maybe we're getting old, Mr. Speaker, but I can recall growing up in the shadows of the University of Alberta, a very fine educational institution. I can recall, and I'm sure the Premier can, where we used to play football, where you had to bring the water from the gymnasium, and no stands. I can remember playing a basketball series at the University of Alberta with the University of Manitoba when they had to cancel the basketball series because the roof was cracking. I can remember the hockey rink across the way where they had to cancel hockey games because it was too soft — they didn't have artificial ice. I can remember at law school the differences, walking in now to the moot courts in our law schools, the 30, 40 professors, whatever there are. I can remember some 15 years ago the little library in the library building; and I can remember the Arts Building, on the third floor, where we used to mix it up with the arts students. The hon. Mr. Hyndman remembers those days on that floor.

Yet I don't say that with the idea that we should be taking away from what is happening, Mr. Speaker, because I take great pride in what I see. In fact I would have preferred, had I the choice, to go to school when I went to school, rather than the pressures that are up on our young people today, and the depersonalized, computerized type of educational facilities that, unfortunately, we see. I'd prefer the type of education where there'd be some 5,000 students at a whole university and not 25,000 students.

I appreciate the universities where you can get in without the high degree of academic excellence that is now required. I would suspect — the statistics referred to by the hon. Leader of the Opposition as to the number of members on the Executive Council who were at our postsecondary institutions — that had many of them, myself included, had to meet the requirements imposed upon our students today, possibly we wouldn't have so many graduates from the

university. It's a slightly different ball game, Mr. Speaker. I think these are the pressures upon our young people in our postsecondary institutions.

Yet I don't believe it really helps to come before our young people and hear some of the things that were said today that merely suggest things are really so bad in the province of Alberta; that our students are really being deprived of so much in our province, when one looks at the amount of money that is being spent. When I hear the hon. NDP leader suggesting there should be free tuition to all students, I personally would go so far, Mr. Speaker, that where we're dealing in areas where individual students are the ones really preferring the individual benefit upon themselves, where they are acquiring education which hopefully will help them to get better jobs in later life, better training, there is a very valid argument for the increase of student fees in the area where individual students are taking courses that are not part of research.

I'm a great believer in the expending of funds on research, because that is a benefit that is preferred upon all members of our society. I say anything that governments can do to encourage research and graduate studies, studies that will assist all in our society, is great.

But from the individual student who is coming forward and paying tuition fees, I believe the responsibility of government is to make sure they have the opportunity; make sure the lending programs are available; make sure there are adequate bursaries and grants; make sure anyone from any level of life will have the opportunity of getting that education.

But the ultimate responsibility still lies with the individual. I'm surprised at those who think that merely by the spending of money we are going to prefer the feeling of individual enterprise, individual initiative, and individual understanding on our students when we merely say, come to our universities as a matter of right. It is a privilege to be at our universities, Mr. Speaker. Students I have talked to don't mind paying for that privilege so that when they deal in their later life, they will have the benefits an education accrues upon them in a very competitive and difficult world.

Mr. Speaker, I well appreciate the difficulties those who lead our [post secondary] educational institutions face. Theirs is not an easy job. Theirs is a job of priorities. Theirs is a job I'm sure they deal with in an immensely responsible, difficult way.

We too have that same problem in this place. We too must look at priorities and the needs of our citizens. We too must weigh them, deal with them, and then come to conclusions as to how far we can go. We have announced day care in this Legislature this session, a very important program. We have announced home care programs. We have announced expansion of programs our citizens direly need. We as legislators have the responsibility of working our priorities and dealing responsibly, because it's not our money; we're merely the custodians of the taxpayers' money, and we must deal with it responsibly. We do not have a blank cheque to give to our universities, as the leader of the NDP would suggest. We must deal as a trustee of our citizens' money, and we must deal with it responsibly and consider these priorities.

Mr. Speaker, the suggestion of the Leader of the Opposition that this government is anti-intellect, anti-

university, is one that I take with great dismay. I know my colleagues feel very strongly about the continuation, the growth, and the motivation within our universities. To suggest that we're anti-intellectual is just nonsense, and I don't think the Leader of the Opposition really meant that. I'll look forward to his apology when he gets up in a few moments, Mr. Speaker.

