

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Monday, May 1, 1978 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. FOSTER: Mr. Speaker, nine students from Lindsay Thurber Composite high school are in the public gallery today. I take pleasure in introducing them to you, sir, and to members of this Assembly. They are accompanied on this occasion by one of their teachers, Mr. Hancock. I would ask that they rise and receive the welcome of the House.

MR. LITTLE: Mr. Speaker, it is my pleasure this afternoon to introduce to you, and through you to the members of this Assembly, 85 grade 9 students from Bishop Kidd school in Calgary McCall constituency. They are accompanied by their school principal Mr. Edward Marchand, teacher Mrs. Terry Bowen, and parents Mrs. Karpenchuk, Mrs. Procyshe, and Mr. Bowen. This trip is sponsored by the Rotary Club of south Calgary.

Before I ask them to stand and be recognized, I would like to mention that this book, *Working Together*, which is an explanation of the legislative process for elementary students, was written and edited by Mr. Edward Marchand, who is principal of the Bishop Kidd school. Mr. Marchand is with the students today. At this time, Mr. Speaker, I would ask that these students, who are seated in both galleries, rise and be recognized by the Assembly.

MR. WOLSTENHOLME: Mr. Speaker, I wish to introduce to you and members of this Legislature a young lady, Missy Parnell, who is research assistant to the Clerk of the Yukon Legislative Assembly. Miss Parnell assisted in the arrangements for the visit up there last week of the five MLAs from this Legislature. She met us at the airport, conducted the tours for us, and assisted us in every way. On behalf of the five MLAs I would like this Legislature to show its appreciation to Missy Parnell from the Yukon.

**head: MINISTERIAL STATEMENTS****Alberta Regulations**

MR. HARLE: Mr. Speaker, the Alberta government has had under review the Report of the Select Committee of the Legislative Assembly on Regulations, chaired by Mr. Rudolph Zander, MLA, established May 10, 1973, which reported to the Legislative Assembly in November 1974.

The government established some time ago a procedure for handling the preparation of regulations, which appears to be working well. That procedure is

as follows:

- (a) when a minister has approved in principle a proposed regulation, a draft must be sent to the Legislative Counsel office for a legal check and drafting revisions as required;
- (b) that before presenting draft regulations of a substantive nature to cabinet, the proposed regulations be considered by at least one of the standing cabinet committees;
- (c) that a cabinet committee should not consider any proposed regulation unless it has been checked by the Legislative Counsel office;
- (d) that all ministerial orders of a substantive nature must be dealt with by an appropriate standing cabinet committee for approval before they are filed with the Registrar of Regulations.

The government has accepted most of the recommendations of the report, and the following accepted recommendations should be highlighted:

- (1) whenever possible before final drafting of regulations, all regulation-making authorities should make every effort to engage in the widest feasible consultation with those directly affected;
- (2) that an adequate indexing system be established for statutes and regulations, including a subject-matter or topical indexing system;
- (3) that specific policy directives which relate to the meaning, intent, or operation of regulations, issued in writing by a minister for the guidance and direction of the department, be readily available for public inspection, and that copies of such directives be provided at reasonable cost on request;
- (4) that the government instruct the Legislative Counsel office to proceed with the work of preparing an adequate consolidation and revision of all Alberta regulations.

Mr. Speaker, attached to this statement is an appendix which gives a detailed response to each of the recommendations contained in the report. I'd like to table three copies.

**head: ORAL QUESTION PERIOD****Economic Policy**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to either the Premier or the Minister of Federal and Intergovernmental Affairs. It relates to the concept of a national industrial development strategy for Canada. At what stage is the thinking of the government of Alberta with regard to the co-operative development between the provinces and the federal government of some sort of national industrial development strategy for Canada?

MR. LOUGHEED: Mr. Speaker, as the hon. Leader of the Opposition is well aware, we've taken the position that it is important within this province to have a provincial economic strategy, which we have and which I think is generally well understood and well accepted. There certainly has been and is merit for a similar strategy for Canada, and on various occasions at first ministers' conferences we've presented that point of view. To be fair, I think the communique of the first ministers' conference in February in total

constitutes a small but at least a first step toward that particular strategy. It is our view, and certainly we have pressed it again at western premiers' conferences as well as at first ministers' meetings, that Canada would benefit by such a strategy.

To this date there has appeared to be a reluctance by the federal government to establish a strategy. In examining or questioning them on their reluctance, it appears they feel that such a strategy tends to become too crystallized and is not sufficiently flexible for the dynamics of an economy such as ours. We don't agree with that position, and we've presented to them that Canada would be better off if both the business community and other communities in Canada were aware of what an economic development strategy was for the country.

MR. CLARK: Mr. Speaker, a supplementary question regarding a national economic development strategy for Canada. Is it the position of the government of Alberta that the now formalized meetings of the first ministers in the fall of each year would be a logical place where one could look at the objectives set forward, do an assessment of the success of those objectives, and then perhaps make some alterations in national economic strategy for the country?

MR. LOUGHEED: Mr. Speaker, the answer to that is definitely yes. We feel that that is one of the reasons we pressed to have these conferences annually and open, because they should be that, so the public can be aware of what's being discussed. Quite obviously too, in a country such as Canada, because of the economic position and the jurisdiction of the various provinces, the federal government cannot develop an economic development strategy for Canada without the endorsement, approval, concurrence, and active participation of at least the majority of the provinces.

MR. CLARK: Mr. Speaker, a further supplementary question to the Premier. Is it the position of the government of Alberta that such factors as numbers of jobs and the question of location of major economic activities would be a part of that national economic strategy?

MR. LOUGHEED: Mr. Speaker, certainly that would be true with regard to the location of projects, and to some extent, but a limited extent, the decision for example with regard to the Gull Island hydro-electric project which came out of the first ministers' conference in February would reflect that.

Mr. Speaker, I'm not sure I understand the hon. leader's reference to the creation of jobs or to jobs. Perhaps he could explain a little more fully to the House.

MR. CLARK: Mr. Speaker, a supplementary. What I had in mind was some effort at projecting the numbers of jobs available in Canada, a target for the nation to aim at, hopefully, which would be reached by the private sector.

MR. LOUGHEED: Well, Mr. Speaker, I'd have some concern with that, because in quantifying a job creation, there seems to me to be a tendency to put ourselves in a position of having targets, then moving perhaps to marginal economic activities simply to

meet those targets. I think what's more important, frankly, is to create a climate by the private sector which is encouraging to the creation of jobs, using as a basis an awareness that a certain element of our public will come within the present category of unemployment, hopefully as a result partly of mobility, partly of the circumstances in which they find themselves in moving from one job situation to another.

Before we get into anything of the nature suggested by the hon. leader, I think there has to be a completely new approach to the way our unemployment statistics are kept in this country. As the government of Alberta, we have expressed on a number of occasions that the nature of those statistics is misleading, in the sense that what they do is ask the question of a citizen, "Are you seeking work?" We don't think that's a very effective or appropriate way, really, to determine true unemployment factors within our country. We think, sadly, in the past an overreaction to some of those statistics has created economic policy that has not been to the benefit of the country.

MR. CLARK: Mr. Speaker, a further supplementary question to the Premier, dealing with the desirability of a national economic development strategy, and applying that to the provincial economic strategy the government has outlined. Does the government consider its economic development strategy as outlined in the Premier's state of the nation address — state of the province address — in the fall session of the Legislature two years ago the most succinct outline of the government's provincial economic development strategy?

MR. LOUGHEED: Mr. Speaker, it's the basic outline. There are certainly aspects of it that were not included. I'm always having it suggested to me by some of my colleagues that my remarks on that occasion . . . By the way, I'm glad the hon. leader corrected "state of the nation" to "state of the province".

I think it is, though, a good basic statement of the economic strategy for the province. We used to refer to it as an industrial strategy. We felt that it was better to refer to it not as an industrial strategy, because that had a misconception in the eyes and minds of some of our citizens, but as an economic strategy. Due to time, to the nature of its flexibility, and to the circumstances, there have certainly been other aspects that were not included. But it still forms the basic integral nature of an Alberta economic strategy statement.

MR. CLARK: Mr. Speaker, a supplementary question. What is the response of the government of Alberta to the proposal put forward by the Canadian Manufacturers' Association for an Alberta industrial council? What has been the official reaction of the government of Alberta to that proposal?

MR. LOUGHEED: Mr. Speaker, with due respect to the Canadian Manufacturers' Association and to the Alberta division, we appreciate the offer they made to us last week to develop an industrial council. Certainly some eminent citizens are proposed to be involved in that particular council. We expressed to them,

though, some significant reservations.

The first reservation, frankly, is that we feel our advice should come from a multitude of areas, from a wide diversity of sources, which is the case today. Over the course of a year, as cabinet, cabinet committee, and with our caucus, we meet with a number of groups that give us economic input. We have debate, of course, here in this Legislative Assembly. We meet with a large number of delegations that come to us, and of course we travel through the province listening to views. We don't think any one particular organization should be a dominant one in giving input to the government on economic strategy.

We don't mean to be disrespectful to the Canadian Manufacturers' Association, but we think that people giving us advice about Alberta economic strategy should come primarily from concerns which have their roots here in this province and are not merely representing branch plants or branch organizations across the country.

MR. CLARK: Mr. Speaker, one further supplementary question to the Premier. Given the Premier's comment about the need for the active participation of the provinces in helping to develop a national economic strategy for Canada, is the government prepared to call together Alberta municipalities once a year to seek their input to the success or lack thereof of the Alberta economic development strategy? And then following what I hope would be an open forum kind of meeting, the province would perhaps make some readjustments to its own economic development strategy.

MR. LOUGHEED: Mr. Speaker, we've rather felt that what would be important . . . We've had a large number of our ministers attend the meetings of the various municipal government groups, and we've rather thought that through the vehicle of the resolutions presented to those groups we would get an idea of their views with regard to economic strategy. Regrettably, at least recently in discussions with us they've placed a fairly heavy emphasis on financial matters as distinguished from economic strategy. We have a number of ongoing meetings, and of course this is part of our cabinet tours and meetings that I hold and the Minister of Municipal Affairs holds with the leaders of municipal government. At all times we've welcomed their suggestions with regard to economic policy.

Over the last six and a half years, though, we have made it clear to the two metropolitan areas, and we think abundantly clear, that it is a basic tenet of the economic strategy of Alberta to encourage, wherever possible, balanced economic growth throughout the province. We do not accept a policy whereby there is simply going to be economic growth in the metropolitan areas to the detriment and to the jeopardy of the rest of the province. For that reason there are, as the hon. leader would suspect, quite obvious differences in points of view from municipal governments, be they metropolitan, urban, or non-urban.

MR. CLARK: Mr. Speaker, I'd like to ask one more question of the Premier. Having regard for the different points of view and that the areas outside Edmonton and Calgary would be able, I think, to make their case very well at an open forum with the

municipal representatives of the province and the provincial cabinet, is the Premier prepared to consider seriously the concept of a public sit-down discussion once a year with the municipal leaders of the province to assess Alberta's economic development strategy, and then to make the necessary adjustments in light of the advice the government receives there and from other areas, but primarily the open public forum, if we call it that, with the government and the municipal leaders of the province?

MR. LOUGHEED: Mr. Speaker, I believe we largely do that now. Certainly with our attendance and at the discussions and dialogue both at the meeting the urban municipalities have and at the meeting when they come to cabinet, we do have that input. I think it's dangerous at times to establish a forum that can create some false expectations, but there certainly is and will continue to be scope for expanding our view in terms of input from municipal governments.

I don't intend to put down the contribution they can make in terms of economic strategy, and it has been useful. But there is a clear distinction in this province in terms of our economic strategy. That strategy is clearly trying to strengthen the smaller centres and, to a degree, the metropolitan areas. I wouldn't say it's overly exuberant, but parts of the two metropolitan city councils resist that particular aspect of the declared economic strategy of our government.

We intend to press on with it. Frankly, I think the statistics to this date indicate that over the last number of years we have strengthened those smaller centres outside the metropolitan parts of Alberta.

MR. CLARK: Mr. Speaker, one last question to the Premier. In light of the comments he made with regard to Canada's unemployment statistics, is it the position of the government of Alberta that the present method of gathering unemployment statistics tends to inflate the numbers which appear as unemployed in Canada?

MR. LOUGHEED: Mr. Speaker, definitely yes. On a number of occasions we put that matter to the Prime Minister and to the federal Minister of Finance, who I believe would be responsible for the federal bureau of statistics, and asked them to make changes in it. I don't think we're the only provincial government holding that view. We think that to some extent it distorts the situation with regard to unemployment, and that a better approach could be taken to it.

#### Health Care Benefits

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Hospitals and Medical Care. A concern has been raised with me with regard to serious eye problems, such as myopia, where a person's eyesight continually degenerates. I wonder if in such cases the minister is considering covering eyeglasses under the health care benefits? I know it's done with senior citizens at the present time, but would the minister consider broadening the program?

MR. MINIELY: Mr. Speaker, the hon. Member for Little Bow is accurate that a fairly broad program for senior citizens in Alberta is provided through the extended health benefits program. However, the par-

ticular matter the hon. Member for Little Bow raises has not come to my specific attention prior to this. If he wants me to consider it as a representation along with many others we have for additional coverage through Alberta Health Care, I'll certainly accept it as that.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Would the minister also consider other low-vision aids, such as magnifiers and Optacons, that were also raised with this concern?

MR. MINIELY: Mr. Speaker, perhaps the hon. Member for Little Bow could drop a letter or memorandum to me on both matters he has raised, and I would certainly take a look at them.

#### **Seat Belt Use**

MR. MANDEVILLE: Thank you, Mr. Speaker. My question is to the hon. Deputy Premier and Minister of Transportation. Could the minister indicate what progress has been made with the campaign initiated by his department to encourage people to wear seat belts?

DR. HORNER: Mr. Speaker, I would hope the number of people wearing seat belts in the province has in fact continued to increase. In working with a variety of associations in the province, we intend to proceed along the view that if we can educate my hon. friends to wear their seat belts they would be a prime example for the rest of the people in Alberta.

MR. MANDEVILLE: A supplementary question, Mr. Speaker: Has the Alberta Department of Transportation made any assessment of what effect the B.C. legislation has had on fatal accidents in that province?

DR. HORNER: Mr. Speaker, that kind of assessment is very difficult to do. We are assessing each of the fatal accidents that occur in the province of Alberta, to ascertain as closely as possible whether or not the wearing of a seat belt might in fact have changed the outcome of that particular accident. It's difficult to assess the various statistics from the other provinces, but we intend to try to do that and to encourage Albertans to wear their seat belts.

DR. BUCK: A supplementary question to the hon. minister. Can the minister indicate if the department is considering changing the color of the signs from orange and blue to something more attractive, and maybe people would take more notice of them?

DR. HORNER: Mr. Speaker, I've noticed over the past seven years that that combination of orange and blue has gone over tremendously well in the province of Alberta.

#### **Licence Plates**

MR. BATIUK: Mr. Speaker, I'd like to direct my question to the hon. Solicitor General. This morning while walking down Jasper Avenue I noticed a line-up half a block long of people waiting to get into the treasury branch. No doubt 95 per cent were individuals wait-

ing to purchase their licence stickers. I'm sure this would inconvenience the regular treasury branch customers. Mr. Minister, would you consider different outlets in the future for these May Day customers?

MR. FARRAN: Well, Mr. Speaker, I don't think the change in the outlets would make too much difference to the people who have been slow in picking up their licences. They've had some two months, with an extra day of grace today. We did open motor vehicles branches in Calgary and Edmonton until 5 o'clock on Saturday, and there were long line-ups there too.

It is a fact that, for other reasons, we have under consideration the possibility of taking over the treasury branch satellite licence-issuing offices later in the year. This is really on the premise that when this function is separated from the bank itself there is no reason it should be run by treasury branches. It could probably be better run by the department.

MR. MANDEVILLE: A supplementary question to the hon. Solicitor General, Mr. Speaker. Has the Solicitor General given any consideration to altering the deadline date for licence plates, as is happening with drivers' licences at the present time?

MR. FARRAN: We have under consideration, Mr. Speaker, the possibility of staggering the licensing year. We have recently been looking at the system in Saskatchewan, which is not satisfactory, where it is done on the basis of a number or the date of birth. Since the main purpose of the licence is an enforcement of the law as opposed to the collection of taxes, it is very important that the police be able to identify vehicles that have up-to-date registration.

However, we're examining other possibilities, such as staggering trucks, pick-up trucks, or cars that are noticeably different: small cars at one time of the year, large cars at another. We presently have such a plan under consideration.

#### **Calgary Civic/Provincial Talks**

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister Without Portfolio responsible for Calgary Affairs. I wonder if the minister could inform the Assembly if he has had any recent discussions with the mayor of Calgary regarding getting a meeting with the MLAs in Calgary concerning their problems. I can cite maybe a couple: the annexation, light rail transit, and so on.

MR. McCRAE: Mr. Speaker, during the cabinet tour of Calgary last November, I believe, members of the Executive Council, together with the Calgary area MLAs, met with the new mayor of Calgary and the aldermen. In the interests of extending the very significant dialogue we had at that time and the exchange of viewpoints on many of the topics the hon. Leader of the Opposition adverted to earlier in this question period, we have agreed with the mayor and the aldermen that on June 9 we will have a meeting between members of the Legislature and the city aldermen to discuss matters of common interest.

### Sylvan Lake Park Development

DR. BUCK: Mr. Speaker, my question is directed to the Minister of Recreation, Parks and Wildlife. I'd like to know if the minister can indicate at what stage plans are for making Sylvan Lake a provincial park.

MR. ADAIR: Mr. Speaker, members of the staff of Recreation, Parks and Wildlife held a meeting with the town officials, and the actual transfer of title will take place as quickly as possible, sometime within the next month to six weeks. In the interim we'll be ready for the opening of the normal park season, the long weekend in May, looking after normal garbage pick-up and the like.

DR. BUCK: A supplementary question to the Minister of Business Development and Tourism. Can the minister indicate if any commitment has been made to the town of Sylvan Lake to assist them with some of their programs for developing tourism in that area?

MR. DOWLING: Most assuredly, Mr. Speaker, as the hon. member knows, we have 14 tourist zones in the province of Alberta. Each of those zones has an autonomous . . .

DR. BUCK: I've heard that speech before, Bob.

MR. DOWLING: If the hon. member would like to listen, each of those zones has an autonomous organization that is given a grant by Travel Alberta. The grants are then given to various organizations throughout that zone on the basis of programs presented to the zone organization.

DR. BUCK: A supplementary question to the hon. Minister of Transportation. Can the minister indicate if any commitment has been made to Sylvan Lake for upgrading the roads within the municipality and between Red Deer and Sylvan Lake?

DR. HORNER: Mr. Speaker, a number of things have been done relative to the representations by the MLAs for both Red Deer and Rocky Mountain House. In the past year we paved the portion of the Burnt Lake Trail, and on the program for this year have a secondary road — I think it's 781, but don't hold me to that number — that runs north into Sylvan Lake. We are looking at the possibility of expanding Highway 11 from Red Deer to Sylvan Lake. There are some very major problems in acquisition of right of way. In addition to that, perhaps the most important problem to resolve is to remove Highway 11 from the lakefront. There are some interesting possibilities there relative to the abandonment of the CPR line in that area.

Looking at all those things, we're hopeful that later this summer we can come up with an alignment that will improve the entry into Sylvan Lake but also improve what can be done in my view of a good provincial park in that particular area.

### Labor Legislation

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the hon. Minister of Labour. Now that the strike in Calgary has been settled, is any consideration

being given to changes in legislation regarding the burial of the dead?

MR. CRAWFORD: Mr. Speaker, that matter is being reviewed at the present time. When the strike in Calgary was going on, I indicated to the House that no steps would be taken in the context of any dispute which was going on at the present time, because interference in the negotiations would result from that. That consideration no longer applies, and we're certainly reviewing the matter at the present time and giving it consideration.

### Trade Negotiations

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Federal and Intergovernmental Affairs. Could the minister comment on the present status of negotiations or consultations with the federal government with regard to the General Agreement on Tariffs and Trade?

MR. HYNDMAN: Mr. Speaker, we're not exactly negotiating with the federal government on the general agreement. However, we have received information from them as to the state of play of negotiations in Geneva which we are still examining to assess whether or not there is information there which will be of medium- and long-term interest to Alberta.

### Legislative Procedures

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Consumer and Corporate Affairs with regard to his long-awaited announcement this afternoon on the Select Committee on Regulations. The first question to the minister deals with that recommendation that said: "that, wherever possible, a set of proposed regulations should accompany new bills as they are presented to the Legislature for consideration." Has the government adopted this policy, and can we expect the regulations to accompany new major pieces of legislation at the fall session this year?

MR. HARLE: No, Mr. Speaker. I believe that is one of the recommendations that was not accepted. If the hon. member could give me its number, I could respond.

MR. CLARK: That's recommendation No. 10.

MR. HARLE: Mr. Speaker, the government did not accept recommendation No. 10 of the select committee.

MR. CLARK: A supplementary question to the minister. Can the minister outline to the Assembly the government's reason for not accepting this recommendation of the select committee, which had members from both sides of the House, which in essence said to the government that when new bills are presented to the Legislature the regulations should accompany the legislation?

MR. HARLE: Mr. Speaker, the response is set out in the document annexed to my statement. If the House will bear with me, I'll read it:

The Government does not accept the recommendation of the Select Committee that proposed regulations accompany a new Bill introduced in the Legislature, as such has never been historically required because the legislation must come first and the regulations later. However, the Government may outline proposed regulations with a new Bill where appropriate.

I would remind the hon. members that this has in fact been done on a number of occasions in this Legislature since I've been in the House, and will continue to be done.