Let me merely say that I personally take great pride in our university. That university has been very kind to many of us. None of us in this House wants to do anything which will ameliorate or take away in any sense from the growth in the programs and the fine work that is being done in our universities. If we may differ in priorities, if we may differ between 8.25 per cent and 9 per cent, those are matters to be discussed around tables where calm and reasoned men can deal with their problems rather than the shrieking and crying that we so often see in our newspapers, as we've been reading lately. More is accomplished in quiet, reasonable contemplation by men than in the polarization which unfortunately this issue has faced in the past, Mr. Speaker.

I hope that in the future all of us, who are all motivated to the same purpose, who are all desirous of obtaining the very best education for our students, will certainly get together and do that in a responsible way. This debate has been fruitful. It has brought the attention of us all to a very important area. I welcome the debate. I regret some of the comments that have been made from this side of the House, but it's interesting to note, Mr. Speaker, how closely aligned the Social Credit and the NDP have now become.

MR. SPEAKER: I realize that many hon. members wish to enter the debate this afternoon, and I would like very much to be able to recognize all of them. I'm obliged, by the rules which ordinarily apply, to recognize those who get up first. I realize the hon. Member for Little Bow was just slightly after the hon. Member for Calgary Buffalo in the last round, shall we say, but there was clearly this afternoon, just now, a slight time interval between the Premier getting up and the Member for Little Bow. So insofar as it is incumbent on the Chair, I'm obliged to recognize the Premier.

MR. LOUGHEED: Well, Mr. Speaker, I guess one thing is obvious: we're not going to finish the debate this afternoon, and we'll continue it. I'm sure we will await with interest the response from all members who have not yet spoken.

Mr. Speaker, having regard to the time, I do not feel that I'll be able to complete my remarks today, but I did think that I had given an undertaking to the Leader of the Opposition to make some responses today, and I'll attempt to do so.

I want to start, Mr. Speaker, by reconfirming how very strongly I feel that the laws in this province are going to be made in the Legislature and not in the streets. I don't object to demonstrations; I rather enjoy them, and appreciate the fact that they appear. There was a good sense of good humor there today.

But I do think it's important to point out to the public of this province that less and less are these demonstrations effective, and what I hope we would have, and what the hon. Member for Calgary Buffalo put so well in his closing remarks, Mr. Speaker, is

that much more can be accomplished by men and women of good will sitting down together and attempting to communicate, and there will be differences of opinion in a logical and practical way. Our doors are open to these discussions; they will always be open to them.

Since this issue arose — and it arose when we advised, in advance of the budget, the proportion of grant to the university at 8.25 per cent — I've had some useful meetings, certainly a very useful meeting last Sunday with the president of the University of Alberta, the chairman of the board, the chancellor, and the vice-chairman, and again yesterday with the president and a vice-president of the Students' Union at the University of Alberta.

Mr. Speaker, I've joined others here in saying I'm very, very proud to be a graduate of the University of Alberta. I'm proud to have been a former Students' Union president. I respond, as the Provincial Treasurer did, to being delighted that those facilities were constructed in the 1960s and later, that the facilities are there, and that we have a university in this province, in the University of Alberta as well as in Calgary and Lethbridge, of which we can be and are very, very proud.

Mr. Speaker, it's not possible to anticipate Friday's budget, and to that extent, perhaps it is useful that this particular debate can be adjourned until we have an opportunity to look at that particular budget, because it has a bearing, I believe a very important bearing, upon this debate. As I mentioned to the chairman of the board when I met with him, I certainly have come to the conclusion that what we should be having here, Mr. Speaker, is our budget. We should set forth these grants; the university should have the opportunity, perhaps with an extended period till the first of July, where they can look at their year-end and have a different year-end, and we can assess whether there have been some extraordinary circumstances.