MR. CLARK: Mr. Speaker, to the minister. I could remind the minister of the promises made with regard to The Planning Act a year ago. However, the supplementary question to the minister deals with recommendation No. 37, "that a standing committee should have the power to call witnesses from the ranks of the civil service and invite the general public." Is it the government's intention to accept this recommendation? When can we expect the standing committee to be so empowered, or when will the government bring recommendations to the House to make the standing committee so empowered?

MR. HARLE: Mr. Speaker, I recall that the group of recommendations relating to the establishment of a scrutiny committee by the Legislature was not accepted.

MR. CLARK: Is the minister telling us the government didn't accept the recommendation of a standing committee of the House to scrutinize regulations, and that the government is not prepared to let a committee call both public servants and people from the public to come before the committee to express their views and concerns?

MR. HARLE: In response, Mr. Speaker, there is already the Standing Committee of the Assembly on Law and Regulations, and reference can be made by resolution by any member of the Assembly for that purpose.

MR. CLARK: Mr. Speaker, is the minister aware that that route was available to members of the public when the committee was doing its deliberations, and that the committee, even with that avenue open to it, felt it was important enough to make this recommendation? Obviously that approach isn't working, Mr. Minister.

MR. HARLE: Mr. Speaker, I'm sure that every member of the House was aware of the rules of this Assembly that permit the establishment of the standing committee. It is my recollection that it was the government's belief in establishing the committee of the Assembly that an opportunity was to be made to go into the matters of regulations and find out from the public their main concerns. That has been done. The recommendations have been received and a response has been made.

MR. CLARK: Mr. Speaker, to the minister, not having had an opportunity to look at the ministerial statement today. Can the minister explain to the Assembly what he or the government feels is the major

recommendation the government finally accepted from this report, which took a great deal of time by a number of members?

MR. SPEAKER: Obviously the hon. leader is asking a question which is a matter of opinion and very much subject to debate.

MR. CLARK: The answer is nothing.

MR. HARLE: As you rightly point out, Mr. Speaker, it is a matter of debate. I think what the hon. member may select as being the major recommendation . . . There are quite a number of recommendations, and by far the majority were accepted.

## ORDERS OF THE DAY

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

[Dr. McCrimmon in the Chair]

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

### **Department of Social Services and Community Health**

Agreed to:

|   |              |
|---|--------------|
| Vote 6 — Treatment of Mental Illness:         |              |
| 6.1 — Program Support                         | \$840,630    |
| 6.2 — Regional Diagnosis and Treatment        | \$6,360,440  |
| 6.3 — Purchased Services and Agency Grants    | \$2,669,160  |
| 6.4 — Residence and Treatment in Institutions | \$35,362,070 |

MR. CHAIRMAN: Order please. There is too much noise in the Assembly.

MR. TAYLOR: Mr. Chairman, I wonder if the minister would outline the criteria used in releasing people from mental hospitals to go out into the public. There's some concern about this. Many of them do well, and I think all in all it's a good program. There is some concern about people who come out and do damage to other people's property, don't seem to fit in the community, and are not able to look after themselves maybe because they've been sheltered all their lives, and so on.

I wonder what the criteria are, and secondly, if the program is going to continue. Is there any thought of having a half-way house — I'm going to call it a half-way house for lack of a better term — in which the people can gradually get to the point where they can look after themselves? Sometimes they're released on their eighteenth birthday; they've been under custody since they were 5 or 6 years of age, and they're almost lost in a new world. I wonder if there's some way of gradually accustoming them to the outside world, and the criteria used in deciding whether or not they should be released.

MISS HUNLEY: Mr. Chairman, there are several methods we must follow, according to law. From the

question of the hon. Member for Drumheller, I assume he is referring to patients who are formal patients, who have been committed but not by order of the court; that is, they are not there under a criminal charge. I'll deal with those informal and formal patients.

An informal or voluntary patient is someone who seeks help because he knows or believes he is ill. That person can come and go, because he is there voluntarily. Now we need to concentrate on and deal with the procedure followed for involuntary or formal patients; that is, they have been committed under The Mental Health Act.

In Alberta we have the review panels, which are also established by law, and before which a patient who is committed must appear at regular intervals. That review panel seeks expert advice. If in their opinion the individual has recovered adequately, he is therefore free to go and can no longer be held. This is a reassurance to the public, to those who feel we have people in the mental institutes who should not be there and are there for some malicious or even illegal purpose.

At one time I think many people were perhaps committed incorrectly to mental institutions and remained there incorrectly. The new Mental Health Act was our attempt to make this, we hope, an impossibility from then on.

What happens, of course, will depend on the terms of release. In some cases there is a complete cure and no additional facilities are needed. But if the hon. member will look at the estimates book, Vote 6.3, Purchased Services and Agency Grants, is intended to make available in the community additional spaces under supervision for those who need to live in a group home under some type of supervision. If they are well and able to go home to their families or back to their jobs, it's all well and good.

The difficulty we encounter — and as yet we haven't been able to deal with that, because the legislation doesn't lend itself to it, and I myself am not sure what procedure might work — is when an individual responds favorably to treatment. Perhaps some drug is adequate, and they are well as long as they take it. When they go back to their work and to their homes, they decide they are no longer ill and don't need to take the medication. Then they have a relapse. This does occur. We haven't yet been able to resolve it. We would like to ensure and, sometimes with co-operation of the family . . . I know we've arranged for people to go regularly to a hospital in a rural area, to be sure they take their drugs so they don't again deteriorate.

It is an ongoing problem. The person is really well or assumed to be well, or the review panel wouldn't authorize discharge from the hospital. But there is a relapse, and unfortunate incidents occur. We haven't yet been able to have the system satisfactory enough to ensure that that no longer happens.

But the more community involvement, the stronger we are in the community, with the regional health offices, which are part of my department, as well as the volunteer agencies. That's where we turn for help at the present time.

MR. TAYLOR: Just one further question. I'm talking about the formal patient who's been under shelter for a number of years: since he was very young, in fact,

until he is 18. Then he's released in the care of a relative, which is fine. As long as that relative is living, the boy has supervision and so on. When the relative passes on, the boy is left on his own in a pretty hard, cruel world. There are always so many people to take advantage of this type of lad. I wonder if there is a follow-up of these people after they leave, say for a period of three, four, five, or seven years, to see if the supervision remains. Because if the supervision disappears, in many cases that lad becomes a victim of the people of that community, a laughings-tock in that community. He is called a high-grade moron and that type of thing.

It's a pretty difficult world when these lads have to face that type of thing. If they could get into some other type of supervision where someone has control over them and can make sure they get home, make sure they keep themselves clean, make sure they get proper rest and food, then things go pretty well. I wonder if there is any follow-up at the present time of this type of patient.

MISS HUNLEY: I'm under the impression there is, as long as we don't lose them somewhere. But once they're discharged, they are free to go. It is possible that they don't come to our attention again. If they do, of course we have the local clinics and the mental health workers throughout Alberta. We also have the public health support staff who pay close attention to this. There's some difficulty.

Of course when we are able to put into good effect The Dependent Adults Act, we may then be able to have that person declared a dependant, even though he or she is an adult, and come under supervision by a guardian, not necessarily the Public Guardian because I still feel the Public Guardian should have very few cases.

There are citizens' advocate groups in the province as well, volunteer agencies, who try to help in those cases. If the hon. member has a specific case in mind and would send me the name, I could certainly arrange to see what could be done.

We are somewhat limited, though, because of what right we have to force them to take treatment. But certainly they should receive help in the community from either a volunteer agency or the department.

Agreed to:

|  |              |
|--|--------------|
| Total Vote 6 — Treatment of Mental Illness | \$45,232,300 |
| Total Vote 6 — Capital                     | \$658,970    |

Vote 7 — General Health Services:

|  |             |
|--|-------------|
| 7.1 — Program Support                      | \$618,340   |
| 7.2 — Specialized Health Services          | \$2,088,950 |
| 7.3 — Purchased Services and Agency Grants | \$218,450   |
| 7.4 — Public Health Laboratory Funding     | \$4,375,640 |
| 7.5 — Registrar for Nursing Assistants     | \$32,500    |

## 7.6 — Treatment Services

MR. TAYLOR: Mr. Chairman, I wonder if the hon. minister would let me have some information on this particular problem. I understood from a return that there are occasions where delinquents are placed with those who have been taken over by the depart-

ment because of neglectful parents but who have never been in conflict with the law, or with other young people who have been taken over by the department. I realize that some good can come from mixing some of those who have delinquent tendencies with those who do not have or haven't shown any. But I also realize there can be some harm, particularly if the delinquent is a very strong character. I wonder what the policy actually is. Is it complete segregation, or participation among the whole group after surveillance? Exactly what is the policy?

MISS HUNLEY: I could refer particularly to the ones I know best; for example, the children's centre in Edmonton. They have a locked unit there. When I visited it, I found that . . . Mind you, no children were present at the moment, because it happened to be the day they were all in court. But they are in locked units. They are children who have been charged under the Juvenile Delinquents Act.

The hon. member will well realize that some crimes under the Juvenile Delinquents Act are much more serious than others. The tendency is to keep them separate when possible, in the larger areas particularly. That doesn't relate to this particular vote, Mr. Chairman. It relates to the votes we've already passed. The treatment services we're talking about here are the specialized treatment services where we provide insulin and other drugs for eligible persons — communicable diseases, vaccines, and so on. That's a vote under the health side. The question the hon. member raised relates to the social services side.

MR. KUSHNER: Mr. Chairman, I would like to ask the hon. minister a question on the new proposed program of encouraging the private sector as far as day care centres are concerned. Does the minister in fact see that in the next year there will be fewer subsidized day care centres, and more private sector will probably be encouraged to go that route?

MISS HUNLEY: Yes, Mr. Chairman. We dealt with that at some length when we discussed my estimates on Friday. I don't see any decrease in public day care spaces, unless the municipalities in some areas decide they don't intend to continue with day care spaces. I haven't had any indication along those lines. I believe this will strengthen the private sector, offer adequate service, and probably give them the opportunity to grow if they detect a need to be filled.

MR. KUSHNER: A supplementary question to the minister. Again, I'm informed by the private sector that the cost to a parent is much lower at a private-sector than at a subsidized day care centre. Probably the minister can clarify that. Is there any validity to that?

MISS HUNLEY: Well, I guess the hon. member is asking me to compare the cost of operating a private day care centre as opposed to the cost of operating a public centre. I don't have the breakdown on that. It's been alleged by the private sector that the publicly operated day care centres are much more expensive but, in their opinion in any case, they also offer a much broader type of care. You can't compare them all specifically. I guess it depends on what they're offering. In the private sector, particularly until the present time, it will depend on what the traffic would

bear, because I'm sure that if their charges were too high the parents involved would not be interested.

MR. KUSHNER: A supplementary question in that area. I'm not too clear. I have been informed that the end result is that the charge to a parent for a child, let's say, is very much cheaper by a private sector than the subsidized sector, by month, year, or whatever you want it to be.

MISS HUNLEY: But the intent of our policy, Mr. Chairman, is to subsidize low-income families so they can take advantage of private day care spaces, because I've been told by the larger cities particularly that there aren't enough public spaces. It was our attempt to make the best possible use of the resources that presently exist and to encourage the private sector to develop.

MR. GOGO: Mr. Chairman, under 7.6 I'd like to ask the minister two brief questions that concern diabetics or the illness of diabetes. Mr. Minister, I wonder if you have any way of indicating the number of diabetics in the province, and whether consideration has been given by your department to try to centralize in some way the purchase of diabetic supplies through health units as opposed to a regular drugstore? As I understand it, the cost is running between \$1 and \$1.75 a day for many people. I'm speaking out of ignorance, except for those who have come to me. I'd be interested if you could respond to that.

Also, many cities in the province have seen the light and have opted for recognizing those youngsters of our province who are not recipients of treatment in terms of dental hygiene or dental care. Some of the cities have seen the wisdom of implementing fluoridation, which I think is very positive. In some ways I agree with the minister that that should be the responsibility of the local sector. My question to the minister is: do fluoride tablets and treatments still exist at medical health units for those parents who want them?

MISS HUNLEY: I'll deal with the last question first. I'll have to get the information for the hon. member in relation to the number of people who suffer from diabetes, because I don't have it.

Yes, through the dental hygienists, I believe throughout all the health units, they have a policy of painting the teeth of school children with fluorine to prevent tooth decay. I am under the impression that tablets are available as well, though I would also like the opportunity to check that and advise the hon. member.

Agreed to:

|   |              |
|---|--------------|
| 7.6 — Treatment Services  | \$2,552,020  |
| 7.7 — Residence and Treatment in an Institution for Tuberculosis Patients | \$496,020    |
| Total Vote 7 — General Health Services                                    | \$10,381,920 |
| Total Vote 7 — Capital  | \$63,340     |

|   |              |
|---|--------------|
| 8.1 — Financial Assistance to Municipalities for Preventive Social Services | \$20,630,630 |
| 8.2 — Financial Assistance for Preventive Health Services                   | \$29,103,160 |
| Total Vote 8 — Financial Assistance   |              |



|                                   |              |
|-----------------------------------|--------------|
| for Community Preventive Services | \$49,733,790 |
| Total Vote 8 — Capital            | \$13,180     |

|  |             |
|--|-------------|
| Vote 9 — Alcoholism and Drug Abuse —<br>Treatment and Education: |             |
| 9.1 — Program Support  | \$1,627,391 |

## 9.2 — Treatment and Rehabilitation Services

MR. TAYLOR: Mr. Chairman, I wonder if the hon. minister has any statistics or figures on the number of people who have subjected themselves only to the use of marijuana or grass, or possibly hashish, as compared to the harder drugs. A strong feeling is growing in the nation — as a matter of fact, it's coming from the United States — that grass or marijuana does no harm and that it's similar to going on a good drunk. When they say it's no more dangerous than going on a good drunk, I've often compared the two with whether you jump out of a seven-storey window or a five-storey window. But there's a strong feeling, which I'm getting a little disturbed with, among many of our young people that well-known adults in the communities are now claiming marijuana is not doing any damage whatsoever.

I'm just wondering: is a record kept of those who come for treatment because of trips on marijuana only, rather than the harder drugs?

MISS HUNLEY: No, Mr. Chairman, we don't have that information. But I share the concern of the hon. member, and I have no enthusiasm whatsoever for the current talk about legalization of marijuana.

Agreed to:

|  |             |
|--|-------------|
| 9.2 — Treatment and Rehabilitation<br>Services | \$4,247,927 |
| 9.3 — Education and Information Services       | \$593,284   |

## 9.4 — Direct Financial Assistance to Private Treatment Agencies

MR. GOGO: Mr. Chairman, I wonder if I could very quickly ask the minister a question on 9.4. My exposure to AADAC people in southern Alberta, in Lethbridge, is that they're an extremely dedicated group of people. They work very, very hard. There's now a bit of a problem in Lethbridge with regard to detecting the chronic alcoholic. There are those who say the psych ward at the local hospital should be expanded, these people taken in for a diagnosis and, if they are confirmed alcoholics, they could go the route of Henwood, Claresholm, or wherever.

The people I've been exposed to are sincerely interested in doing something about the problem. I'm very pleased to see the dramatic increase in the number of dollars available as a continuing recognition that when we take \$130 million in profits from the liquor control system, we're prepared to give back through AADAC in a substantive way, that we care about the problem.

My question is on the private treatment agencies. Would you mind identifying them for me? I'm aware of the public ones; I wonder if you could identify some of the private ones.

MISS HUNLEY: If I can find them. We have quite a number of them, and the hon. member has certainly made a very valid point. I'd like to comment on the value of the community agencies and express appreciation — which I did in my opening remarks — for the work of all the community agencies, whether they're involved in the Alcoholism and Drug Abuse Commission or in the work in the department. Because they're all dealing with human problems.

At the same time, perhaps I could comment on the very valuable work the commission board members do. As hon. members are well aware, they are citizens of Alberta who work part-time as commissioners on the Alcoholism and Drug Abuse Commission. I'm most grateful to them for their dedication, interest, and enthusiasm. I think their drive and encouragement reflects itself in the budget I put before the House relating to that section in my portfolio, also of course in the fact that we are trying to finance and have quite a growth in community agencies. Because unless the community has some enthusiasm and some desire to help resolve the problem, in my opinion all the government and all the money in the world isn't going to make the system work.

As funded agencies, Mr. Chairman, we have: Half Way Recovery Acres in Edmonton; the Bonnyville Indian-Metis Association; Poundmaker's Lodge, St. Albert; the Riverside Villa Association; McDougall House; the Southern Alcare Society in Lethbridge; Napi Lodge; the Alberta Seventh Step Society in Calgary; Action North is a new one, recently authorized, which will be opening soon — it's in action already; the Native Alcohol Services; Kehewin Tribal Council Service; Three Quarter Way House, Fort Chip; Social Orientation Service; the Stony Tribal Council, Alexis; the W.A. Thorpe Recovery at Lloydminster; Crowfoot Lodge; Hobbema detox centre; Sik-sika Alcohol Commission; the Calgary Youth Aid Centre; the Nechi people get some funding from us.

Mr. Chairman, I'm afraid I can't pronounce some of these native terms. I'd have to provide them if the hon. member wants details. There's Half Way Recovery Acres at Calgary and the Elizabeth Metis Colony. The Foothills Action Committee is a new one which is just now being organized. That's an example of the community services.

MR. GOGO: Mr. Chairman, the point I was trying to make was that many Albertans care about this problem, and they're reflected in the communities of Alberta.

Agreed to:

|   |             |
|---|-------------|
| 9.4 — Direct Financial Assistance to<br>Private Treatment Agencies    | \$2,599,074 |
| Total Vote 9 — Alcoholism and Drug Abuse<br>— Treatment and Education | \$9,067,676 |
| Total Vote 9 — Capital  | \$76,731    |

Capital Estimates:

|   |           |
|---|-----------|
| 1.0 — Departmental Support Services                       | \$88,415  |
| 2.0 — Social Allowance and Specialized<br>Social Services | \$428,690 |
| 3.0 — Senior Citizens' Supplementary<br>Benefits          | —         |
| 4.0 — Vocational Rehabilitation Services                  | \$53,010  |
| 5.0 — Services for the Handicapped                        | \$386,130 |
| 6.0 — Treatment of Mental Illness                         | \$658,970 |

|  |             |
|--|-------------|
| 7.0 — General Health Services                                | \$63,340    |
| 8.0 — Financial Assistance for Community Preventive Services | \$13,180    |
| Total Department   | \$1,691,735 |
| 9.0 — Alcoholism and Drug Abuse                              |             |
| — Treatment and Education                                    | \$76,731    |
| Total Capital Estimates                                      | \$1,768,466 |

#### Department Total

MR. R. SPEAKER: Mr. Chairman, before we vote on this, three or four questions were raised the other evening that were not answered by the minister. I'd like to raise those questions. Should I proceed at this time?

MR. CHAIRMAN: Yes, this would be the time to proceed, if the minister has the answers.

MR. R. SPEAKER: I'd like to review those questions. One was with regard to staff qualifications in two different areas. One was with regard to day care, and the minister indicated in her remarks that they were not really set or known at this point in time with regard to day care, and that you were going to have the university look at these terms of reference or qualifications. I'd like to raise the question: what about Grant MacEwan college, or community colleges as such, reviewing this type of concern, or having input from community agencies? Did the minister consider that approach?

The other area was residential care for the handicapped. I raised the question with regard to Hillside as an example. I wanted to know from the minister what type of staff qualifications are used for such people in government institutions?

The second question — and the minister said she would report back on this — was with regard to night supervision at residential units. I raised the concern with regard to Hillside, and indicated that information came to me that very few staff were on in the evenings, but there was a large staff complement during the day. My concern was that at that time a number of those people were supposedly out in the community at jobs or doing other kinds of things. I was wondering what that large staff complement was doing under those circumstances.

The third area I wanted to comment on further was with regard to the total care for the multiple handicapped. The behavioral management service offered seems to be a good program. But what is happening is that some individuals stay under that care until the age of 18. Then they're out in the community on their own, and there's just no place to go. What is the thinking of the department with regard to that?

There were some other questions related to the multiple handicapped. What is Department of Social Services and Community Health doing to provide total care facilities for the multiple handicapped and physically handicapped in various communities across the province? What's your objective with regard to that kind of program?

Secondly, are there plans to establish group homes similar to, for example, the Valleyview satellite home in Prince Albert, Saskatchewan, which could have access not only to behavioral management services but to recreation, education and day programs that

help the person integrate into the community as such? Could the minister comment on those three?

MISS HUNLEY: My apologies to the hon. member. I could have had some of those answers by today, although I didn't anticipate he was expecting an answer during the review of my estimates today. I was expecting to provide them later on. I will do that, because I don't have some of them.

If I could talk first of all about the staff qualifications for day care centres, what we have done is to give a grant to an outside agency to establish criteria for assessing the qualifications for day care staff. Involved are the university, private day care operators, public operators, and members of the public representing the consumers. That is only now being established. They are to make recommendations to us as to what the format should be, and what qualifications we might expect if they are not graduates from a training program. As I expressed the other day, the problem is that many people would prefer to have secure knowledge that someone is a very capable, loving, and caring individual, and they don't care about the educational qualifications. I think there's a place for persons like that in the child care field. We're asking them to take an assessment of that and make recommendations to us.

MR. R. SPEAKER: Would the recommendations be available for us to review in the fall session here in the Legislature?

MISS HUNLEY: Yes, I expect so. In fact, we asked them if they would move rather quickly on that. But I will have to say "if possible", because someone else is doing the work, and even though we're paying for it, we don't always get it when we ask for it. I would expect it will be readily available.

I could have made the inquiry about the night supervision at Hilltop. I apologize; I didn't realize you wanted it today. I'll have to advise you.

You're talking about multiple handicapped or physically disabled. In my view they don't exactly match, so I'm not quite clear whether or not you're talking about meetings I have with those who are physically disabled — in wheel chairs, paraplegics, and so on — but quite capable of earning their living. Their requests differ somewhat from multiple handicapped, who perhaps are mentally retarded as well as having other physical disabilities. So there is a difference in handicapped people, which I guess is the point the physically disabled make to me every time I meet with them.

I think we're doing some good work in the area of the physically disabled and their residences. It's coming along slowly, but in consultation with the physically disabled. The apartment blocks have been authorized, and I had the pleasure of opening the group home in Calgary some time ago. Things are developing along that line. As well, of course there's the additional grant of the hon. Minister of Housing and Public Works to make residences more accessible to those in wheel chairs.

Now when you talk about the multiple handicapped, the consensus but not the unanimous opinion was that the resource centres would be the choice for Edmonton. Five of those are slated, and we hope they will be open in the course of the next

18 months to two years. That provides for education, training, residence for some, and day care for those who live at home in order to give the parents an opportunity for freedom.

You're referring to the Valleyview residence in Prince Albert. Yes, we have examined that. We think the services we have to offer in Alberta are not that different. The request, made in a letter to which the hon. member is probably referring, was for a rather elaborate institution in the Edmonton area. The various groups and organizations working in the city may well decide they should eventually have such a facility.

But Valleyview centre is an 800-space institution. It has seven satellite homes, some in the city of Prince Albert and some located around it. Now we have done a similar thing. We've done that in Michener Centre; we also have group homes around it. In Edmonton we have the resource centres to which I already referred.

We do have a behavior management service that was opened in Edmonton in September, 1975, and that's heavily staffed. I think the ratio is 4:1 here, compared to 2:1 in Valleyview. The behavior management service has two components: a community program to provide behavioral training to parents and agency staff; and a six-space residential program to provide behavioral training for children with more severe behavior problems. To date we've served 19 children there, and they have an average stay of four to five months. Of the 19 children, 12 have returned to community living. We're feeling very encouraged about that. Two have gone to Michener Centre, and five children are still receiving services in the residence. So we've made some progress along that line.

We believe we do need additional services, but not necessarily in Edmonton, because of course Calgary could use some as well. Our main goal is to spread out the services so the parents can be involved with their children, so they can receive some relief from the constant care of children and can go out during the day and then go back. We also have individuals who visit the parents in the home and try to work with and assist them in how they can best cope with what is often a very difficult, very tiring, and very emotional chore day in and day out.

Those are the general parameters of what we're trying to do to expand in various ways. Calgary has been examining what they would like, and that plan has not yet been formulated.

Agreed to:

Department Total \$476,703,891

MISS HUNLEY: Mr. Chairman, I move the vote be reported.

[Motion carried]

#### Department of Government Services

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

MR. SCHMID: Mr. Chairman, since I notice we are a little early for my personnel to be up there now, I prefer to make my remarks toward the end of the budgetary considerations. I'll save them until then.

Agreed to:

Vote 1 — Departmental Support Service:

|                                |           |
|--------------------------------|-----------|
| 1.0.1 — Minister's Office      | \$143,580 |
| 1.0.2 — Administrative Support | \$525,510 |
| 1.0.3 — Accounting             | \$436,050 |
| 1.0.4 — Personnel              | \$532,750 |

#### 1.0.5 — Metric Conversion

MR. TAYLOR: Mr. Chairman, I'd like to make one or two comments in connection with this item. Even though it has been pretty well accepted across Canada, still many, many people are concerned about metric conversion. This ranges to almost every trade, and I find it particularly emphatic in the agricultural community. One of the things worrying the farmers a great deal is that some reconsideration may be given to the matter of changing acres to hectares, changing the present survey system. I believe the government has made and announced a decision in that regard. I hope that decision will stand. In my view, it certainly can't serve any purpose in regard to trade with the outside world, and I think we have one of the best survey systems in the world today. I'm hoping we stand very firm and do not change our present system of measuring land.

Other than that, all I would say is that among the people concerned about the sizes of tools, getting parts, and that type of thing, a feeling seems to have grown that there's not only one but three metric systems. I wonder if the minister has any comments on that. If there are three metric systems, then many of the things we've talked about — getting a common standard throughout the world — would certainly be lost. I'm hoping there has been some consolidation of all metric systems so that we have one metric system. It's certainly bad enough to be converting to metric, but if we're going to have to convert to two or three different kinds of metric, I think we'll just drive our people up a tree.

MR. SCHMID: Mr. Chairman, I will reply to questions as they come up. I can only say that hopefully the hon. Member for Drumheller will carry the message he has just given to the Alberta Legislature to the House of Commons when he moves down there, because that is really where these remarks belong. As we well know, the metrication of our system from the imperial system to the metric system is really a federal matter. In Alberta we are changing the legislation as required due to federal programming regarding metrication. All I can add in this case is that we are not contemplating changing the system, especially our land measurement system, from acres to hectares, but providing that at least in the recording at the Land Titles Office we have a system that can be applied to one formula or the other, square metres and/or acres.

MR. KIDD: Mr. Chairman, if there's a message to be carried by the hon. member to the federal House, maybe it would be that if our Saviour had been in favor of the metric system he would have had 10 disciples.

DR. BUCK: Mr. Chairman, to the minister on the topic of metric conversion. When I was in England and

Scotland last year, I was quite amazed to find that they were just converting. I guess we'd been sold a bill of goods saying, Canada get in step with the rest of the world; everybody's in and you're out. So when I get there, they're talking about miles per hour and all the measurements we have. I said, how long have you people had metric? They said, we were just going into it last fall, the same as we were. In a news report this morning I heard that England is not convinced they're going to go the whole way with conversion to the metric system. But I guess now that we're in it, we have to make do. I don't think we can reverse the trend.

It's very interesting when your children who are learning metric say, what's all the hassle? They don't think there's any problem. They say, you just divide by 10, move a decimal place, and away you go. I guess there'll be no problem for them. I know when you're over in the old country, they start talking about the "old money" and the "new money". It's the same thing. I didn't know there was such a thing as old money, so there was no problem for me. There were 10p, 5p, 50p and the pound. So the decimal system worked there. But the old people still had to convert the old to the new money in their minds. I guess once the change has been made, we'll just have to go on with it. I thought I'd throw that in for interest's sake.

MR. SCHMID: Mr. Chairman, this may be of interest, especially to our good Member for Clover Bar. I'm quite sure he has administered novocaine to his patients in cc's for quite some time. I hope he doesn't mix that up with the imperial system.

Mr. Chairman, in Bavaria, where I was born, I recall my grandparents and parents still using the old system of pounds and other measurements, and they still do not adhere to the metric system. I would say it might take a lifetime, or maybe even two generations, to change that. As I've said before, I'm really not that concerned. While law may change the official way of measuring things, I am quite certain people's habits will take a long time to adjust. I can only say that where it's important, of course, for international trade, we have to do it immediately. As time goes by, I'm quite sure people will get the message from the federal government to continue converting as much as possible. All we in the provincial government can do is try to co-ordinate these matters.

Agreed to:

|                           |           |
|---------------------------|-----------|
| 1.0.5 — Metric Conversion | \$196,180 |
|---------------------------|-----------|

DR. BUCK: Mr. Chairman, I'm sorry, I just missed one thing on the grants that are up 195.7 per cent, \$272,000. Can the minister indicate what those grants were?

MR. SCHMID: Mr. Chairman, the grants are part of our hospitality system. As Alberta gets to be known, not only in Canada but specifically in North America and, for that matter, generally in the rest of the world — we have had an international soils sciences conference here for instance, and many, many other conferences. I would say these grants refer strictly to hospitality and/or financial support for the Public Affairs Bureau, in helping to provide information to the numerous journalists who happen to come to

Alberta to find out more about our oil sands, our natural resources, specifically oil and gas of course, and other interesting things about Alberta. This is where the increase comes from.

Agreed to:

|                                     |             |
|-------------------------------------|-------------|
| Total Vote 1 — Departmental Support |             |
| Service                             | \$1,834,070 |
| Total Vote 1 — Capital              | \$21,530    |

DR. BUCK: Mr. Chairman, to the minister. I'd like to know if the minister can indicate to us how successful and extensive turning off lights in public buildings has been. I know the so-called experts try to convince us lay people that it's cheaper to leave lights burning than it is to turn them off. I guess maybe I was raised poor. I'm of the philosophy that it's cheaper to turn lights off than it is to leave them on. I'd like to know how extensively we're studying this, what results we're having, and if the minister can report.

MR. SCHMID: Mr. Chairman, I appreciate the hon. member's question very much. The Department of Government Services has expanded its energy conservation program to a full-scale program including all government buildings in the province of Alberta. Significant energy savings are being realized through altered operating techniques and system changes in the buildings, through computerization, special training of operating and maintenance staff, and even structural improvements to mechanical and electrical systems. In fact, to date the direct savings in '76-77 amounted to \$588,000; the projected annual savings for each of the fiscal years of '77-78 and '78-79, another \$600,000. So by March 1979 the program will have demonstrated energy savings approximating \$2 million, Mr. Chairman.

DR. BUCK: Mr. Chairman, can the minister indicate to us the nonsense we've been hearing all these years, that it's cheaper to leave the lights on than to leave them off?

MR. SCHMID: Mr. Chairman, I appreciate the hon. member's question. As he may know, I think the debate was on fluorescent lights for a while. If you turn them off and on, that energy consumption or surge would not only draw additional amounts of electricity but also reduce the lifetime of fluorescent lamps, of which of course the minimum has to be found out. Actual energy savings not only of the lighting itself, but for instance even of turning off the air conditioning and heating elements on weekends or de-energizing certain stalls and re-energizing them instead of having them on 24 hours a day: all these little pennies, as I think our ancestors have taught us, add up to dollars, in this case \$2 million by the end of this fiscal year.

DR. BUCK: Mr. Minister, is this going to be extended to other buildings, or is it just a pilot project? One night when we were coming back to the Legislature I noticed that some of the lights were on in the Agriculture Building, and the AGT tower was lit up like a Christmas tree. Has anybody indicated to Alberta Government Telephones that maybe they'd better have a look at their operation?

MR. SCHMID: Yes, Mr. Chairman. As I have said before, where initially it was a pilot project, we are now making every effort to include all government buildings in this energy savings program, and hopefully also to include all government agencies and Crown corporations.

DR. BUCK: Another question to the minister. In the manufacture of specialty furniture and equipment, can the minister indicate just what we're doing there?

MR. SCHMID: Yes, Mr. Chairman. As should be mentioned, the operating and maintenance division of the Government Services Department is now looking after about 20 million square feet of space in institutions in different government offices throughout the province. For instance, in maintaining this space it also sometimes includes installation of specific furniture for specific purposes. The Fort Saskatchewan penal institution might need certain theftproof compartments, or a mental institution in Ponoka may need specific furniture for the patients, or for that matter even government offices or laboratories. I would say all these different things include the amount of money to be voted for fabrication and manufacturing of furniture and equipment.

DR. BUCK: This may not be the time, but I'm going to ask the minister anyway. This has to do with public buildings that the Alberta Housing Corporation or the Department of Public Works owns. I'm using the liquor store in Fort Saskatchewan as an example. The building has been vacant since last September. It's still sitting vacant in prime commercial space. In the private sector you couldn't do that. You know, you have to make your mortgage commitments. From the information I've been trying to find out, the building belongs to Public Works but will remain vacant until Government Services decide if they need it for anything. If they don't, it will go up for public tender or it will be sold. The question to minister is: what is the policy in some of these public buildings?

MR. SCHMID: Mr. Chairman, actually this question would be more properly put to the Minister of Housing and Public Works, because the realty and accommodation division is within that department. I recall that the space would be allocated to the department requesting space if it is suitable. But this question really is more to be directed to the Minister of Housing and Public Works, because space allocation is within that department. The Department of Government Services is responsible for the maintenance and operation of government space, not the allocation and/or leasing of space.

DR. BUCK: Mr. Chairman, the reason I asked that question of the minister is that in the runaround I've been getting the department says, well, Government Services has first go at it; if they don't need it for some type of government service, we look at some alternatives.

MR. SCHMID: Mr. Chairman, I appreciate that question and will take it under advisement. If I'm able to get the response before the budgetary appropriations are approved, I will get back to the hon. member.

DR. BUCK: No, I wouldn't hold up the vote, Mr. Chairman. But I'd certainly like to know what the policy is, because right or wrong, the government is accused many times of having buildings vacant and collecting space.

As for the replacement of office furnishings, I would like to know what type of policy the government has. I mean, is there an average life expectancy as we have in schools? Sometimes it is a little difficult to convince the minister, when the school is falling down around the ears of the children, that the building should be replaced, because the department has a magic rule which says that building is good for 50 years. What rule of thumb or guidelines do we use?

MR. SCHMID: I don't think it's a rule of thumb, Mr. Chairman. Really what we are doing is to visually inspect the furniture. If it has to be replaced and still has a marketable value, that's important too. Just because furniture may be falling down around one's ears, as the hon. member expressed, is not quite the right interpretation of replacing furniture. Especially under our system of putting furniture up for public tender, it has been found that it is best to have at least some value left in the furniture so we can get these items sold at as high a price as possible and then replace them with new furniture.

If the hon. member refers to a rule of thumb, I would say the guidelines are visual inspection of furniture, whether or not replacement is required. Sometimes replacement is required because additional furniture is needed, maybe larger cabinets, at the same time taking under consideration that the resale value through public tender is probably better at a certain age than it would be if it were kept until it completely deteriorated.

MR. GOGO: Mr. Chairman, I'd like to make a comment under replacement of office furnishings. As many members of the Assembly suspected, for many years there existed only two areas in this province, Calgary and Edmonton. In the government offices in the south there was a habit of shipping the furniture to a central warehouse for public auction in Calgary. The minister was kind enough last year to review that policy and change it.

I think it would be interesting to report what happened in that event. The furniture out of the government buildings that went into the new provincial building in Lethbridge was auctioned, and it brought about 300 per cent of the original price. So I would urge the minister that perhaps this is another source of revenue for the government, to keep turning over the furniture, because some of that antique furniture is indeed worth far more than you paid for it.

MR. SCHMID: Mr. Chairman, I think especially our really valuable oak desks are a specific in this case. I would like to thank the hon. member very much at this point for bringing the concern to us. We are always grateful for suggestions of this type.

I can now report that in fact approximately \$770,000 worth of goods for resale in public tendering were sold in Edmonton. The other half, of a total of \$1,590,000 or so, was sold at other places in Alberta. So this policy has worked out quite well.

People are appreciative, especially in places like Lethbridge, Medicine Hat, or Grande Prairie, to be able to tender on government goods instead of having them shipped to Edmonton and adding the freight it would cost to ship to a central warehouse.

DR. BUCK: Along that line, can the minister indicate the mechanism in place now, the system? It used to be that you could go to the government surplus place. That's been changed now, has it not? But there must be some value — you don't tender for the \$3, \$4, and \$5 material, do you? How do you operate the disposal of government equipment?

MR. SCHMID: Mr. Chairman, we have changed the way we are selling surplus goods of the provincial government. It is by public tender. Naturally one \$5 item would be different. But let's say a number of items have an individual value of \$5. First, there's usually a reserve bid for items. They would not be sold under a certain amount, because it would be known, for instance, that amplifiers have maybe a resale value of \$5. We have about 20 of those. We would say a minimum of \$5, so the reserve bid would be in there.

I would think that most of the goods now sold from these surplus stores or surplus warehouses are sold by public tender. Again, Mr. Chairman, doing so has worked out extremely well. It has brought additional amounts of money to the system and therefore, of course, to the taxpayer of Alberta.

DR. BUCK: Mr. Chairman, stores are still available, though, for small items, where there's maybe just one \$5 item and so on? They used to be on the Fort Trail. Anyway I find this quite interesting. The government made about \$12 off me for a pair of boots that looked great but had big holes in them. So that was a complete profit. Are there stores, say, in the Edmonton area, where these one-item things are still for sale?

MR. SCHMID: Yes, Mr. Chairman, in fact we still have a store on the Fort Trail. But I don't think individual items are for sale any longer. They still would be put up through public tender. The boots probably would be marked "as is" on the tender. So if there were holes in them, Mr. Chairman, I'm quite sure the hon. member would want them for fishing purposes.

Agreed to:

|  |              |
|--|--------------|
| Total Vote 2 — Building Operations and Maintenance | \$59,536,775 |
| Total Vote 2 — Capital                             | \$1,978,905  |

### Vote 3 — Government Transportation

DR. BUCK: Mr. Chairman, can the minister indicate to the committee just how the system of providing vehicles for the civil service of the province operates? What are the guidelines? What are the limitations on who gets them, who doesn't get them, and what they're used for? Then we will go from there.

MR. SCHMID: Mr. Chairman, first of all, of course the vehicles for the public service are provided by Government Services on a lease basis to individual de-

partments. There's a general policy to provide, let's say, the vehicles specifically for Recreation, Parks and Wildlife, for specific purposes, be they trucks or what they call four-by-fours or a tracked vehicle. Whatever it may be, the Department of Government Services purchases vehicles and supplies them to the Department of Recreation, Parks and Wildlife, let's say, under their guidelines. We, the Department of Government Services, are then responsible for the maintenance and replacement of these vehicles. Again, after these vehicles have been kept in service a certain amount of time, we get the largest amount of dollars as replacement value when they are sold by public tender.

Mr. Chairman, of course the guidelines of individual departments vary. As one can well imagine, for instance in a department of health and social development, probably a public health nurse in a certain area of Alberta would need a government vehicle maybe because of the extreme road conditions, while possibly a public health nurse in Calgary, let's say, may not need a vehicle, because he or she can use the public transportation system or their own vehicle, for which they then get so much per mile expended in their service to the government.

So I think guidelines as such are issued individually by departments, Mr. Chairman. We purchase these vehicles under a common purchase order.

To eliminate some of the questions that are coming up, maybe I should go into my remarks in this case, so we have some of these questions answered. Just going into the vehicle purchases alone, I could say that the money spent in a total program of vehicle purchases is in itself a rather significant amount.

DR. BUCK: Mr. Minister, the annual report says: "Vehicle acquisition costs were reduced by approximately \$400,000 through bulk purchase of 500 vehicles." Can the minister enlarge upon that? Is that as a result of centralizing all purchases through Government Services? Is the minister now saying that all the vehicles are bought through Government Services and then leased out to other departments? And if we were able to save approximately \$900 a vehicle, what were we doing before this?

MR. SCHMID: Mr. Chairman, in all fairness to the former government, they purchased some vehicles individually, and we tried to streamline that. Through the creation of the Department of Government Services, we now have what we call a central vehicle service. This approach has allowed the department to secure significant volume purchase discounts, as well as deriving economics from, for instance, fleet purchases, a term which I think is familiar to the hon. member. Because of techniques of standardization and specification, while before a department would specify an individual vehicle with specific paint, attachments, and so on and so forth, we now have one fleet vehicle purchase which takes in a large number of vehicles. As of course the hon. member is so well informed about, it has given us a per unit saving of about \$800 below previously paid prices which, as has been said before, amounted to about a \$400,000 saving. In fact we did the same in '78 and in '77, and hope naturally of course to continue that in the year of '79.

DR. BUCK: Mr. Chairman, the minister says "in all fairness to the former government". I'd like to remind the minister that the government has been in power seven years, so let's not be worrying about what somebody else was doing. We've been here; let's answer for ourselves. Where have we been for the seven years?

I would like to ask the minister: as far as insurance to government vehicles goes, are we fully self-insured now? Do we carry our PL and PD as a self-insured body?

MR. SCHMID: Mr. Chairman, my understanding is that we are not fully self-insured. We do carry insurance through an insurer for government vehicles. I think self-insurance comes in specifically on government buildings and other large insurable objects, rather than on government vehicles. They are insured through a private insurer.

DR. BUCK: Mr. Chairman, I was under the impression that this had been changed. Without having to have a written question or anything, can the minister indicate how automobiles are insured? If he can do that for me through a memo, that would be fine.

I'd also like to know on what guidelines — the other departments that get their vehicles from Government Services must say, we keep our vehicles 30,000 miles, 50,000, or . . . I'm sure Recreation, Parks and Wildlife can't get as many miles as they can in some other services. What are some of the broad outlines as to when we trade cars?

At the same time, can the minister indicate at what level of the upper echelon of the civil service we have vehicles provided?

MR. SCHMID: Mr. Chairman, first of all, maybe I should say that the general guideline is: we have found that we get the greatest amount of resale value if a car is replaced, taking a car as an example, after two years or 45,000 miles. We have found we have a loss of value after that. Therefore we try to replace cars if possible at that category. Also at all times, whether it's a truck or other vehicles, we keep in mind the resale value whenever we can, having reference of course to the amount of money the used-car dealers usually get for their vehicles. That's what we keep in mind when we ask departments to recycle their vehicles.

Mr. Chairman, I have been asked what kinds of guidelines there are as far as the provision of vehicles is concerned. I think the hon. member is referring to deputy ministers. Is that correct? The hon. member may be familiar with what is called the O.C. list; in other words, of chairmen and members of specific government boards, and deputy ministers. Mr. Chairman, members in ranges four, five, and six on the O.C. list are provided with government cars, which I think amounts to 44 vehicles, and of course ministers also.

DR. BUCK: Mr. Chairman, just one question on air craft transportation for resource protection and conservation, and executive transportation. Can the minister indicate how many planes are available to Executive Council, also how often private transportation is used when chartered air lines could be used by Executive Council?