It is difficult, Mr. Speaker, and I feel constrained in this debate in referring to the matters of university financing without being able to refer to the extent of support that we're giving with regard to the basic education system, the hospital system, the many other programs, some of which the Member for Calgary Buffalo referred to. But I do know one thing, and I can refer to today's situation: this government spends more per capita by far than any other provincial government in Canada. This government has a responsibility to exercise some responsible restraint in terms of its public expenditures. If we use 70 per cent of our oil and gas revenues today for current needs — and I'm prepared, and welcome the opportunity in the future, to travel this province from one end to the other about the concept of the heritage savings trust fund, and with a concept of saving some portion of these revenues for the young people today, young people who are not even yet in our education system.

I feel very strongly that we have a responsibility to look at priorities, to maintain quality university education. That's what we've been doing, and that's what we'll continue to do, but to recognize there are people in lower incomes, in other circumstances that clearly have to be recognized too. I can't accept the concept of cutbacks at 8.25 per cent when you have an inflation situation that is moving down to the 6 and 7 per

cent, when you have guidelines by the provincial government at 6 to 7 per cent. I think it's irresponsible — to use that word, and it really needs to be used today — to suggest otherwise.

The growth in operating commitments that are involved here, the extensive growth we have in terms of our postsecondary situation . . . I just find it inconceivable to have seen the presentations by what we now must call a joint opposition, becoming more and more apparent, as the Member for Calgary Buffalo pointed out. We should move that chair, Mr. Speaker, and put those five together; it's pretty obvious to me.

Mr. Speaker, when . . . [interjections] I didn't really think he'd like it, Mr. Speaker. [interjections]

AN HON. MEMBER: Order, order.

MR. LOUGHEED: Mr. Speaker, when we came to office, one of the things we attempted to describe in our first term in office was that it was important to continue our support for the universities. We've done that. But it was equally important — and I think we had the support of the Leader of the Opposition and others in this — to recognize that some really strong effort had to be made to upgrade the public college system and the technical schools in the province, and that's happened. Over a period of this continual support in terms of university — and I know the universities don't take away from that, they want to see it happen — we've seen a very large increase at the public colleges and in the provincially administered institutions in terms of enrolment and support, at the same time maintaining the support for the universities. That has been the right thing to do, because not everybody is qualified in terms of post-secondary education at the university level.

Yes, perhaps there should be tightening at admission standards, and perhaps that tightening should mean a shift into the college or technical system. The universities have responded to that, and that's a desirable policy in my view for the province, because we should look at the total postsecondary institutions in this province in terms of all our young people, their ability, their capacity, and their opportunities.

Now, Mr. Speaker, I just can't accept the question that there has been a limitation in terms of the funding. The statistics have been put very well by the Provincial Treasurer. We're the leader in Canada, and I'm delighted to have this debate. We called it and we welcome it, because there's nothing we have done that I'm in the least bit defensive about, and I'm proud of it.

In addition to that, Mr. Speaker, nobody seems to be mentioning too much the extensive degree of money and funds that have flowed to the university community in terms of research, the whole AOSTRA program under the Minister of Energy and Natural Resources, and, I hope, a program coming up this fall in terms of medical research that will have a significant bearing upon the medical faculties at our universities.

Mr. Speaker, the relations in terms of university are very important to us. Our mandate when we came into office had to do with new directions and to develop effective methods of accountability to the Legislature of the vast public expenditures in this field to assure the taxpayers' moneys are being properly spent. That was our mandate in 1971. We've

attempted to respond to that, but it's a tricky and difficult problem. We've got to respond to it by recognizing the autonomy of the university; at the same time, assuring they have adequate funds. We've had to do it on an overall judgment of looking at the fact that the taxpayer is now paying over 87 per cent of the total cost, and at the same time being able to compare those tuition fees, which are almost the lowest in Canada — the only province lower, Manitoba. Quite obviously, whether they want to hear them or not, the facts are that employment opportunities are much greater here.

Mr. Speaker, I have only a few moments. Before I conclude today, I want to put it to this table and to this Legislature what I really think the problem is. I don't want people to be offended because I speak in this Legislature as bluntly as I can. But you know, it just doesn't wash. To put the concentration . . . All the Members of the Legislative Assembly have this document in front of them, and I'd like them to refer to the page that has the marked pies on it. Because you look at it, and you see that it is 12 per cent in other expenditures.