MR. SCHMID: Mr. Chairman, I can state that generally the Executive Council does its best never to use government aircraft when a private or scheduled air line is available. For example, if a scheduled air line to Calgary is available, naturally the government aircraft will not be taken. But quite often it happens, and it happens to me once in a while, that I have a return trip scheduled. Because I am to be here for a certain function, I fly back from Calgary. But because of a delay in the function I'm attending in Calgary, maybe I could have taken the airbus. But since the government aircraft is there already, since I took it there initially . . . Of course that would not always be in place. Generally I can say that a government aircraft is taken only if a scheduled air line service to a specific point is not available or not convenient for a specific function.

DR. BUCK: Mr. Chairman, I asked the minister how many planes are available to members of Executive Council: the King Air, the Queen Air, which ones?

MR. SCHMID: Mr. Chairman, the Executive Council takes the aircraft available, which is sometimes either of the two King Airs, and not very often Queen Air, because the Queen Air is used in the summer for air photography. Of course, sometimes a helicopter is used; last year the Dornier was used quite extensively, as well; and sometimes the DC-3. It really depends on what type of function the minister has to attend and how many of his personnel — specifically in Housing and Public Works, let's say — the minister needs to take along for a specific purpose. But normally these are the aircraft available for functions of the Executive Council, if they are being attended by a minister.

DR. BUCK: Did the minister say we now have two King Airs available for Executive Council? So we have about \$2.5 million worth of airplanes? Did the minister say two King Airs?

MR. SCHMID: Yes, Mr. Chairman. We have had two King Airs available since 1975. In fact, the report on the use of King Airs is usually filed within the first week of the commencement of the session.

Agreed to:

|  |             |
|--|-------------|
| Total Vote 3 — Government Transportation | \$1,804,680 |
| Total Vote 3 — Capital                   | \$3,220     |

#### Vote 4 — Supply

DR. BUCK: Mr. Chairman, to the minister. There's been some discussion on marketing and supplying of government materials. I asked the Premier in question period what rules we in Alberta use as to "Alberta first". I know there has been a public commitment by the Premier that we're not having any balkanization, that we don't have a set policy on Albertans first.

I'd like to know from the minister just how often firms from outside the province get preferred treatment if they are the low bidder. In some neighboring provinces we have a 5 to 10 per cent tolerance for provincial companies. I would like to know how often we in Alberta lose out on some of the bids when we're very close to being the low bidder. I'll just start

from there, if the minister could indicate what the policy is.

MR. SCHMID: First of all, Mr. Chairman, I'm quite sure the public tendering policy of the province of Alberta has been — and, I'm sure, with the agreement of the hon. member — one of the best in Canada. We issue tenders for the supply of goods and services to the Alberta government and, in so doing, naturally invite tenders from other provinces as well. Maybe I should state that 93.04 per cent of all supplies purchased by the government last year was purchased from suppliers in Alberta. If I recall, about 96,000 requisitions and purchase orders were received from the departments.

The specific question of the hon. member was: how do we classify these tenders? I can only say, Mr. Chairman, that if a tender from another province is the same as a tender from the province of Alberta, as far as specifications are concerned, of course we would take the Alberta tender ahead of a tender from another province. But if the tender from another province is lower — which last year amounted to some 6 per cent of the total purchases of the government — then we would take the tender from an out-of-province supplier.

DR. BUCK: Mr. Chairman, is the minister involved, or will he be involved, in discussions with our neighboring provinces that they will go along with the same philosophy we have here? If Alberta companies are bidding in British Columbia and Saskatchewan, and some of our neighbors in western Canada, then I just don't think it's fair to our people, if there is a 5 or 10 per cent tolerance in some of the neighboring jurisdictions, that Albertans not be involved. I think it's very, very critical, especially to the small businessmen of the province, that they be able to bid and do their thing in the neighboring provinces. So I would like to encourage the minister and through him the Premier to make sure we're not having Alberta suppliers being cut off at the pass, as it were.

MR. SCHMID: Mr. Chairman, I appreciate the concern of the hon. member, and, again I have to state what I said before: so far, Alberta has resisted the kind of balkanization of purchases of Canadian goods in Canada that occurs in some other provinces. Hopefully at the next first ministers' conference, or at least at the next premiers' conference, which I'm quite sure is going to happen sometime this year, the premiers of the respective provinces will agree to a common policy of purchases that once again would remove as much as possible certain barriers being erected by some other provinces and, as I've said before, hopefully not Alberta.

DR. BUCK: Mr. Chairman, in line with our philosophy of trying to support small Alberta businesses — the big ones don't seem to need any help; it always seems to be the small ones — can the minister indicate what direct steps and measures are being taken to encourage and make sure that small firms get part of the action when it comes to supplying all types of materials to Government Services? I know it's difficult to say that X per cent of government business must go to the small supplier, but I would like to know if the minister is aware of some of the

problems and concerns of some of the small suppliers and, most importantly, if he's trying to do something about it.

MR. SCHMID: Mr. Chairman, the door to my office is open at all times to anyone who has suggestions which could prove helpful in our continuous quest to help the small Alberta businessmen specifically. I recall a few concerns expressed to me; as an example, one of our tenders containing specification of material available only in the United States. Of course we changed that specification, because it would only have provided material specifically from the United States for that particular purchase. At the same time, Mr. Chairman, we have to keep in mind that in purchasing goods at the lowest price from our suppliers — and I've said before that 93.04 per cent is from Alberta suppliers — we thereby really save money for the taxpayer.

So, in co-operation between the Department of Business Development and Tourism, and Government Services, being the purchaser of goods for the province of Alberta, as well as our Minister of Federal and Intergovernmental Affairs, hopefully we will come up with a solution that is not only fair to all but also keeps in mind this very valid policy of the lowest possible price for the purchase of goods of the highest possible quality.

Agreed to:

Total Vote 4 — Supply

\$1,427,890

Total Vote 4 — Capital

\$8,895

#### Vote 5 — Public Affairs

DR. BUCK: Mr. Chairman, to the minister. First of all, the Public Affairs vote seems to keep going up every year. I suppose the more people you have, the more money it takes to operate, and Public Affairs keeps growing like Topsy.

I'd just like to know if the minister can give us a broad picture of what the government is trying to accomplish and really what is happening in this Public Affairs vote.

MR. SCHMID: First of all, Mr. Chairman, I feel I should point out that the manpower summary of the Public Affairs Bureau really indicates a decrease in personnel from 155 to 144, rather than an increase. This should be pointed out first of all. I should also mention that in Public Affairs we have the information officers, as they are called, from the different departments, who at one time were dispersed throughout government and are now in one department.

Also it may be of interest that we have planned for an additional four RITE operators. It includes Valleyview, Westlock, Whitecourt, and High Level. That is an increase in personnel but not for information officers, only to provide better operator service for the RITE system, to make sure that as many people as possible have access to government without having to pay long distance costs.

DR. BUCK: Mr. Chairman, to the minister. On consultative advice on advertising, are we consulting the consultants? When we're hiring an advertising firm,



surely we don't need consultants. Is this what the minister means when we're having consultants to the advertising firms? If we're hiring people who are supposed to be experts in their field, are we now turning around and hiring consultants to consult with the advertising firms?

MR. SCHMID: Mr. Chairman, maybe an example could be taken. I think about 14 projects for overseas exhibitions have been carried out by Public Affairs this year. In this case a consultant would be hired to recommend how special or specific booths would be set up in Sri Lanka, London, or Edinburgh, where a petroleum exhibition was. That doesn't mean we would hire an advertising agency to make up this display. In fact most of the displays for these different exhibitions were made up by Public Affairs. Of course that includes consultants and the cost of making up these exhibits. So that also is a consultant

...  
At the same time, Mr. Chairman, I should say that advertising companies, or public relations companies as they are sometimes called, do sometimes charge for making up an ad and, at other times, only charge for placing the advertisement in the paper. It depends, of course, how the commission is being placed. If the commission were for consulting only on where to place advertising or the design of advertising, there would be a consultant's fee. Then the advertisement itself could be placed through Public Affairs. At other times certain advertisements are placed, let's say, through Baker Lovick or other advertising companies, which in this case would charge a total amount for advertising and consulting.

DR. BUCK: Mr. Chairman, on the review and approval of hospitality grants pursuant to Government Services' grants regulations. In light of the fact that, as the minister indicated, the hospitality grants are up almost 200 per cent, can the minister indicate to us the review and approval of the regulations surrounding these hospitality grants? As I say, hospitality grants have gone up almost 200 per cent; \$272,000 is a lot of hospitality. Can the minister indicate to us the regulations and directives on the hospitality grants?

MR. SCHMID: Mr. Chairman, at one time the price of \$8 per meal for out-of-province guests was considered sufficient. However, as the hon. member knows, meals would now be quite an amount more, especially in hotels in Calgary and Edmonton. We have reviewed these amounts and are contemplating possibly adjusting the meal grant to \$10 per plate. At one time the limit for conventions was \$1,500 per organization. We now have increased that to \$2,000 per organization. As I said before, Mr. Chairman, since there is an unbelievable increase of requests because of numerous additional conventions coming to the province, this amount had to be increased substantially.

MR. CLARK: Mr. Chairman, with regard to Vote 5. I heard the minister waxing most eloquent about the staff situation here. If my information is right, Mr. Minister, last year we budgeted \$164,000 under Code 430, Professional and Technical Services. This year it's up to \$254,000. Mr. Minister, you stand in

your place and tell us what's happened to the staff in this area, and then you're asking this House to approve almost \$100,000 more out of a \$150,000 budget for technical and professional services. Maybe you'd best come clean with us and tell us what you have in mind in that area.

MR. SCHMID: Mr. Chairman, all I can say again is that in this case professional service would include the additional amounts of money required for the exhibits and displays we are providing, for instance, for the Department of Business Development and Tourism and sometimes for Federal and Intergovernmental Affairs and other departments. I think the major amount of that increase would be required for this type of service.

MR. CLARK: Mr. Minister, are you telling us that you're asking the House to give you \$140,000 more for that reason, for increased displays by two government departments? You know, just a minute ago you were telling us how you've held manpower down in this area. Fair ball. But then we find that you're just closing that door and using the contract route. If you need more people, tell us. But let's not try to kid the troops, because really that's what's happening here.

MR. SCHMID: As I had mentioned before, Mr. Chairman, the Public Affairs Bureau had a revised manpower component of 155 in the '77-78 fiscal year. We have reduced this requirement in public communications by three, from 70 to 67, and have reduced the film library and publications requirement from 17 to 11. But it is also important to state that technical requirements, again specifically in the display area, are such — one can well imagine that travel costs alone to Ceylon or Singapore, for instance in the last oil show over there, come to about \$10,000, just for the people who went over there and returned. We have a number of other exhibits coming up, Mr. Chairman, which happen to require these amounts of money.

MR. CLARK: Mr. Minister, now come on. If you're trying to tell us you want \$10,000 for someone to take a trip to Singapore, that'll be under travel. What they're going to spend over there will be under hospitality. We want to know what you are going to do with the additional \$140,000 you're asking for under Code 430, Professional and Technical Services.

MR. SCHMID: The amount required is also for additional amounts needed for special projects such as advertising, because advertising costs have gone up as well; also, Mr. Chairman, for things like assignments for the creative ideas of the department which, as I have said before, include the displays needed for different government programs, not only overseas but within Alberta. Again, Mr. Chairman, there is an increase in advertising as well as other components of a technical nature, for which this amount of money is needed.

MR. CLARK: Mr. Minister, I would heartily recommend that you read your answer in *Hansard* tomorrow or the next day. When you tell us some of this money is being used for creative ideas, are we to

assume you had no creative ideas there last year? Mr. Minister, all we want from you is some explanation of what the \$140,000 is for. If you haven't got it now, fair ball. I can accept that. Get it to us. But don't try to tell us it's for transportation to Ceylon and for creative ideas, because you didn't have any last year. Tell us which departments you want to use this in. Mr. Minister, you're the man who earlier in this very vote told us how you were cutting things down peoplewise. Fair ball, Mr. Minister. But you and I have both been around here long enough to know it isn't hard to cut down staff and just bring in more contracts. That's what this vote looks like. Because it's Code 430, where you hire people on a short-term basis. We want to know the reason for it.

MR. SCHMID: Mr. Chairman, as I said before, since many amounts are involved, I could quote some additional ones. For instance, there are requests to the Alberta government to take part in parades, whether it's the Canadian National Exhibition in Toronto, the Quebec Carnival, or even the Commonwealth Games. All the amounts that will be required for programs under this vote are increased because of the cost factor and are considered part of the increase the hon. member is questioning me on.

DR. BUCK: Mr. Chairman, can the minister outline very briefly, and I guess very broadly, the guidelines as to who gets funds if they want to go to the Quebec Winter Carnival or the London offshore show and they're going to be using funds? Can the minister indicate to us just what the guidelines are? We don't want to have any recurrence of the \$6 million hand-out before the last election.

MR. SCHMID: Mr. Chairman, for example, the Department of Business Development and Tourism decided to have the Alberta government take part in the exhibit in Singapore, and then requested the Department of Government Services to provide the material necessary for this exhibit. As far as the CNE exhibit or the Quebec Winter Carnival are concerned, any kind of material — for instance, if it's only a static display of what's available in the province of Alberta, either agricultural products or energy and natural resource development. Funds would be required to make up these kinds of displays, moneys that would be expended under this program.

DR. BUCK: Mr. Chairman, can the minister indicate how other departments — let's say Business Development and Tourism, Agriculture — are tied in with this vote? They must be doing their thing at some of these expositions; the Department of Energy and Natural Resources, when we're talking about the offshore oil display. Are these all funnelled through Government Services, or are the other departments doing this in their budgetary programs?

MR. SCHMID: Mr. Chairman, all expenditures of the Department of Business Development and Tourism, let's say, as far as their own personnel travelling to those exhibits, are of course paid for by those departments. However, if for instance someone is required to set up the displays — again now I have to go to Singapore — prepare those displays here, make them up in the shop: all these things being made up

for the Department of Business Development and Tourism are charged against the Department of Government Services.

MR. CLARK: Mr. Minister, I'm still not satisfied with the explanation you've given us for professional, technical, and labor services. That's Code 403, Mr. Minister. It's a quarter of a million dollars, \$254,000. Perhaps you'll want to take the matter under advisement and get a memo to us, in some detail, Mr. Minister, in regard to how you plan to spend that \$254,000. If you'd do that, I'd be prepared to let it move on. But again, let's not have this situation of patting yourself on the back and telling us how you're cutting down on staff in one place, then sliding at least \$250,000 worth of staff in this particular area. Because that's what's happening.

Is that agreeable, Mr. Minister?

MR. SCHMID: Mr. Chairman, I'd be quite agreeable to provide a detailed breakdown of the increase for this code, as mentioned by the hon. member.

MR. CLARK: Code 403 in Vote 5.

Mr. Minister, would you explain to us — and I see your friend the Deputy Premier is here — how the various departments operate as far as their public relations people or communications people are concerned? My understanding was that your department supplied these people to each department and kept them in the department. Is that true in every case, or are there some departments where that isn't the case?

MR. SCHMID: Mr. Chairman, the present policy is to have personnel under the Public Affairs Bureau hired by the Department of Government Services and then have a specific information officer applied to the other departments, with the exception of the departments of Agriculture and Education. All other departments are being served by the Public Affairs Bureau of the Department of Government Services.

MR. CLARK: Mr. Minister, I'm not surprised, but it was my information that Transportation had their own people. You're telling us they're hired by your office and accountable to the Bureau of Public Affairs rather than to the minister. Is that the way it operates?

MR. SCHMID: Mr. Chairman, as far as I'm concerned, as of today this is the situation: the information officers are hired by the Department of Government Services and then assigned to specific departments.

MR. CLARK: Mr. Minister, perhaps I could go at it this way. In some departments, are there people other than information officers then who would be involved in the general area of transmitting information to the public?

MR. SCHMID: Mr. Chairman, if I may take a department which I'm also responsible for, namely Culture, we do have, for instance, someone in the Provincial Museum and Archives who could be considered an information officer, because that person provides information on the specific programs in the museum. But it's really nothing to do with the general informa-

tion provided to the public under the understanding and guidelines of the Public Affairs Bureau. If this is what the hon. member is referring to, Mr. Chairman, that situation of course could occur.

MR. CLARK: Mr. Chairman, what I'm really referring to is a situation where the Bureau of Public Affairs has these information officers in various departments. I was under the impression that with the two exceptions the minister has referred to, namely Agriculture and Education, the bureau looked after information officers who had the sole responsibility in the various departments for providing information to the public. Now, Mr. Minister, I ask you very directly: other than the one you mentioned in Culture, in the archives, do you know of any departments where people other than your information officers have the prime responsibility for getting information out?

I ask the question not for any devious reason. I've been told they're springing up in three or four departments; that we have additional information people coming in the department who aren't part of the Public Affairs Bureau. I used Transportation as an example; it's not the only one. So we're getting a rather disjointed effort, not from the Public Affairs Bureau, but really a doubling up.

MR. SCHMID: Mr. Chairman, of course I would think some departments would like to hire their own information officer, even for specific divisions sometimes. Divisional managers might want to hire their own people. This of course happens, but government policy is to have the information officers supplied to the departments by the Department of Government Services, Public Affairs Bureau, and this is still the policy as of today.

MR. CLARK: Mr. Minister, I appreciate the policy. You've outlined that pretty clearly. My question to you is: do you know of examples where that policy is not being adhered to specifically?

MR. SCHMID: Mr. Chairman, I might be aware of some departments having tried to hire their own personnel, but so far they have been unsuccessful.

MR. CLARK: Mr. Chairman, one last question to the minister. You know of no government department that has hired its own information officers who wouldn't be accountable directly to you and to the Bureau of Public Affairs?

MR. SCHMID: Mr. Chairman, I'm not aware of any department having done so, except of course the departments of Agriculture and Education.

Agreed to:

|                               |             |
|-------------------------------|-------------|
| Total Vote 5 — Public Affairs | \$3,486,560 |
| Total Vote 5 — Capital        | \$4,750     |

#### Vote 6 — Computing and Systems

DR. BUCK: Mr. Chairman, to the minister. In light of the fact that either we are becoming servants of computers or computers are becoming servants of people, I'm not sure in which order, can the minister indicate to us what policy the government has in

place to ensure the protection of privacy and the protection of information within computer banks? About eight years ago the hon. Minister of Federal and Intergovernmental Affairs was very concerned about how important this issue was. I just want to know if the minister, and the Minister of Government Services, are still concerned about the privacy of information in computer banks. We'd just like to know, either from the Minister of Federal and Intergovernmental Affairs or from the Minister of Government Services, the government's philosophy and policy on making sure the information in these computer banks is not misused, and that it's treated with the secrecy and respect it is entitled to.

MR. SCHMID: Mr. Chairman, as may be known to the hon. member, the entire computer program was set up in co-operation with our Provincial Auditor. We have a system in place at the computer department. In fact at the physical location of our computers, entrance can be gained only through specific entrances, and only if the person's security clearance has been established. Only certain people are allowed access to the actual computer room, controlled by closed-circuit television.

Of course at all times specific information, of interest for instance to the department of health and social development, is available by code to that specific department only. For instance, the information that might be available to our Alberta Health Care Insurance Commission would not be available to any other department, even though we have about 500 computer terminals throughout the province connected to the provincial computer. At all times access is available only by code and/or other security measures to people who require specific information for government functions, and only if the officer or employee is entitled to receive the information, specifically in health and social development.

MR. KIDD: Mr. Chairman, I wonder if the minister could comment briefly on the reasons for the very commendable reduction of 78.5 per cent in this vote.

MR. SCHMID: Mr. Chairman, while I would like to accept the accolades, I'm afraid it's only a transfer of amounts of money to other departments. Before, we paid for the entire government computer service. Now, to make sure other departments know the actual cost of computer service, under our enterprise management program we charge the respective departments for services rendered by our computer system. That is why these amounts are reduced by the same amount other departments have increased for computer service programs.

DR. BUCK: Mr. Chairman, can the minister indicate if we farm out any computer services, or are all the computer services entirely owned by the people of Alberta?

MR. SCHMID: Yes, Mr. Chairman. In fact, I would say Government Services has taken significant steps in what the hon. member refers to as "farming out" computer programs. I think this year that could amount to at least \$1 million. Last year we tendered about \$750,000 for computer programs which before were done entirely in-house.

DR. BUCK: Mr. Chairman, to the minister. In some of these contracted services, what protection does the minister or the government have that the information in those computer banks is available only to the government?

MR. SCHMID: Mr. Chairman, of course one of the main reasons we cannot have the entire computer program done by private industry is that very factor. So the design of computer programs is usually farmed out. In fact, in the 1978-79 fiscal year, it might amount to as much \$2 million to have private industry take part in our computer programming and design. But of course any information or any kind of computer program that would be sensitive being done by the public sector is done in-house, not tendered.

DR. BUCK: Mr. Chairman, can the minister indicate the government's policy on public tendering and bidding? It's been brought to our attention by many concerned Alberta businesses that the philosophy or policy of invitational bidding has become a little prevalent. Can the minister indicate, first of all in the minister's department and then as a representative and minister of the Crown, the government's philosophy on invitational bidding and invitational tendering? In fairness to the minister, there are certainly legitimate reasons for invitational bidding and invitational tendering. But it always seems to destroy the philosophy of public tendering when we go that route.

I'm sure invitational tendering applies many times in the Minister of Transportation's Department. A contract has been let for 10 miles of road and some funds are left. The equipment and the contractors are in place, the manpower is available. The minister says: we have a few dollars left, we need this extra mile of road built, will you do it at the same rate you did the other? The contractor says, yes. Well, go ahead and do it. I support that philosophy. I would support the minister anytime in this House for that philosophy.

But I do worry and am concerned about invitational tendering and bidding, because that's really where the old buddy system could be abused. I'm never saying this or any other government would ever abuse it. But there's always a little tendency to maybe invite a few of your buddies in. If you invite three buddies, then one of your buddies is going to get the contract, [interjections] The backbenchers can moan and groan a little if they want to. That's fine. I just want to find out how prevalent the invitational tendering system is with this government.

MR. SCHMID: Mr. Chairman, of course one could call an invitational tender if a specific item is required but only certain companies make it. Then what they call an invitational tender might be set out. For instance, I suppose we know there are a certain number of companies in Canada which provide, let's say, medals for a specific purpose. Probably one could say it's an invitational tender, because only those companies would receive invitations on the specific tender.

But in general, Mr. Chairman, I can assure the hon. member that invitational tendering is kept to a minimum. A case in Government Services could be where a contract is let for printing a certain amount of material, then an additional amount is required. That would not be retendered, but the supplier re-

quested to add this additional amount of printed pamphlets or whatever it may be to the original tender, as the hon. member mentioned.

Agreed to:

|                                      |           |
|--------------------------------------|-----------|
| Total Vote 6 — Computing and Systems | \$666,780 |
| Total Vote 6 — Capital               | \$70,000  |

Capital Estimates:

|   |             |
|---|-------------|
| 1.0 — Departmental Support Services       | \$21,530    |
| 2.0 — Building Operations and Maintenance | \$1,978,905 |
| 3.0 — Government Transportation           | \$3,220     |
| 4.0 — Supply                              | \$8,895     |
| 5.0 — Public Affairs                      | \$4,750     |
| 6.0 — Computing and Systems               | \$70,000    |
| Total Capital Estimates                   | \$2,087,300 |

#### Department Total

DR. BUCK: Mr. Chairman, can the minister give us a memo on the instructions handed out to the RITE system? I would like to ask the minister if the RITE system is being reviewed constantly, and if the government is happy that it is working the way it was envisioned it would. I've heard some rumors that the government is not happy with the way the RITE system is working. I'd like to know if the minister is satisfied, if they're looking at updating or re-evaluating it, or looking for some other system. If it is working the way the minister thought it would, are they going to broaden and enlarge it? Most importantly, can the minister give us the memo of instructions that was handed out to make sure private calls to private members of the Legislature are not being, and will not be, monitored?

MR. SCHMID: Mr. Chairman, first of all I should state that I think it is a general government policy not to table government memorandums. I wonder if the hon. member would accept a letter which would confirm that a memo was issued, stating exactly what instructions I had given regarding the RITE system and phone calls being directed to elected persons, the Ombudsman, and the Human Rights office. I think we could get around this problem I would have in tabling that exact document, yet assure the member that these calls are not to be monitored and/or that no phone number or name is to be asked for by the RITE operators.

Mr. Chairman, in general terms I think any government program, and specifically the RITE system, should be continuously re-evaluated or reconsidered. While it has provided a great number of Albertans free access to their government offices, no matter where they live in Alberta — as I said before, we are adding another four communities to this system this year alone — it is very difficult, for instance, to turn down a 4-H consultant or volunteer who would like to call a department in Edmonton from his place somewhere in Alberta. He's unable to do so because he's calling as a 4-H volunteer, not as a private citizen. Right now only private citizens can access the RITE system for information they may want from the government, and be free of having to pay long distance toll charges.

Mr. Chairman, the initial idea of the RITE system

really was to have operators in the communities to ask people wanting to contact the government the very simple question: what information may I help you with? This was the original concept, and that RITE operator should then have tried either to get the information to the person directly, or contact the respective government departments to get that information. However, of course, in the meantime the system has mushroomed in a way where private citizens are able to access government departments directly by just asking for government department numbers.

I know this system is appreciated, but at the same time it creates problems for school boards, municipalities and, for that matter, lawyers and doctors, who also feel they should have the right to access government free of charge. Mr. Chairman, these are the very things we are presently trying to evaluate and consider, and hopefully come up with a policy that would be fair to all citizens of Alberta, a decision that at the same time will not create additional costs, or at least not excessive additional costs, to the taxpayers of Alberta.

|                  |              |
|------------------|--------------|
| Agreed to:       |              |
| Department Total | \$68,756,755 |

MR. SCHMID: Mr. Chairman, before I ask to have the estimates moved, I would like to thank publicly in this Chamber our public employees in the Department of Government Services for their dedication. Under the able guidance and assistance of the Deputy Minister, Mr. Jack Kyle, I'm sure Government Services has gone great steps forward, not only in combining many different divisions from other departments, but in providing to other government departments the type of service they require at the least possible cost.

I would like to mention the over 2,000 employees our Assistant Deputy Minister, Bill Davies, is responsible for under operating and maintenance, looking after 21 million square feet of government space alone. If I could mention Bob Gehmlich, our Assistant Deputy Minister for computer systems. This operation is literally going day and night, 24 hours a day, seven days a week, with the exception of New Year's Day and Christmas Day. Mr. Gordon Hill has done an excellent job introducing the enterprise management system which charges the actual charges to other government departments, not only to make them realize the actual cost to the taxpayer, but also hopefully to provide this at the lowest possible competitive cost to the private sector. Mr. Pepper, as I have said before, has done an excellent job in our supply division regarding supplies purchased for other government departments and resold through our warehouses throughout Alberta. Our Assistant Deputy Minister responsible for Public Affairs, Al Squibb — through that bureau we are trying to provide to the citizens of Alberta all available information about government programs and government assistance.

Mr. Chairman, having said that, I hope the information supplied during the budget estimates this afternoon has been of interest to the members. I would like to move that the estimates of the Department of Government Services be reported.

[Motion carried]

#### Department of Municipal Affairs

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

MR. JOHNSTON: Mr. Chairman, in the few minutes we have left this afternoon I thought I would just introduce the Department of Municipal Affairs by addressing myself to some of the parts of a structure. Having been in the portfolio for three years, I think I have attempted in some respects to make some management changes to the organization. I'll just review the department with the House.

I think the system is broken down into three elements, primarily personnel, communication and, of course, the legislation by which we operate. As the Minister of Government Services has just expressed, I too feel we now have a very dynamic, anxious, and energetic group of people in Municipal Affairs, having made some major senior changes over the past three to four years and having brought in some new people just recently, which I think not only will play a very important role in staff functions but in improving some of the line relationships in our department.

Secondly, Mr. Chairman, in the broad area of communication we have implemented certain techniques which I think will assist in communication, both from the top down and from the bottom up. Primarily we have implemented a full process of management by objectives wherein we work together on common goals and objectives, we set in time frames for decision, and we all have an opportunity to communicate and debate the overall direction of the department.

Finally, Mr. Chairman, of course we do have an ongoing review of the legislative process, because the legislative process provides the authority for us to operate. Through that process we attempt to measure and react to the wishes of the citizens of the province.

I might just note that we have had management by objectives in place for three years. It's performing very well. It's an approach which I would recommend to others if they're interested in this kind of management technique. On top of that, it works in with our zero-base budgeting, which we attempted for the first time in the department in 1975, but will be used in the ID administration as well.

Mr. Chairman, with those brief overviews I would leave it to the Assembly for questions.

DR. BUCK: Mr. Chairman, the hon. minister was complimenting himself on being in the department three years. I don't know if I can be that kind to him. I guess he's been in the department three years, and that's about all I can say for the minister.

AN HON. MEMBER: That's not nice.

DR. BUCK: It may not be nice, but sometimes the truth isn't nice.

Mr. Chairman, I think it's incumbent upon the minister and upon the government to indicate to the people of this province, especially to the municipalities, just what their philosophy is toward municipalities. I know at one time . . . Unfortunately the Deputy Premier has left, [interjections] Oh, there he is. I'm sorry, that's okay. It won't be that bad, hon.

Deputy Premier. The Deputy Premier talked about the municipalities being children of the province.

AN HON. MEMBER: Flower children.

DR. BUCK: Flower children, one of the backbenchers says. Sometimes the provincial government treats them as immature children of the province.

I would like to know if this government is ever going to change its philosophy and look upon the municipalities as equal partners. It's fine to go down to Ottawa and say: we want participation; we want to give our input to decision-making processes. But it doesn't work here. We hear so much about decentralization of power. Mr. Chairman, I say to this government that I have never ever seen more centralization of power than by this government in the seven years it has been sitting here.

For all intents and purposes the municipalities, the large cities, have to come to this government with hat in hand. Mr. Chairman, under this government there's really just no autonomy left at the municipal level. The Minister of Energy and Natural Resources can laugh. That's fine. He can go ahead and tell that to some of the aldermen in the city of Edmonton. Tell that to some of the municipal councils. Tell that to the hospital boards and the school boards. I would find it very, very frustrating sitting on some of those duly elected boards.

It's very, very similar to the situation we saw in the Yukon, where the members of the Assembly of the Yukon sit in their Chamber. They pass laws, but really the purse strings are controlled by Ottawa. So all they're doing really is going through the charade. That's basically what is happening to our municipalities.

I would also like to know from the Minister of Municipal Affairs what the government's philosophy is. Will the municipalities ever have access to personal and corporate taxes? We're supposed to be a new team. We're supposed to be looking at new approaches. Well, our poor cousins down in Manitoba have looked at having the municipalities involved in direct taxation. The Minister of Federal and Intergovernmental Affairs says, "socialists". Well they just happen to have a new government now. It's going to be interesting to see if they throw out that philosophy, if it's so socialistic.

If the Minister of Federal and Intergovernmental Affairs says "socialism", what he's really saying is that the minister doesn't believe in local autonomy, because really that's what we're talking about. We are talking about the decision-making process being at the level of government which is the closest to the people; that is, local government. So if we really believe in democracy, it exists at the local level.

The system we're now using is beautiful for us as provincial legislators. We give grants to the municipalities, and when the funds aren't sufficient you know it's not us here in the benevolence of our Chamber who get the static. It's the people at the local level who get the flak because the funds are not sufficient and too many strings are attached to funds given out by the provincial government.

So I think it's incumbent upon the minister, as one who has been in that executive position for three years, to find out if anything has really changed or if this government is going to keep on centralizing more

and more power. That's what I really want to know from this government.

MR. JOHNSTON: Mr. Chairman, that is one of the questions we could deal with on a debating point. I'm not afraid to enter that debate, to discuss what I think are important moves on behalf of this province to satisfy that very important question of local autonomy. I reject generally your argument that we have moved to centralize to any greater extent the decision-making process for the municipalities. I don't think it's a guiding-hand principle, and I don't think our attitude is one of benevolence and of maintaining a status or control on the municipalities so they do not have an opportunity for their own direction, for their own discretionary decision-making power. In fact, I think we have moved to the opposite point of view.

The hon. Member for Clover Bar does make a point, and I think it's a good one, that perhaps in case of conditional funding there is an opportunity for us to review some ways in which we can, if you excuse the term, 'deconditionalize' some of the funds going towards the municipalities. I have no hesitancy advocating that as one of my own objectives. I think that could be done. I will be carrying that argument with my colleagues very shortly, in terms of that debate. I think there is some merit in it. I don't know if I can give the hon. member credit for that idea, but it is worth entertaining.

However, on the broad basis of financing itself, I tend to have some objections on the point that the municipalities are in difficult situations. The hon. member mentions two quick points. One is the revenue-sharing programs now under way in the other three provinces, and of course he indicates that the only recourse a municipality has is to move to the property tax.

Let me advise you that after careful study of the revenue-sharing programs in Saskatchewan, Manitoba, and B.C., I find that if they were implemented here, there would be a real outcry on behalf of the municipalities. In fact, no flexibility whatsoever is involved in those programs. What they have done, under the guise of providing more autonomy to the municipalities, is add more security to the direction of the provincial government itself. In fact, in B.C., even though it talks about a wide base of dynamic growth potential, those are essentially conditional funds that are given back to the municipality on a very rigid conditional basis.

Saskatchewan has had a long time catching up. In my view their assistance to municipalities has not been adequate. Only in the last year, with somewhat of a stepped commitment to the longer term program of assistance to municipalities, has Saskatchewan come anywhere close to assisting the municipalities to the degree we have here in the province of Alberta. I think it's notable to add as well that in its revenue-sharing program Saskatchewan includes police grants, which we are not even talking about, provided through the Solicitor General's Department.

In the case of Manitoba, all the province has said is: look, if you chaps want this money, we'll add it on top and make very clear that it's additional tax. It's interesting to note that municipalities have not picked up on that opportunity and in fact have not seen it to be acceptable to them. It may well be there was some

disagreement as to what kind of tax would be implemented.

Mr. Chairman, if you compare the programs between Alberta, Saskatchewan, and Manitoba, both in terms of what strings are attached and what dollars are provided, you'll quickly see that Alberta is far ahead in terms of assistance to municipalities, particularly in those items which are considered to be revenue sharing. Now, we could go on to argue that in fact Alberta is revenue sharing by the sheer fact that we're transferring a considerable amount of money both through the unconditional assistance in this department and unconditional assistance found in the Solicitor General's Department, together with very liberal conditional grants which are found in many other departments; that we are in fact providing block funding to the municipalities for them to do what they wish.

On the case of property tax, Mr. Chairman, it's important to note that I've just completed a survey across Canada and the United States, making some assumptions about an average home and the kinds of burdens that are found on property in major jurisdictions. The lowest property taxes on property are still found in Alberta. In fact, Edmonton and Calgary stand one and two on an average home on a Canadian comparison, and on a per capita basis they are one and two: the lowest possible property tax.

If you want to compare property taxes, have a look at the burden being paid in California — I can cite references if you wish to pursue them further — where the capital portion of the tax is something in the order of 9 or 10 per cent. Obviously if you have that high a tax burden, you'll find that the value of your property has depreciated substantially. In Alberta it's running below 1 per cent. So I'm saying that the flexibility is there. It's an argument. I think it's part of the whole program that has to be reviewed in terms of the flexibility on financing, if you argue that financing is the key to local autonomy.

Let me look briefly at some of the programs which I think have reinforced the local autonomy question. I will mention the subdivision and transfer regulations which, in fact, just recently provided for that autonomy. We don't prescribe the kinds of things that should be found in subdivisions. We leave that to the autonomy of the local sector. I think that reinforces the broad direction we're taking, at least in my view, with respect to municipalities.

DR. BUCK: Mr. Chairman, I'd like to make a few other comments. Just one quick question to the minister and one comment. With \$6 billion in the bank, I guess we should have some of these benefits. After all, they do belong to the people of the province. So I wouldn't really break my arm patting myself on the back for that.

Just one question for the minister to think about over the supper hour; that is, the question the Leader of the Opposition asked the Premier this afternoon on the coming together once or twice a year, because we think this is such a great idea if we did it in Ottawa, to look at what we're doing with the municipalities. I think that's a good place to end, Mr. Chairman.

MR. JOHNSTON: I can answer that very quickly right now. I can go back, for example, to the past five months and talk about the consultative approaches

we have taken to the management of the economy, and to an opportunity for the municipalities to express their concerns. Everybody is aware of the way we structure the committees by AAMD and C, and AUMA to cabinet. It's not a prearranged agenda. Both parties set down several agenda items and discuss on a broad basis the items of major concern to them. At the same time, we have the Provincial-Municipal Advisory Committee, which met in January. We had the meeting of the presidents, and we have several other opportunities, important among which should be noted the ministers' going to the conference with open panel discussions.

I can give you incidents of when we have had these consultative approaches to the problems of municipalities, but what is important is that when we seek requests for information or agenda items, in fact the question of balanced economic growth is not really debated. It's accepted, and agreed to. They say, this is an issue, and this is not an issue; this is a policy which we agree to; we think it's working well. We would not want to get into the question of broad provincial planning, but in fact we'd rather talk about current issues that are of more concern to them.

[The Committee of Supply recessed at 5:24 p.m. and resumed at 8 p.m.]

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

MR. JAMISON: Mr. Minister, during your estimates about a year ago, I believe, I asked if anything could possibly be done to control the costs of annexation hearings. I used the case of Fort Saskatchewan in the area of the hon. Member for Clover Bar, which cost in the neighborhood of \$1 million. Mr. Minister, I was wondering if your department has given any thought to this, and whether any mechanism could be set up whereby this cost could be controlled.

There's usually a winner and a loser. Sometimes three people or three parties are involved. It could be a developer; it could be two municipalities. I was wondering if some mechanism could be set up whereby the municipalities, if it happened to be two municipalities, could work out differences they might have up to, say, 85 to 90 per cent of it, and leave the Local Authorities Board in the position of mediating a small portion. That might be a suggestion to control the costs.

With the bad comes the good, Mr. Minister. I'd like to commend a suggestion I made last year regarding The Planning Act, whereby a municipality would have control over sections of the subdivision and transfer regulations. To save good agricultural land, they could take up to 3 acres out of a 160-acre parcel, and they would have control over that.

Mr. Minister, I am very much interested, as Bill 38, which was introduced, would bring about the possibility that you and the cabinet could amend, reject, or alter an annexation. I think what I am really getting at is that if municipalities could get together, they possibly would use exactly what Bill 38 is going to do, altering it, that maybe they don't require everything

they are asking for. They might come in with something they could work out 100 per cent, and keep the cost down.

MR. JOHNSTON: Mr. Chairman, the whole question of the way the Local Authorities Board operates has been of some concern to our department and to members of the Executive Council. I recognize the very important point the member for St. Albert makes, that, particularly in metropolitan areas, the annexation process can in fact entail extensive expenditures by the petitioners, whether it's the owners or the municipality, or by the defending municipality. That has of course been a major concern for us. The hon. member cites the case of Fort Saskatchewan. I know that is a very expensive process. In fact, the Calgary annexation area, with the 11 or 12 annexations in front of Calgary, also has been a very expensive process.

I guess the way the LAB is now structured is the difficulty. It's structured to operate in a traditional manner, so that the evidence presented to it flows through to the decision process. That's where the difficulty enters, that if we get too much preliminary discussion taking place or too much agreement by the parties beforehand, it could interfere with the decision the LAB is making, and in fact might limit some of the discretion it may have in terms of its own jurisdiction.

But I do think the hon. member makes a very important recommendation, to have a preliminary discussion with respect to the areas of agreement and disagreement, so in fact the LAB can concentrate its efforts in those areas where there's more contention. Hopefully that would solve the time problem before us, and assist in the cost of the processes as well.

I don't think we can specifically do away with the LAB process. I think it's a process which has operated fairly well in the past. And while it does not address itself to urban growth concerns, I think it does solve and weigh carefully the question of assessment transfers between municipalities. Particularly in the Edmonton and Fort Saskatchewan cases, the issue has been the transfer of very valuable live assessment from one municipality to another. I think the LAB process does provide for that.

In the case of the legislation which is in front of us, and I know we'll have an opportunity to debate that during second reading, really all we're indicating is that in some cases there is evidence that should be presented to the Local Authorities Board and is not, or evidence which is known to Executive Council or to the caucus and cannot be presented to the Local Authorities Board. Generally for those reasons, among others, recognizing other priorities the government may have, we find it's important to have the ability to vary or to add conditions to an LAB order. By varying it we might suggest that additional land or less land can be added to the order. By adding conditions we might be talking about such things as dating the annexation order ahead to, say, the first of 1979 in the case of a land transfer. That is how I anticipate the LAB process.

We have considered the question of how it operates generally. I think we've now resolved, at least in the short term, a fairly equitable process which is well understood by the local authorities as well. On

the other side we have to balance the question of not interfering too much with the process which seems to be working, and one which recognizes local autonomy at the same time.

DR. BUCK: Mr. Chairman, to the minister. Now that we're in committee we don't have to have the Chair intervene, so I'd like the minister to bring us right up to date on everything that has transpired since he has been minister as it relates to the county of Strathcona and the city of Edmonton as far as extension to the Hanson line is concerned, including the refineries. I'd like the minister to tell us exactly what has been going on: what negotiations, have applications been made, have applications not been made, everything he can inform the committee on that has happened and where the thing sits.

MR. APPLEBY: Mr. Chairman, I wonder if the Member for Clover Bar would like the minister to take every county one by one throughout the province and outline it the same way.

SOME HON. MEMBERS: You're next.

MR. JOHNSTON: Well, I'd be prepared to deal with the counties on an individual basis. Of course the Member for Clover Bar is very concerned about the Strathcona issue. It is one of the more contentious issues in front of Executive Council and the Local Authorities Board. I think the problems here are as complex as you're going to find in any emerging metropolitan form.

The real key is not so much the land; it is a question of the assessment. The last statistics I had indicated that if the entire refinery row were annexed to Edmonton, it would add something in the order of 4 per cent to the city of Edmonton's live assessment, reducing the property taxes on an average home by about \$25 per person. However, the loss to Strathcona would be very dramatic. It would be about a 53 per cent loss in their assessment, and it would do something to the effect of adding maybe \$300 on the assessment of an average home there.

In terms of the history of the relationships — a very fair question in my view — I made an agreement with the county of Strathcona about six months ago when the whole question was beginning to be focussed again with the change in the municipal council. My agreement with the county of Strathcona was that I would not proceed with any annexations in eastern Edmonton until they had had a chance to complete their own review and have as much data as possible.

They have now completed that in two or three fashions. One, of course, is the important general plan they are now in the process of completing. The second one is a private consultant's report, the Comay study done by Dr. Comay of the University of Toronto. That study weighs, among other things, the assessment question, the need for the land, and possible new directions for the county of Strathcona. Third is the very important study done by the Department of the Environment which deals with utilities questions.