The Member for — the NDP leader; I almost called him something else over there — Spirit River-Fairview concentrated on that 12 per cent. Fine. I understand the difficulty. But what do you really have here? You put into the universities, into the University of Alberta, a substantial number of millions of dollars; and if I read this right, \$840,000 out of every \$1 million then has to go to salaries. What's the position with regard to salaries? Well, it's a difficult position they're into. They're into contracts, tenures, and increments — a difficult position to adjust to.

But I think we should recognize what is involved. The highest salaries in Canada at the academic level are here in this province: \$28,000 is the average for full-time faculty at the University of Alberta; \$35,000 is the salary for full professors. There are a lot of qualified and able people in that situation. But to try to come here and make the case, in the way that some people have tried to make it, that we're talking about people who are in a different category involved in [an] inflationary factor, is just not fair.

The university Board of Governors have pointed out to me that the real difficulty they face: is they've got to get an adjustment by the public demand into perhaps the areas such as agriculture and engineering, they've got to respond to the fact that there's declining enrolment in terms of our basic education system and the effect on the education faculty, they've got to make some adjustments. It's a difficult problem they're in. I met with them. I'm responsive to it; I want to hear more about it. But by hearing more about it, I think it is only fair that we recognize the issue for what it is. The commitments that have been made and are involved and are there at the university level give them very little flexibility in terms of meeting the adjustments in their situation. When they're tied up at 84 per cent of their expenditures, mainly academic, in salaries, then it is increasingly difficult.

As the vice-president, Mr. Leitch, pointed out — and I thought that's the document that perhaps should be quoted — he makes the argument the Provincial Treasurer has refuted with regard to inflation. But he states this:

Due to salary and benefit increases which in percentage terms have been greater than the increase in the general revenue . . .

In short, their salary and benefit increases at the university have been consistently, in the last few years, exceeding the position with regard to the revenues that they're getting in percentage terms. Now that is the position and the dilemma they're in.

We, for our part, want to be responsive to it. But the responsibility has to lie there at the General Faculties Council, there at the Board of Governors and the administration, to recognize that they're going to have to make those sorts of adjustments.

There's one area that they've made to me which I think, though, is one we should consider further and respond to; that is, even though it's a small amount and can't be used to respond to the full argument, that there has been a rapid rise in utility costs. I concede that. I think that's one we would welcome, as I've asked them to do further submissions to us, and we would reassess our position in due course.

Mr. Speaker, there are a number of other things I would like to say about this subject. I look at it in terms of trying to be reasonable, in terms of the need for maintaining quality of education in this province. I think it's clear, I think the citizens will think it's clear, that the support that is indicated by this document is very positive, adequate support and indicates the commitment of this government and this Legislature to financing universities.

Some responses have been made here and elsewhere on this issue that have simply been irresponsible. But others have been made well. I had a meeting yesterday with the Students' Union president and his vice-president. As we got into it, the issue was much less tuition fees, much less the fact that the employment opportunities are such in this province generally, but not for all, that to be able to increase the fees by less than \$5 a month is something that the vast majority of the students at the universities can handle.

The problem lies that we have not . . . Even though we've had a very substantial increase in our student loan plan, — I believe some 250 per cent over a period of six years, and we've had a great number more students involved — I think we should look afresh at whether or not we still have some weakness in being able to assure those on lower incomes, not because they can't get the loans but because the psychological barrier to the loans might be there, either by way of lower income families or in the rural parts of the province. And I wanted to say to this Legislative Assembly that that's another area that, in addition to the utility costs, we can be open about.

But having put those two items aside, Mr. Speaker, and look what's being done here, I think not only the government but the Legislature and the people can say with confidence that the universities in this province have received support unequalled in the rest of the country; we're proud of what they've done, we'll continue to be proud of them, and we'll continue to support them in that way.

Mr. Speaker, I beg leave to adjourn the debate.

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

HON. MEMBERS: Agreed.

[At 5:29 p.m., pursuant to Standing Order 5, the  
House adjourned to Thursday at 2:30 p.m.]