That is the end of my commitment. I said I would not entertain any changes until that had been completed. I have kept my word, and I think the understanding I have with the county of Strathcona is a



very positive one. We're now into the next step of the process. They're well prepared; they're willing to get into the issue. I think there is another process we can take from there on, which may be similar to what the Member for St. Albert indicated. But I think it has to culminate in the LAB process.

DR. BUCK: The minister hasn't indicated if formal application has been made by the city of Edmonton. No, there hasn't? The point the hon. Member for St. Albert makes is really enhanced by the minister indicating all the studies and the moneys that have been expended by the county of Strathcona. These are really just the preliminaries to the match, because then we will get into the complicated business of the LAB hearings. That's when you really start to spend the money. So I certainly support the concerns of the Member for St. Albert, because I think it is an expensive procedure.

MR. GHITTER: Mr. Chairman, while dealing with the point raised by the hon. Member for St. Albert, I wonder if the minister is looking in terms of restructuring the information that would be received by the Local Authorities Board. It seems to me the Local Authorities Board is now dealing in matters of a very complex nature that it was never designed by legislation really to deal with. Under the new Planning Act, with the advent of the importance of the regional plans, I'm wondering if the minister has considered whether or not the Local Authorities Board is really necessary from the point of view of the annexation hearings; whether or not that could be better served in a much less expensive way, and in a much more important planning way, if annexation matters were dealt with in regional plans. The regional plans would then incorporate what the regions regard to be their aspirations from the point of view of additional land, and the Local Authorities Board would only be used for matters dealing in terms of the rationalization of the assessment from competing municipalities, which is really their original intention.

I would submit that what really is happening now is an extension of the powers of the Local Authorities Board beyond that which they originally intended, which is now resulting in an exceedingly expensive, highly time-consuming procedure. I don't want to jab the hon. minister about decision-making and matters relating to the Calgary annexation. But I think it could be suggested that the delay which has occurred with respect to the situation in Calgary has not been in the best interest of Calgary and, for that matter, not in the best interest of this government, because it looks like we're having difficulty rationalizing the Calgary situation.

If the minister is looking in terms of the Local Authorities Board, I'm wondering if he would do so on the basis of seeing if they're really doing what they were intended to do, and whether or not the problems of annexations could better be justified and dealt with within the concepts that you have in your present Planning Act. Then maybe we might avoid the extremely expensive, time-consuming procedures, which are really not understood and maybe could be better handled within the regional plan. I would like the minister's comments in that area. At the same time he might advise us when he is going to tell the House, in the next three weeks, what the government

intends to do on the Calgary annexation matter — for the fourteenth time.

MR. JOHNSTON: In looking at the precedent for the LAB, going back and tracing the history of the LAB, and I suppose to some extent the history of municipal legislation in this province, I tend to find that generally the legislation and the processes were drafted to suit another day. I think there is a valid point in that general context, that we could review many of the mechanisms we deal with in the municipal area to determine whether or not they really satisfy the ongoing business, the complexities of municipal administration and financing, the management that we now have in this province.

After some consideration I have decided that generally the LAB is operating fairly well, as I indicated earlier; that it does operate particularly well in rural areas where in fact the annexations are generally in agreement among consenting partners, as a matter of fact, wherein there can be examined the questions of transfers of land from an agricultural base to an urban area. That in fact is the case in about 90 per cent of the annexations across Alberta. It's not a very difficult time. It's an ample opportunity for both sides to discuss the assessment question.

With respect to the process itself, I won't go into the debate on whether or not the board is acting in an administrative or a judicial capacity. I know the member has made some very esoteric and important arguments with respect to that process, and he knows that system much better than I. I'll only state that it is a concern that once you start administering or tinkering with the LAB process, you get caught as to whether in fact it is operating in a judicial fashion, whether or not the laws of natural justice are applicable. Of course that is a concern here as well.

Finally, I guess there has to be some other process, in my mind, that has to resolve the conflict situation. I think that is what the LAB process is, to resolve the conflict between two municipalities. The LAB does that in other areas, not just in the boundary adjustment question.

I would note that there have been delays in the case of Calgary. But we attempted to recognize the city's position, as opposed to having a continuous 'ad hockery' around the boundaries of a uni-city. We thought it would be wise to have the city's own position in front of the LAB, and that was presented in January or February of 1978. We think that is the proper one to weigh in this case, because it does take into recognition the balanced growth concept the city has been determining over the past year, its own position, and now it can express it in LAB order. I think this was the fairer way to go.

In terms of the supply of housing, I don't think we curtailed the supply in any way. My information is that an eight-year supply is on hand, and in fact today a higher supply of lots is ready to come on stream in Calgary than there ever has been before. So in terms of the effect of the supply on the lot prices, I don't think you can make that connection.

But I do agree that in the case of metropolitan areas, the LAB process has been difficult. As I say, the process always has to determine whether or not the question of urban growth can be properly addressed to that forum. That is the one which remains unsolved, in my mind, in the metropolitan areas.

Perhaps we can determine that by having Executive Council get into the politics of the LAB process, as we have done in 1976 and now with this bill which was introduced last week.

MR. GHITTER: The hon. minister didn't respond to my very last question.

MR. JOHNSTON: I responded to that in an indirect manner. I said we're not under the same kinds of pressures to make decisions in Calgary boundary adjustment questions today as we were perhaps last year, because there is an adequate supply of lots right now. However, we will be considering it. It's a question of timing. Executive Council is very busy at this point, but we will be considering the Calgary annexation questions very soon.

MR. MANDEVILLE: Mr. Chairman, as I travel around the rural part of this province, I still see or feel lots of concern from the restrictions and control that we have in Bill 15, The Planning Act. Now I think we're going to have more concern with the recent regulation that was approved in cabinet a short while ago, where it's going to restrict any residential subdivision within five miles of a town with a population of over 5,000, or within 1 mile of a town of 1,000.

Mr. Chairman, what gives me concern on this particular regulation is the fact that there's not going to be any authority in this particular bill that can approve a residential subdivision around these towns. For example, where a father and a son want to subdivide within a five-mile area, they can't do it. They provide the utilities and the services for that particular home, but they can't subdivide it and build a home if it's in that particular belt, within five miles of a town of 5,000.

If they're not going to let the municipality be involved in the subdivision, I would certainly like to see the responsible town council in that area have the approval of a subdivision for residential in that particular belt that the minister talks about in the regulation just recently passed.

MR. JOHNSTON: Mr. Chairman, if you want to get to the topic of the subdivision and transfer regulations just briefly, we did review them seriously, trying to find ways in which we could make them less prescriptive, so we could reflect the directions of the municipalities. Now we're reacting in a way the municipalities have suggested. They have encouraged us to keep this almost doughnut-like control around many of the growing municipalities, for the very simple reason that if a municipality — for example, Brooks with its high growth rate — continues to expand, it would have some opportunity to move into the rural area.

That does two things. First of all, the land immediately around the urban area is protected from subdivisions, recognizing the high priority which should be given to agricultural land, in my view, and recognizing that if we continue to fracture that land into smaller units it becomes very difficult for the urban area to expand into it, because you have many more owners to deal with, and whether or not it would come into a higher urban use becomes questionable.

This is not a new regulation. This regulation goes back at least to 1975, as I recall, and was agreed to

by the municipalities at that point. Of course the other point is that in the general plan itself there is recognition for the kinds of subdivision that can take place and where they should take place, again recognizing priority in agricultural land.

Now if that is in the general plan, there is a possibility for subdivision to take place within that five-mile limit if necessary, providing it was recognized and agreed to by the municipality and providing the subdivision transfer regulations could be waived by the Alberta Planning Board. So it is possible. It's not new. It's a positive reaction to what the municipalities requested.

MR. CLARK: Mr. Chairman, I'd like to go back to the minister's comments with regard to the Calgary situation. Mr. Minister, did I hear you say that in essence you felt they have enough land within the present boundaries of the city of Calgary for housing supply for eight years, and that in your opinion the lack of any decision to date by the cabinet has not caused problems with regard to the city of Calgary? I might say that that isn't what I've received from members of city council in Calgary, from people trying to acquire homes in the city of Calgary. I'd like you to elaborate on exactly what you had in mind there.

MR. JOHNSTON: I think the amount of land now available in the city of Calgary is roughly 30,000 acres. If you'll excuse me, I have to deal from memory; I don't have the statistics in front of me. I understand about 18,000 acres of land which could come on stream is now available within the city of Calgary. Again from memory, there are about 12,000 lots at the outside design brief stages; that is, they could move through the design process within a very short time. The most recent information I have, the hard statistic in terms of land now available, indicates that about 4,180 or 5,200 lots could come on stream without any restraints or constraints.

Now if the city so desired, it could add and move into this 18,000-acre potential by doing many things: extending service and water connections to it and providing arterial connections to the area. So in terms of supply in the short term, a three-year period, there is no apparent constriction at this point in the flow of serviced land onto the market. In fact at the present time a substantial inventory of lots is in the hands of the private sector, higher than at this time last year as they were entering the heavy construction period.

Now I am not denying that if we continue to hold off the annexation decision there would not be a long-term effect, because these developers need a longer period of time to bring the land on stream. But I am sure that at this point they already have developed what they might describe as area structure plans for many of those major areas. If the decision is to go, I'd imagine they can accommodate that planning process and bring the land on stream within a three-year period. So at the end of the three-year period with existing supply, easily, the next subdivision process could bring on the annexed land right away.

MR. CLARK: Mr. Chairman, then to the minister. Mr. Minister, I take it from what you say that it would be fair to summarize your feelings that to date the city of

Calgary has not had any hardship as a result of the government not being able to arrive at a decision on the 8, 10, or 11 annexation propositions presently before the government. That's a fair assessment, Mr. Minister?

MR. JOHNSTON: Well, I didn't make that comparison at all. If you want to get into why, in my view, lot prices have escalated and why the villain in this case has been the urban development person, I could go into that debate. But it would be more conjecture, perhaps, than a statement of government policy. I'd have to go into the area of the effect of demand on the stock of housing, the pricing considerations to the constructed unit, and the residual values that happen with the land unit. It's an area we may or may not agree on, and it really doesn't reflect a policy position. But it's my observation of a phenomenon, and I can give some arguments to support it.

MR. CLARK: Mr. Minister, on one hand you indicate that no decision in Calgary has really had no adverse effect on the housing supply. You indicate to us that this really hasn't caused any problem as far as the city of Calgary is concerned. The next time you get up, you say, oh, it's caused some problems, but I don't want to discuss them right now. What are some of the problems?

MR. JOHNSTON: Mr. Chairman, that's not what I said. I said that in my view there is a phenomenon, which is a combination of many factors, that causes the increase in lot prices in Calgary. That's a combination of many variables. We could look at those if you like.

But annexation specifically in the 1978 construction year had very little impact on the supply of lots. I don't think it will have any impact in '79 or '80, because there's an adequate supply in the broad design brief stages right now. I said beyond that point, if you go beyond the three- to five-year period it could become more important to have some annexed land on stream, recognizing that we have to have a balanced view around the city of Calgary — that is, balanced north, south, east, and west — to meet the transportation decisions that have already been made and secondly, to allow an adequate time for the planning process to take place to move that on stream.

There's no question that over the longer period we have to be concerned about the total supply of land. But in the short term, I don't think the annexation question has been one of the variables which has impacted on the increase in lots and housing in Calgary, to the extent it has been described previously.

MR. TAYLOR: Mr. Chairman, I'd like to discuss two points. The first is the subdivision regulations. I have difficulty in following why we insist on such a large area of land in subdivisions that do not have services. I think at the present time it's 20,000 square feet. I have difficulty in trying to carry the judgment of people who are living in hamlets in regard to this 20,000 square feet.

When we look at the various sizes of lots in the cities and towns, we have 100 by 25 feet. That's only 2,500 square feet. It might be argued that you

couldn't put a cesspool on that, but I've actually seen a 100 by 25 lot with cesspool, water pump, and so on. It's a little crowded. But when you come to 100 by 50, with 5,000 square feet you can place a modern cesspool and water on that without too much difficulty. It's almost impossible to carry the judgment of people who know they can do this, then say, well the regulations say 20,000 square feet, so that's that.

I don't know what rationale came about with this 20,000 square feet. I'm not blaming the present government; it was there when we were in government too. It was very difficult to get a change then as well.

But I would like to advance to the minister two thoughts in connection with this. I think this should be reduced drastically, down to at least 10,000 square feet, which would give you a 100 by 100 lot. If you can't build a house and garage and put a cesspool in that, there's something wrong somewhere. That's 10,000 square feet. Or you could go to 150 by 100, 15,000 square feet. But I would like to see it reduced to at least 10,000 square feet.

At the present time we have people who have a few lots scrambling to try to find out how they can divide them up so they can sell them and so people will buy them at today's prices. Even the planning division sometimes assists in trying to work out some acceptable form in which they can then approve the division even though they don't reach the 20,000 square feet. I don't know how many approvals are given on less than 20,000 square feet, but I guess there are quite a few, because many of them make real sense.

I think two points have to be weighed in regard to this 20,000 square foot requirement. First of all, I think it's a waste of land. We insist on a person having more land than he wants or can use. He doesn't want to cut the grass on that amount of land; he can't keep cattle, chickens, or horses in hamlets. So it becomes a matter of either a garden . . . People just don't want that big an area. Even worse, down the road when that hamlet eventually gets water and sewer they find they have a huge piece of property. Had they had water and sewer at the beginning, they could have built on a 100 by 50 lot without any difficulty. It's too late then, because your house is normally in the centre of your land, and you have this tremendous amount of land.

We have a relatively small population in this province at the present time. We are a growing province, and I think we should take a pretty careful look at this matter of how much land is reasonably required and how much will fit in the future, when that hamlet gets water and sewer. If we could get something like that, I think we could carry the judgment of the people, and we'd have a lot happier people, both the buyers and the sellers. Incidentally, it would be an awful lot of headaches off the shoulders of the people in your own department and in the planning divisions.

The other point I'd like the minister to comment on is the delays we have in our planning commissions. I would like to suggest that every time the planning commission delays a project, it costs the eventual purchaser of that proposed lot and house extra money. One developer who was working out of Calgary said to me, I don't know why the government — he says the government when he is talking about the planning commissions — makes it so hard and so

difficult for me to invest half a million dollars in that subdivision. He says, I'm just being given the runaround, and I'm so frustrated I feel like telling them all where to go and going down to Florida to see what I can do down there. It makes people pretty angry when they want to invest their money and they come up against so many brick walls that they have great difficulty resolving. I wish we could get this thing streamlined to the point where we can do our planning without delay after delay and obstacle after obstacle placed in front of people who want to invest their money. Every time we do it, the eventual purchaser of that lot and house is going to pay for all those delays. Every delay costs money.

I'd like to mention just one other point. If it weren't for the attitude of the present minister and the tremendous work done by his deputy minister Mr. Isbister, this problem would have been a real headache, much more than it is today. But the deputy minister takes a realistic view of these things and places himself in the position of those who are trying to do the developing and get land for their house. He's doing a tremendous job in this province, and I hope the people of the province appreciate it.

We've had some excellent deputy ministers of Municipal Affairs, but I don't think we've ever had one to equal the present man, and the amount of work he does. It doesn't matter how many memos you send him in a week, you get answers back, not six months hence but very, very promptly. I'd like to make a real commendation of the work he's doing and the way he sets out to help the people, to serve the people and the government. I think he does both jobs exceedingly well.

I'd like to have the comments of the minister on those two particular points.

MR. JOHNSTON: Mr. Chairman, it's probably easier to deal with the third first, because in fact I have to add my kudos to those expressed by Mr. Taylor, the Member for Drumheller, and I'm sure he expressed it on behalf of all of us in this Assembly.

Let me move to the other two points. I guess the difficulty in dealing with the size of lots that are not serviced by a piped water system or a piped sewer system is that you have to make a judgment. These judgments are based on information which I guess takes into consideration an average case, and in this instance the average case has to protect the worst possible situation.

We have been relying on information provided by the Department of the Environment and their extensive work in this area, dealing, I guess, with the worst case. They indicate to us that if you allow less than 20,000 square feet in the case of a non-serviced subdivision, within 8 or 10 years there's a 95 per cent possibility the ground water will be contaminated. With that in mind, we have to take the precaution that we try not to contaminate somebody else's water well, and the best way of doing that without providing a sewer and water system is to provide for the large lot. Now that takes into consideration all the average variables of level of water table, the kinds of soil, the contamination factors, et cetera.

Relying on their information, we again restated the 20,000 square feet, but I do agree the balance has to be on whether or not an extra amount of land is being used and whether or not that is unnecessary to the

subdivision itself.

On the question of delays in the planning commissions, first of all, since 1975 when we last amended the subdivision and transfer regulations, we have been working toward the objective of contracting the subdivision process. At that point in late '75, we reduced it to 60 days. We think that's the maximum you can achieve to allow them to circulate it to all the departments and people and to allow public participation to take place. There's no question that there are petty annoyances provided to the people of Alberta. We have tried to get around those. Generally the planning commissions have been responsive, have seen the human side of the concerns. But I don't think we can do much more than reduce the subdivision planning time below the 60 days. It's my understanding that the average processing time for subdivision across the province is about 48 days, and I'm working from memory on this one. So it's not too bad a process.

It should be noted that the attitude of the planning commission itself is the responsibility of the municipalities collectively. If they find they have somebody who is not responsive and responsible, it's up to them to change him. Generally that's the executive director. But in most instances, the planning process being as difficult as it is, I would say the executive directors have in fact operated in a very understanding and considerate way in dealing with the concerns of planning across the province.

But as we saw in the bill, there are no easy solutions. Everybody has their own opinion, and they vary between one point and another. That's the real resolution that is very difficult to achieve.

MR. CLARK: Mr. Chairman, just a couple of other areas to the minister. Going back to the Calgary situation just once more, before we go on to the regional planning question. Mr. Minister, in light of your judgment that the Calgary situation is reasonably in hand, how much longer can the Calgary situation afford to sit before you in your position as minister feel there are going to be some serious complications developing in Calgary?

MR. JOHNSTON: Mr. Chairman, it is the objective of Executive Council to have information on the boundaries to the city and to the developers very soon. It is hard to say when it is going to happen, but at least to allow them to get on with some of the work in 1978.

MR. CLARK: Mr. Chairman, then to the minister. I'd like you to outline for us the procedure that is going to be used by your department in the development of putting together these regional plans. With the new Planning Act, responsibility rests locally and then regionally. How is your department going to co-ordinate these and pull them together? In fact an argument in Bill 15 was that the government has some responsibility for some pretty major input, so local communities know what the government has in mind for those areas prior to those communities putting together their own master plan. How does the minister see this process working?

MR. JOHNSTON: As you properly point out, the responsibility for forming the planning process in any municipality or region rests with the municipalities

themselves. Planning is essentially neither a positive nor a negative process. It's a process which describes what happens when people sit down and attempt to form goals and objectives with respect to land use, population developments, and developments of all kinds within their jurisdiction. Through that process it is the participants who make planning work. I think the process now is better established to provide for further public input and to reinforce the municipal decision-making process.

There is no question that technical experts from the departments will have to be involved. I can anticipate people from the departments of the Environment, Transportation, from the manpower planning centres, from Business Development and Tourism, being critically involved in the decision-making process, at least for information purposes, with the municipalities forming a regional plan or a general plan. It would be incumbent upon us to provide that information, and surely we will.

That is what the process is all about. That is why you have planning, to anticipate and prepare a strategy or a course of strategies for such things as major capital developments, in the case of the northeast or Bonnyville-Cold Lake, or perhaps the western part of the province with the pipeline anticipated.

So we have a fairly good idea of what kinds of inputs are needed, what new kinds of capital formation will take place. Of course a general or regional plan itself is a dynamic plan, one which can be updated and changed as situations change, as elected people come and go, or as the population changes. So within that broad framework of a continuing dynamic situation, mixing variables, and changing circumstances, we are provided with an opportunity to have this expressed in a series of alternatives. That can be done in the case of the general plan itself or in the case of the amendments themselves.

Obviously a general plan cannot be inflexible, that once you make the decision you can't reverse it. You have to have an opportunity to adjust for adjusting circumstances. In the case of real capital formation or a major investment by the private sector, that would have to be reflected in the plan, and an alternative course of strategies to deal with the human settlement question and the transportation question would have to be reflected.

MR. CLARK: Those are very nice terms. Let us get down to the basics of the situation. In my own constituency, the county of Mountain View has held some meetings with the towns and villages in the county, and they are in the initial stages of putting together the overall master plan. Mr. Minister, from what you've said, the towns or the county involved can then call upon the Department of Business Development and Tourism and various other government departments and say, look, we're in the process of putting together this master plan; we want your input in these particular areas. The minister is in a position to indicate that in a reasonable time frame we would be able to get the input from the various departments involved. Is that a fair assessment, Mr. Minister?

Very frankly, my concern is in talking to some of the people in those departments. They say, yes, we can go down, but we have no idea of the government's long-range plan for development. Take the Depart-

ment of Business Development and Tourism as an example. Their regional development officers are in no position to talk in terms of government plans for decentralization, be it in Olds or a variety of other areas.

Mr. Minister, it seems to me therein lies the problem. It's great for you to say towns will have the services of various officials from the government. But unless someone pretty senior in the government makes the visit himself — a senior civil servant or even one of the ministers without portfolio, so they really know the government's inward thinking on this — you're going to find municipal governments in a situation of having to grapple with an awful lot of intangible things. I detect a feeling of, what's the use of going through the process unless we're going to be able to get information from some people who really know what the plans are, from the standpoint of the government's decentralization and its ideas on industrial growth.

MR. JOHNSTON: I suppose, Mr. Chairman, the general plan can be described as a very general statement of objectives. It can range from very few brief comments and objectives to a very detailed statement of a course of action. I'm not going to prescribe for any municipality which alternative they should select.

But it should concern itself with such things as land use. If necessary, it should have a strategy to recognize agricultural land; if that's a real priority, it should say, we're going to maintain agricultural land. It should indicate where the human settlements will be focussed. If they're going to have a projection of population change, they have to be able to accommodate those. It has to have a strategy for dealing with school requirements, hospital requirements, and transportation concerns. All these have to be built into the general plan itself. That doesn't limit them to those issues, as you can appreciate, nor does it suggest these have to be totally reflected in any general plan. It depends on what priorities the municipality has decided upon, and that's done by the elected people.

If you're indicating to me that there is some difficulty receiving assistance from the province, we can correct that. I think it's important that there is the greatest possible opportunity for exchange of information. Of course I can't account for who knows what in anybody's department, but I can suggest that if major developments are taking place in a municipality, it would be proper for that municipality to be aware of them.

In the case of decentralization and balanced growth, these are existing policies that are well understood. With that decision to decentralize or provide for balanced economic growth goes the funding program: sewer and water assistance programs, interest stabilization programs, et cetera. The municipality knows that there is a funding program to back up these two particular policies. There is the assistance to expand and, if necessary, to accommodate the human settlement.

But I don't see it as an individual set of relationships. I see it as building all these positive aspects and setting some broad guidelines or objectives overall, which would be land use, population growth, human settlement, and transportation concerns. Within that they can focus on certain areas, be it

country residential development or perhaps sewer and water to a hamlet, for example. These kinds of things are all then put into a time stage.

MR. CLARK: Just to raise the matter once more. Mr. Minister, early in your remarks you said you're not going to prescribe the form. Fair ball. But in the end you're the man. The minister's office has to give the final approval. It's nice to take this hands-off approach from the start, but I don't think your office can take this hands-off approach and say, we're going to kind of sit back and let things develop as they may. You likely know the act better than any member in this Assembly. In the end, the minister's office has to approve the plan.

It's nice to talk about very general terms now. Three or four years down the road the minister may be looking back at these comments tonight and having municipalities read them back to him. If you're going to take this approach of not being that concerned about the forms taken, and after a lot of local people put a long time in the process and then all of a sudden down the road when the plans have to be in, the Minister of Municipal Affairs at that time, whoever he or she may be, finds they don't meet the aspirations of the department or the minister . . . Mr. Minister, the process is starting under you and, to a very great degree, the success of the process of developing an overall provincial plan will rest on your shoulders, good or bad.

MR. JOHNSTON: Mr. Chairman, I recognize the responsibility of bringing in a new piece of legislation with the resultant changes that will flow from that. Let's note just two things, though.

First of all, I didn't necessarily say a hands-off approach; that is, in terms of the provincial inputs. I said that the provincial inputs would be available, and if they were major and dramatic, there would be an opportunity for those to be reflected in the plan. That's why there has to be a ministerial ratification.

In a similar function in the old act, of course, the ratification was done by the provincial planning board and not by an elected official. We thought it would be better that elected people should deal with elected people, and that's why that change took place.

I don't disagree that I would like to see the municipalities chart their own course, that I would like to see their own expressions, viewpoints, and objectives reflected in the plans. But it should be noted that through all this process there are first of all the regional planning commissions, in the case of a general plan, which will provide assistance, in some cases technical assistance. In the case of those areas not served by a general plan, of course, the services are provided by the Department of Municipal Affairs. If you look at the budget, you'll find that it's been increased to a great extent dollarwise to assist those municipalities in the preparation of general plans. We are in fact prepared to meet that need and challenge.

MR. TAYLOR: Mr. Chairman, I'd like to mention just a couple of other points. I wonder if the minister could comment on the number of tax recoveries. Is the work of this branch increasing or decreasing? I say that because I have had quite a bit to do with Mr. Sloan, the administrator of the tax recovery branch,

or the tax recovery officer. I certainly like the way he does his work. He combines patience and understanding with efficiency and goes the second mile to help anyone who needs help. I think he's a real credit to the department, as is the deputy minister.

Of course, with the consent of you and your deputy, Mr. Sloan has been able to effect some subdivisions that have been trying to get done for several years. I certainly appreciate this very much indeed. They're not easy, but they've been tackled. I think your department could well have thrown up its hands and just done nothing about it, as has been done many times in the past. I want to thank you for the work you're doing in ID 7 in that connection, in both Wayne and East Coulee.

The other point I'd like to mention is that one of the reasons for delay in many of our planning commissions is the long, long letters the planners think they have to write. They try to rival Lord Macaulay in seeing how long they can make a sentence and then how long the paragraph will be after that. I think some of them have outdone Macaulay half a dozen times. I shudder when I get one of these letters. You expect to get a couple of paragraphs, and you get three or four pages and have to wade through it.

I'm wondering if the minister would start a short course in English for the planners, to teach them how to say whatever they're going to say in three or four sentences instead of four or five pages. I think this would be a tremendous benefit to many, many people.

MR. GHITTER: Maybe the minister could take the course.

MR. TAYLOR: Well, when I was in Highways, I got so I gave a second thought before writing a memo to certain people, because I knew I would get five or six pages back and I just didn't have time to read that many pages. I now find I'm inclined to try to write to someone below the director of our planning commissions, because I know I can get a much shorter answer that contains all the meat without all the extra words. I know this is easier said than done. Some people have to go all around the bush before they hit the point. But if our directors of planning commissions could learn how to write briefly and use brevity, I think they would certainly touch a very welcome note in the hearts of many people.

The other point I wanted to mention is that the Calgary Regional Planning Commission has had its share of criticism, but I think should now be in a much better position to become far more efficient than it's ever been. The action of the minister and the department in setting up another planning commission takes a great deal of the difficult responsibility away from the Calgary Regional Commission. I want to thank the minister and his department again for setting up the Palliser commission this year. I think it will do a tremendous job in the years ahead.

MR. JOHNSTON: Mr. Chairman, to the Member for Drumheller. The actual number of properties going back on tax recovery has dropped dramatically over the past few years. I think the general economy of Alberta allows people to pay the very low property tax in the province. However, the number of property tax recoveries still on the books of many municipalities is

quite substantial, and that segment of our department is busy making these transfers which, it seems, occur at a regular pace.

I appreciate your comments and will pass those on to Mr. Sloan. It is a very technical process. He has to make sure the interests of the municipalities, the province, the purchaser, and any residual interests of the old property owner are well protected. It's a very extensive search process, and I think he does a good job. We attempt to deal as fairly as possible. We are making many transfers from old tax recovery lots in some of the older areas of Alberta to new purchasers in anticipation that they can develop or that the municipality is going to grow. But the numbers themselves are dropping off over the past few years.

I tend to agree that planners do write in long, wordy paragraphs and phrases and take a long time to say what seems to be very simple. In terms of our own department, or at least my office, we have launched a campaign, hopefully to ensure that doesn't happen too often. If it does, I will take the responsibility. But I immediately apologize if it does happen too often.

I note also your comments with respect to the Palliser Regional Planning Commission. I think this planning commission will deal with a new set of situations not quite the same as we experienced in other parts of the province where the population isn't growing quite as rapidly. But the uniqueness of this area has to have its own set of fundamental planning principles. In my view, that will be served by the Palliser Regional Planning Commission, which has just now been incorporated. I tend to agree that there is quite a distance between Calgary and Drumheller and that it was difficult for Calgary to serve it. There were obviously some conflicts and disagreements as to the proper land use. The Palliser commission, with its own elected people, hopefully will be able to focus on those concerns and serve the people a little bit better.

MR. COOKSON: Mr. Chairman, I want to ask the minister whether we could include politicians in that short course for planners.

MR. CLARK: We have such unanimity on that particular question. Mr. Minister, what are the department's plans for the establishment of a planning commission in the Cold Lake-Bonnyville-St. Paul area? The minister will recall that earlier in the session he indicated that the planning was presently done from Edmonton. What are your plans down the road for that area being able to establish its own planning commission, as opposed to the route it's going now?

MR. JOHNSTON: Mr. Chairman, I anticipate that will be the next general planning area, and the next regional planning commission will be in that area. But I would anticipate that before we went with a regional planning commission, we would have a general plan in place.

MR. CLARK: Does that in fact indicate that people in that part of the province can't look toward their own planning commission for a period of — what is it, 1980 or 1981 when the master plans have to be in?

MR. JOHNSTON: Mr. Chairman, I anticipate the regional plan will be completed much sooner than

that. In fact as I indicated in the House, we have completed phase one, which is an inventory of all the resources: land, animals, services, et cetera. We're now moving into phase two of the development of the regional plan. I anticipate having that completed in advance of any decision to build the Imperial Oil plant.

MR. CLARK: Then is it your intention, Mr. Minister, to have a regional planning commission in place in that area prior to any decision being made as far as the Imperial Oil plant is concerned?

MR. JOHNSTON: I tied my decision — not my decision to make a regional planning commission, but my decision had the general plan as an objective in place before the construction of the Imperial Oil plant is under way, for obvious reasons. There has to be some resolution of the difficulties in terms of human settlement, land use, the ID versus incorporated areas. All these concerns have to be expressed and talked about, and clear objectives and alternatives formed. That's what the regional plan will do. But we have already had a recommendation. I gave that area a commitment that it would be the next regional area. Timing depends on many things: first of all, resources available in our department; a competent planning staff; and, I think, a regional plan and some land-use by-laws; all those things that take place.

MR. CLARK: Mr. Minister, surely the questions of available staff and financial resources have to be two of the lower priorities when the minister is looking at making a decision to move on a regional planning area out there, having regard for the anticipated developments. Once the regional plan for the area is more or less in place, couldn't we look toward the establishment of a commission, certainly in late 1979 or 1980?

MR. JOHNSTON: It's within possibility. Depending on how the process goes, I would anticipate we're not going to be waiting until 1985 for a regional planning commission in that area, as you indicated. I'm saying our planning frame would likely be less than that. We'd look in the next couple of years and review it once more.

As a matter of fact, it was a decision within our department in terms of our own structure as to whether or not we should pursue that further. It was my opinion that we should wait until the general plan is finished, and some of the major activity in that area had at least been decided upon. For a new planner to go there with a new commission is very difficult, to accommodate an understanding for what the people need. Even though the hon. member may not agree, it's very difficult to find competent regional planners in this province. We have difficulty finding them. It's not easy.

Agreed to:

|  |             |
|--|-------------|
| 1.0.1 — Minister's Office                    | \$100,090   |
| 1.0.2 — Personnel Group                      | \$194,740   |
| 1.0.3 — Administrative Support               | \$2,144,212 |
| 1.0.4 — Provincial Municipal Finance Council | \$88,740    |
| 1.0.5 — Urban Policy Research                | \$181,960   |
| 1.0.6 — Assessment Equalization Board        | \$276,060   |

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|--|-------------|
| 1.0.7 — Liaison Group                        | \$35,450    |
| Total Vote 1 — Departmental Support Services | \$3,021,252 |
| Total Vote 1 — Capital                       | \$10,900    |

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|---|--------------|
| Vote 2 — Financial Support for Municipal Programs:      |              |
| 2.1 — Unconditional Assistance Grants to Municipalities | \$62,638,721 |
| 2.2 — Municipal Debenture Interest Rebate Program       | \$11,500,000 |

MR. CLARK: Mr. Chairman, I know the minister would feel badly if we didn't ask him about the rather sizable increase in the professional/technical staff in this particular vote. It would be in the vicinity of \$6 million, in Vote 2 under Code 430.

MR. JOHNSTON: On Vote 2 I have only the unconditional assistance to municipalities and interest stabilization grants.

Agreed to:

|   |              |
|---|--------------|
| Total Vote 2 — Financial Support for Municipal Programs                     | \$74,138,721 |
| 3.1 — Program Support   | \$265,800    |
| 3.2 — Senior Citizen Renters Assistance                                     | \$6,500,000  |
| 3.3 — Property Owner Tax Rebate   | \$17,034,000 |
| Total Vote 3 — Alberta Property Tax Reduction Plan — Rebates to Individuals | \$23,799,800 |
| Total Vote 3 — Capital  | \$540        |

DR. BUCK: Mr. Chairman, easy.

MR. CHAIRMAN: If you want to speak, you have a tongue.

DR. BUCK: Mr. Chairman, if you have ears, let you hear.

Mr. Chairman, to the minister. In the authority of the establishment of programs. The Planning Act and The New Towns Act, I'd like to know from the minister the government's exploration of what's going to be happening in the Cold Lake area. The situation will not be the same as in Fort McMurray in that we have the towns of Cold Lake, Grande Centre, and Bonnyville involved as neighboring communities. I would say there is a pretty good chance that all three of these communities will possibly grow at an equal rate. Or is the minister looking at making Cold Lake the hub of the oil activity, and has the department looked at giving it new town status?

When we're looking at a project as large as the Imperial Oil project, plus one or two others, I think the government must have something in place, looking at the growth in this area. Can the minister indicate if the government has had this under consideration? If so, what does his crystal ball show?

MR. JOHNSTON: Mr. Chairman, we will not develop any strategy which gives preference to any one community. You mentioned the three major urban communities. I think all of them have equal opportunity for growth, to absorb the number of people who will be moving into the area, both during the construction phase and on permanent employment. I think they will be distributed equally through those

three major centres. There is no question there's going to be competition for economic activity among those centres, because with that goes growth and a more dynamic assessment base.

But we will merely assist each of these towns to develop its own general plan to accommodate its rate of growth. That can probably be determined with some assumptions about population location, distance from the plant site, and other kinds of head office location decisions which may be made by others. But it's not up to us to determine that that will be the growth centre. It will be determined by the forces of economics itself.

I think a lot of the competition among the communities was removed when the decision was made on the airport. That was one of the items many of the communities thought would be the focus. Now that's been decided — not going to any one of the three but serving the whole community in a regional way.

As the member from Fort Saskatchewan indicated, one of the major concerns has to be the question of finances. I don't see us moving to a new town status. I don't see us forming a commission form of government up there with, as you describe him, a northeast regional commissioner. But I do see us working to assist municipalities to deal with the question of the growth rate. And the need for financing will have to be considered; no question.

MR. CLARK: Mr. Minister, when I referred to Code 430, Professional, Technical and Labor Services, I should have been referring to votes 3 and 4. I note about a 70 per cent increase in Vote 3 and Vote 4.

MR. JOHNSTON: I can deal with Vote 4. First of all, as I indicated in the general discussion, our expansion in terms of consultants and engineering assistance will be an increased emphasis in providing consulting, general plan assistance to municipalities not served by a regional plan or planning commission. So in all the 4.2 series we have stepped up the amount of our assistance in those appropriations, to allow us to provide for such things as the Cold Lake area, the northeast region, Fort McMurray, expanded municipal subdivisions which the department is handling, and some new general plans which have to be provided for under the new Planning Act, together with additional assistance to those municipalities in the process of requiring consultant assistance for a general plan.

The increase in 3 is generally to account for additional people required to provide the services to the municipality to administer the senior citizens' tax reduction program.

MR. CLARK: Mr. Minister, why was the choice made to go the route of contracts under Vote 3, if that is what they are to be used for? You said that under 430 the professional, technical, and labor services were primarily for people to administer the senior citizens' program. Why have you gone the contract route there?

MR. JOHNSTON: Sorry. If I misled you, I stand corrected. These are expansion of people in our own department to handle the program. They may be on a part-time basis, if that's what you are referring to.



Agreed to:

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|--|-------------|
| 4.1 — Grants to Regional Planning Commissions                | \$4,289,237 |
| 4.2 — Co-ordination and Administration of Community Planning | \$2,882,050 |
| Total Vote 4 — Support to Community Planning Services        | \$7,171,287 |
| Total Vote 4 — Capital                                       | \$10,570    |

|   |             |
|---|-------------|
| 5.1 — Program Support   | \$993,280   |
| 5.2 — Administrative Assistance to Organized Municipalities           | \$440,920   |
| 5.3 — Administration of Improvement Districts                         | \$1,521,360 |
| 5.4 — Administration of Special Areas                                 | \$1,552,600 |
| 5.5 — Assessment Services   | \$5,094,030 |
| Total Vote 5 — Administrative and Technical Support to Municipalities | 9,602,190   |
| Total Vote 5 — Capital  | \$37,520    |

|                                  |           |
|----------------------------------|-----------|
| Total Vote 6 — Regulatory Boards | \$560,650 |
| Total Vote 6 — Capital           | \$2,140   |

|  |           |
|--|-----------|
| Total Vote 7 — Co-ordination of Northeast Alberta Programs | \$520,220 |
| Total Vote 7 — Capital                                     | \$2,500   |

Capital Estimates:

|  |          |
|--|----------|
| 1.0 — Departmental Support Services                                | \$10,900 |
| 2.0 — Financial Support for Municipal Programs                     | —        |
| 3.0 — Alberta Property Tax Reduction Plan — Rebates to Individuals | \$540    |
| 4.0 — Support to Community Planning Services                       | \$10,570 |
| 5.0 — Administrative and Technical Support to Municipalities       | \$37,520 |
| 6.0 — Regulatory Boards  | \$2,140  |
| 7.0 — Co-ordination of Northeast Alberta Programs                  | \$2,500  |
| Total Capital Estimates  | \$64,170 |

DR. BUCK: Mr. Chairman, before the final vote is called, I missed just one point. What do we expect to do with the czar of the northeast? Can the minister indicate if the commissioner is going to stay on in perpetuity? Or are we going to say, well now the work is finished with that department, and phase it out? At the same time, are we looking at a similar position in the Cold Lake area? There will be some co-ordinating problems up there. I asked the minister whether one town would be designated new town status. I can see some real problems, Mr. Minister, in that any time we have rapid growth areas, they are going to be concentrated in that area. The minister had better be looking right now at some financing for the three communities involved. It is plain and simple, and I'm sure the minister is aware of that.

So number one, what is going to happen with the commissioner? Are we going to put one in place in the Cold Lake area? And number three, the realistic approach as to financing those three communities in the Cold Lake.

MR. JOHNSTON: I think the province and the people of Alberta received outstanding service from Mr. Henning since he was appointed northeast regional

services commissioner. I think he has had a very difficult task, recognizing the very strong and definite powers he received under Bill 55, which was passed some time ago, and the fact he had to deal [inaudible] with a very dynamic situation, complicated by new town status, heavy population changes, and perhaps inadequate financing. All that has been managed very capably by the commissioner, and I would be remiss if I did not commend him for his efforts and his services to this province.

I don't see us phasing him out, given the anticipation we now have of new developments and activity in that area. Further, his recognition and respect probably would allow us to facilitate another plant or another development of that order. So in terms of that area and the services of the commissioner, I think the right decision was made by appointing him. In fact he has served to co-ordinate on an interdepartmental basis the activities of the government as it focusses on that problem.

The case of a czar, as you indicate, for the Cold Lake area, I don't think that is the way we will go there. Rather it would be perhaps through a co-ordinated effort of the departments, by committee or by ministers, together with the assistance of the municipalities. It should be noted there is a clear distinction between those areas insofar as the Cold Lake-Bonnyville area is well developed. They can handle growth. They have good infrastructure, good management, and good people to deal with it. So I think the province can deal through a committee form in a much better way to facilitate that growth. I recognize and respect the position — if it is advice, I'll take it as advice — taken by the hon. Member for Clover Bar that we be very cognizant of the finances question, and I made that note.

While I'm on my feet, Mr. Chairman, not to mislead the hon. Leader of the Opposition, I note that part of that increase in Vote 3 is for payment to the municipalities to manage the property tax reduction program. We pay them \$3 an application. As the amount increases, we have to continue our increase to them as well.

MR. GOGO: Mr. Chairman, just a quick question. Does the minister foresee Fort McMurray becoming Alberta's twelfth city in the near future?

MR. JOHNSTON: Depending on the near future, I think so, yes.

MR. TAYLOR: Mr. Chairman, could I make a quick comment on Vote 3? The minister just mentioned that part of the administration of that \$23,799,000 was a commission to municipalities. I was just looking at that particular vote, and it's certainly delightful to find out that we're either leaving or putting into the pockets of the people of Alberta \$23 million. In my view this is certainly an outstanding feat. The total administration cost of doing it is just about 3 per cent. When labor people today are asking that they have more of their take-home pay, that people are permitted to keep more of the money they make, here's a tangible example of what the present government is doing, leaving some \$23 million in the pockets of the people. I think the government and the minister should be commended for this program.

DR. BUCK: One short question to the minister. On the long-promised, revised assessment manual, how many more years are we going to have to wait now, Mr. Minister?

MR. JOHNSTON: Mr. Chairman, I can advise that the assessment manual is completed. We're doing testing processes right now to ensure that some of the kinks are out of it and that it will provide for an equitable and fair assessment. In the next little while we're going to do some tests in various municipalities to see if it's workable.

Agreed to:  
Department Total \$118,814,120

MR. JOHNSTON: Mr. Chairman, I move that the votes for Alberta Municipal Affairs for the year ending March 31, 1979, be reported.

[Motion carried]

### Treasury

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

MR. LEITCH: Mr. Chairman, my opening remarks are going to be limited to expressing my appreciation and thanks to the members of the department for the energy, enthusiasm, and dedication with which they did their work during the past year. They worked on at least two major tasks in Treasury last year and will undoubtedly be continuing to work during the coming year. That included the controller's office and of course the changes made during this session in the gasoline tax, the diesel tax, and the farm fuel transportation allowance.

With respect to the personnel administration portion of the department, they have been very active in what I think will be a most important program in that office; that is, the expanded internal public service occupational health and safety program. Mr. Chairman, that program is the result of a joint union/management committee established last year and reflects the policy outlined in The Occupational Health and Safety Act. Essentially the program is intended to reduce the frequency of injuries in the provincial public service, and to insure that reasonable precautions are taken to protect the health and safety of government employees.

Mr. Chairman, under the program safety concerns are brought to management's attention through a series of joint worksite health and safety committees which are operating throughout the province. Putting in place that program and the personnel for it, and getting it operational account for a significant portion of the increase in the personnel administration office's budget.

Finally, Mr. Chairman, I'd simply conclude by pointing out that the Public Service Pension Administration also had their share of major tasks during the past year. They developed the university academic pension plan, which has been introduced in the House in the form of a bill which will be debated later during this session.

Mr. Chairman, I'd simply like to close my opening remarks by saying again that I very much appreciate

the efforts of the personnel in the department during the past year, and I look forward to working with them in the upcoming year.

MR. CLARK: Mr. Chairman, I have a few general comments; then perhaps we might get into some of the specifics. My colleague the hon. Member for Clover Bar made some comments with regard to the Provincial Treasurer being some sort of magician.

When I look at a comparative summary of manpower cost estimates, the figures from the budget approved by this Assembly last year and the budget the Provincial Treasurer has presented to us this year, it supplies some amazing comparisons. While I don't plan to spend a great deal of time this evening, Mr. Provincial Treasurer, let me point out to you that with regard to the budget for your own department last year and this year, we see a 19.9 per cent increase in the manpower cost estimates. That includes salaries, wages, contract employees, employers' contributions, and allowances and supplementary benefits. If we compare the figures you presented to this Assembly one year ago and the figures being presented in this budget, we see a 19.9 per cent increase in the estimates for your own department.

There are some other rather interesting figures, Mr. Chairman. When we look at salaries, again comparing estimates last year and this year, there is a 16.5 per cent increase in salaries for all departments. There is a 10.7 per cent increase for wages, and a 58.6 per cent increase over the budget a year ago in the allocation in this budget for contract employees. Employer contributions have gone up 30.6 per cent and allowance and supplementary benefits 46.8 per cent, giving us a grand total in the vicinity of a 16.7 per cent overall increase for manpower costs.

Mr. Treasurer, I raise this with you right now because this is the same government and you're the same Treasurer who is saying to our municipalities, school boards, and hospital boards, keep your spending in the vicinity of 6 to 7 per cent increases. Those municipalities have to look at their commitments and budgets of a year ago. They don't have the luxury of special warrants like the provincial government does. Mr. Chairman, it points out very explicitly that this government believes in one rule, making comments as far as local governments are concerned: you keep your settlements in the vicinity of 6 to 7 per cent, but we as the provincial government are going to have total manpower increases of some 16.7 per cent this particular year. And in your own department, Mr. Treasurer, 19.9 or almost 20 per cent.

Mr. Treasurer, I'd also like to ask the present status of the proposed code of ethics for the public service. If I recall, last year there was some talk of this code of ethics coming into effect on January 1, 1978. I'd appreciate very much if you would indicate to us its present status.

MR. LEITCH: I wish to respond to two points raised by the Leader of the Opposition, Mr. Chairman. If I am wrong, I'm sure he can correct me. As I have followed his numbers, he points to an overall budgetary increase of about 16 per cent for manpower and salaries — that's not in Treasury; that's overall budgetary increase — and says, this is a horrible thing; you're following a different course of action when you

ask other bodies wholly or partially funded by the provincial government to stay within the guidelines of 6 to 7 per cent. I simply want to say to the hon. Leader of the Opposition and members of the committee that that is just a comparison of apples and oranges. There is no justification at all for taking those two numbers.

First of all we've said the guidelines don't relate to the total salary in total labor cost increases for any of the departments, agencies, or school boards. We've said in the guideline statement that we anticipated salary increases to be within the 6 to 7 per cent range across different salary levels. Now there may be areas, as there are in the provincial budget, where increased manpower takes care of population increases.

We've already discussed that in the Assembly. For example, there are no population increases in the education system and the school boards. I recall that the numbers went down in Education and may have increased or stayed about static in Advanced Education. So that's another area in which there cannot be the same comparison, because of the lack of population growth there. Mr. Chairman, the short answer to the suggestion made by the Leader of the Opposition is that we have followed the same salary guidelines for ourselves, the same increases as were contained in the statements to which he referred.

Finally, Mr. Chairman, I anticipate being able to file the proposed code of conduct and ethics in the Assembly within the next week or so. As I indicated in the House earlier, we had a somewhat greater response than I'd anticipated, and we've taken a long time to make sure we carefully reviewed all the suggestions received. We've completed that review, and I would anticipate being able to file the code within the next week or so.

MR. CLARK: Responding to the Provincial Treasurer, especially his first comments with regard to comparing apples and oranges, let's take the Department of Hospitals as a good example. They are totally dependent upon the provincial government for their funding. Theirs is a very salary-intensive operation. Obviously, a very large component of their operation has to be wages. Now you're telling us that in fact the province was living by the 6 to 7 per cent spending guideline when it prepared this budget. If the province is living by a 6 to 7 per cent spending guideline, it applied that to its civil service settlement in the preparation of the budget.

Hospitals in this province have only one source of funds, and that's this Legislature. I look at the increases here for hospitals and medicare, and they certainly don't keep anywhere near the provincial average at all. Only one thing can happen in the area of health care; that is, the standards are going to suffer. Mr. Treasurer, they have the problem of 1,500 new people in Calgary and Edmonton every month, the exact same problem the provincial government has in handing out services and making services available. There's absolutely no difference.

Of course with the provincial grants being held where they are, the result of this policy is going to be that municipal property taxes are going to have to go up. That's the only place local governments and school boards have of picking up additional resources. Let's not kid ourselves. When we look at the overall

provincial budget where the province is saying to those people, keep your settlements to 6 or 7 per cent, the manpower cost as far as the provincial government is concerned is going up some 16.7 per cent. The Treasurer can say we're comparing apples and oranges all he wants, but in the area of hospitalization the comparison is right on. I think the comparison is very real when it comes to other areas of local government also.

MR. LEITCH: There's obviously a complete disagreement between the Leader of the Opposition and me on the conclusions to be drawn from those numbers. I don't know that my continuing to debate it with him is going to move us closer to a resolution of that difference.

MR. CLARK: Mr. Chairman, to the Provincial Treasurer. Certainly when we look at these figures, how can you as Provincial Treasurer say to municipalities or to the private sector, keep your settlements in the vicinity of some 6 to 7 per cent, when our manpower costs, as a province, have gone up in the vicinity they have? It seems to me that you as the chief financial officer of the province have some responsibility to the private sector, outside government operation, in addition to dealing with other government agencies. I simply see a real dichotomy in what the government is saying and what it is doing as far as the estimates are concerned.

MR. LEITCH: I simply disagree with the Leader of the Opposition and don't think it's appropriate to draw from those numbers the conclusions he does. He points to a 16 per cent increase in manpower costs across the whole provincial budget and tries to compare that to the 6 or 7 per cent guideline which, in my view, is totally unconnected. As I said earlier, when we talked about 6 to 7 per cent guidelines, we talked about salary increases, not necessarily about the number of people employed. We've referred to the educational area and pointed out that we do not anticipate any population increases in those areas. As I mentioned earlier, I think the population in the post-secondary area stayed about static, and as I recall, it dropped a little bit in the other educational area.

Here we're also talking about an appreciable increase because of certain new programming. I'd have to go through the entire budget to pick out the new programming area increases. But certainly trying to take those numbers from this budget and relate them to the guidelines is simply not, in my mind, comparing two equivalent factors.

Agreed to:

Vote 1 — Departmental Support Services:

1.0.1 — Provincial Treasurer's Office

\$89,400

MR. CLARK: Mr. Chairman, to the Provincial Treasurer. Leaving the question, then, of comparison of manpower costs and simply saying that we agree to disagree on that particular issue, I'd like to move to the question of the heritage savings trust fund, the quarterly reports, and the timing of the report. Mr. Treasurer, you'll recall that last year the report came out late, and there wasn't a great deal of time between when the report was available and the

committee met and so on.

Mr. Minister, are you in a position at this time to give us some indication of when we might expect the quarterly reports? It seems to me something in the vicinity of three, four, five weeks after the quarter is over is likely a reasonable period of time. But more important, when might we expect the second annual report of the heritage savings trust fund? Hopefully it will be much earlier than it was a year ago, so that quite a bit of study can go into it before the committee has to sit down with its deliberations.

MR. LEITCH: Mr. Chairman, I'm not in a position to make any firm commitments as to when we may be able to have the annual report available this year. I anticipate that it will be earlier than last year. I appreciate the need to have that report out as early as possible so the committee of the Legislative Assembly which was set up under the act will have an opportunity to review it. As I recall, last year as far as Treasury was concerned, we were prepared in mid-summer with our portion of the report. I don't say this critically, but as I remember, the Auditor's portion of the report came somewhat after that. Following our receipt of the Auditor's report, there was a two- or three-week delay, as I remember, to get it printed. I think we have to live with that kind of delay as far as the printing is concerned, but certainly every effort is being made by all those involved to get the report out earlier this year.

MR. CLARK: Mr. Chairman, I raise the quarterly reports because, if I recall, last year they were as far as three months behind the end of the quarter. Also, little or no continuity existed between the quarterly reports. I can appreciate that may have to happen the first time or two, but certainly we should be to a point now where there's some continuity so that the Treasurer and I wouldn't get involved again in this question of comparing apples and oranges. But as long as we have no continuity in the quarterly reports, that's going to happen.

Also, no information was given in the first two quarterly reports with regard to earnings of the heritage savings trust fund, if I'm not mistaken. Are we now at a stage, Mr. Treasurer, where the problems of the quarterly reports have been cleared up and there'll be continuity from here on? Or if that kind of question can't be answered this evening, certainly within a very few days can we get that information? It's pretty pertinent to the overall look at the annual report when it does come out.

MR. LEITCH: Mr. Chairman, I'd need to do some checking, but I'm not aware of any reasons why we wouldn't have the quarterly reports of the fund out. "Continuity", I think, is the phrase used by the Leader of the Opposition. Except for this, something I've been giving some thought to and will want to go back and review the legislation: I'm not sure that when you put out the annual report there is a need for the fourth quarterly report. It may just as well be included in the annual report, and then you would not have a separate, fourth quarterly report. I have not had a chance to review legislation and other relevant factors to ensure that that would be appropriate, but it's under consideration at the moment.

MR. CLARK: Mr. Chairman, when I use the term "continuity" I'm referring to making easy comparison between the first, second, and third quarters. I think the fourth quarter comment by the Treasurer is quite realistic. Mr. Treasurer, the first annual report cost \$110,000. Is that the kind of report we can expect from here on?

MR. LEITCH: Mr. Chairman, I'm not sure whether the figure the Leader of the Opposition quoted was the cost of the report or if it included the cost of advertising. I have forgotten that. I would have to go back and check the figures. If he is asking for my view of the nature of the report generally, I would expect future annual reports to be similar to the first, although perhaps not quite as long. I wouldn't see a fundamental change in the nature of the annual report.

Agreed to:

|                                     |             |
|-------------------------------------|-------------|
| Vote 1.0.2 — Deputy Provincial      |             |
| Treasurer's Office                  | \$293,300   |
| 1.0.3 — Legal Services              | \$118,250   |
| 1.0.4 — Administrative Support      | \$649,000   |
| Total Vote 1 — Departmental Support |             |
| Services                            | \$1,149,950 |
| Total Vote 1 — Capital              | \$5,900     |

|                               |             |
|-------------------------------|-------------|
| Vote 2 — Statistical Services | \$1,246,100 |
| Total Vote 2 — Capital        | \$1,300     |

|                                   |              |
|-----------------------------------|--------------|
| Total Vote 3 — Revenue Collection |              |
| and Rebates                       | \$33,254,300 |
| Total Vote 3 — Capital            | \$3,300      |

#### **Vote 4 — Financial Management, Planning and Central Services**

MR. CLARK: This is likely as good a place as any to ask the Provincial Treasurer to give us some sort of update of how we are coming along with getting the office of the provincial controller in place. What kind of transfers have there been between the new controller's office, the auditor's office, this whole area? Mr. Minister, this is likely the area where this would fit.

MR. LEITCH: Yes, this is the appropriate vote for that question to be asked, Mr. Chairman. I think I can sum up the answer by saying we are making the amount of progress we anticipated in connection with putting in place the controller's office and the various procedures, forms, and things of that nature that will be used by the controller.

Mr. Chairman, in this vote, for example, I think there are 33 new permanent salaried positions. Of that 33, 20 were in the office of the controller, three in budget bureau, three in finance operations, one in finance investments, four in crown debt collection, and two in insurance and risk management. So the bulk of the manpower increase was in the controller's office.

In addition, Mr. Chairman, we have done a good deal of the administrative work in connection with the passage of the new Financial Administration Act and the creation of the controller's office. An accounting and financial control manual is being published. We

have reviewed the extent to which The Financial Administration Act applies to provincial agencies and fund administrators. We have reviewed the question of what powers of the Provincial Treasurer ought to be delegated under The Financial Administration Act.

There has been a rewriting of existing Treasury Board administrative directives to conform with the new act. We've designated accounting and expenditure officers and persons to certify their performance. An accounting and financial control manual has been completed. Orders in council have been passed providing for exemptions from the act. Orders have also been passed with respect to exempting certain agencies or bodies from the Treasury Board administrative directives.

By and large, Mr. Chairman, I think all the administrative work to put the operation in place has been completed. It is now just a matter of continuing with the work and carrying out the obligations and duties imposed upon the controller by The Financial Administration Act.

MR. CLARK: Mr. Chairman, to the Treasurer. From my information I take it we're looking at almost \$7.1 million for the operation of the office of the controller. I would be interested if you could give us — and if you did, I missed it — the number of people you now see involved in the office of the controller. I'm sure you have a bit of a breakdown as to how many people have been taken away from the provincial auditor by the pre-audit function, which is now taken on by the controller's office. Do you have those breakdowns available?

MR. LEITCH: Mr. Chairman, I'm not sure where the Leader of the Opposition got the number he quoted for manpower costs for the office of the controller. If he is taking the larger number for manpower costs out of Vote 4, of course it includes much more than the office of the controller. It includes the budget bureau, fiscal planning, and finance operations. I'll look through the material I have on hand, Mr. Chairman, and see if I can get a breakdown between those areas.

I don't have with me a breakdown of the number of personnel now in the office of the controller who came from the provincial auditor. I think the number is in the 60s or 80s, but I'm going from memory. The whole pre-audit function came from the office of the provincial auditor to the office of the controller, but I have to check to get the actual number.

MR. CLARK: Mr. Chairman, if the Treasurer would get that information over to us, that would be agreeable.

Agreed to:

|  |              |
|--|--------------|
| Total Vote 4 — Financial Management, Planning and Central Services | \$14,555,150 |
| Total Vote 4 — Capital   | \$133,950    |

|                                    |              |
|------------------------------------|--------------|
| Total Vote 5 — Public Debt Service | \$19,623,200 |
| Total Vote 5 — Capital             | \$5,000      |

|   |             |
|---|-------------|
| Total Vote 6 — Personnel Administration | \$4,531,721 |
| Total Vote 6 — Capital                  | \$3,500     |

|                               |              |
|-------------------------------|--------------|
| Total Vote 7 — Public Service |              |
| Pension Administration        | \$61,902,255 |
| Total Vote 7 — Capital        | \$27,375     |

MR. CHAIRMAN: If you would now turn to page 393 of the same book, we are required to vote for the salary contingency.

MR. CLARK: Mr. Chairman, just before we agree. I don't have the figures in front of me, but if my memory is accurate, that's pretty well a 33 per cent increase in the salary contingency over the estimates that were approved a year ago. Mr. Minister, would you give us the explanation for a 33 per cent increase in this area?

MR. LEITCH: Mr. Chairman, it's my memory that we didn't have the same kind of salary contingency vote last year as we have this year. I'd have to do some checking. It seems to me there were some differences between the salary contingency vote last year and the one we have this year. I'm not sure it included the same things, for example. So I'll check that and get a response, Mr. Chairman.

In response to the earlier question asked by the Leader of the Opposition with respect to the office of the controller, I have now found the numbers. It will have a permanent staff of 140 positions in 1978-79. Thirty of them were included in the 1977-78 budget. Of the 90 positions transferred, 86 were from the Provincial Auditor's office and four were from the computing and systems division of Alberta Government Services. The 20 new positions I referred to earlier make up 140.

Agreed to:

|                             |              |
|-----------------------------|--------------|
| Vote for Salary Contingency | \$49,000,000 |
|-----------------------------|--------------|

Capital Estimates:

|   |           |
|---|-----------|
| 1.0 — Departmental Support Services                       | \$5,900   |
| 2.0 — Statistical Services                                | \$1,300   |
| 3.0 — Revenue Collection and Rebates                      | \$3,300   |
| 4.0 — Financial Management, Planning and Central Services | \$133,950 |
| 5.0 — Public Debt Service                                 | \$5,000   |
| Total Department  | \$149,450 |
| 6.0 — Personnel Administration                            | \$3,500   |
| 7.0 — Public Service Pension Administration               | \$27,375  |
| Total Capital Estimates                                   | \$180,325 |

MR. CLARK: Just before the committee reports, Mr. Treasurer, this may be as good a spot as any to get a report with regard to the treasury branch system and the number of new branches the treasury branch people are going to be opening this year.

Secondly, how successful are they in coming to grips with the problem of getting additional staff? I know that very often the reason they give for not opening new branches is that they are not able to acquire staff.

Perhaps we could start there, Mr. Treasurer.

MR. LEITCH: Mr. Chairman, I would like to say several things about the treasury branches. First of all, I think their expansion has been as rapid as one could reasonably expect. My memory is that over recent years they are expanding at five branches per year, or

a little better. That is more than 5 per cent growth each year. I would think that if you press them to expand more rapidly, there is a danger it's going to affect the quality of service adversely. We've been very pleased with the acceptance of the treasury branches by the people of Alberta. I think it's quite a remarkable growth in the treasury branches in the years we've been in office. So we are expanding at approximately five new branches per year. I would expect that expansion to occur again in the coming year.

I haven't had a recent discussion regarding the difficulty about getting trained staff, but I know that has been a limiting factor on the branch's capacity to expand in the past. I'm sure it still is.

Just recently, I did happen to be reviewing advertisements being made outside the province of Alberta for staff with banking experience. We would normally do that only if we found difficulty filling the vacant positions with people in the province of Alberta. I don't have in my mind at the moment the exact particulars of the staffing difficulties they're encountering.

MR. CLARK: Mr. Chairman, I'd like to make a comment or two on just one other area. This really deals with the whole area of modified program budgeting. Mr. Treasurer, it's now almost three years ago that we moved in this direction. My question would be for some sort of thumbnail assessment as to the effectiveness. Is it too early yet?

Secondly, Mr. Treasurer, what plans does your department have to take the next step along that line? When you introduced it three years ago, I recall you said this was really the first phase and there would be phases to follow. What kind of a timing situation are we looking at?

Thirdly, Mr. Treasurer — this is a bit of an open admission, I guess. One of the problems I've seen for a number of years in this Assembly is the process we go through as to budget, especially with the last couple of months of the year. If money is left in a department's estimates, there is a tendency to hack that out and say that department doesn't need it. Those people who are, let's say, frugal financial managers find their branch or area of operation cut back the following year. I'm sure we've all had that experience. On the other hand, there is a great tendency of some branches to go out and spend during those last couple of months, whether it's hiring consultants or buying additional materials and supplies, so their budget is pretty well used up at the end of the year.

I recall we discussed that matter when we discussed modified program budgeting; I think it was '76. The Treasurer said this modified budgeting approach may be a small help in that direction, but it didn't hold out any panacea. Is that coming to grips with the problem of money that's left at the end of the year, rewarding those people for good financial management? As the situation stands, money left over goes into the general revenue fund of the province and is recommitted. Mr. Treasurer, I ask what hope can you hold out for us for modified program budgeting? Are we going to be able to come to grips with that problem? I know it has been with us for years. I'm sure a great surge to spend money the last couple of months and the last few weeks of the fiscal year,

before it's lost to that department, is a concern of all cabinet ministers.

Thirdly, Mr. Treasurer, what's your view with regard to the concept of zero-base budgeting? I noticed the Minister of Municipal Affairs made reference to it this evening and indicated he was using it in two or three branches of his department. I'd be interested in seeing if this is a start of a move across the government. Or is the Minister of Municipal Affairs doing a bit of experimenting on his own as far as zero-base budgeting is concerned?

MR. LEITCH: Mr. Chairman, the Leader of the Opposition has asked me to respond to several items. First of all my assessment of the question of program budgeting is that it has accomplished its primary object, which was to try to give to the Members of the Legislative Assembly and to the public of Alberta a greater appreciation of the total program cost of a particular program. Under the old system it was very difficult to work your way through the estimate documents, the budget documents, and assign a figure for program costs. So I submit that in that respect it has accomplished its purpose very well.

As to whether, and if so when, we would take a further step in program budgeting, I haven't formed any views at the moment. I think it is too early for us to do that. The department has been very busy in the past couple of years, first of all with the major changes in financial relationships with the federal government. We've brought in the Auditor General legislation and the new Financial Administration Act, which has involved very major changes in the method of handling provincial government revenues and expenditures. I would like to see the department absorb those changes, make sure we have them functioning well, and thereafter take another look, or a closer look, at perhaps a further step in the program budgeting system.

So the short answer to that question is that at the moment I, at least, don't have in mind any further steps along the development of program budgeting for at least a year or so. I think we should take the next year absorbing the changes made in the department with the acquisition of the pre-audit function, putting in all of those controls, and the preparation of the public accounts, which will now be the Treasurer's responsibility. I would think it would be a little while before we take a look at a further step in the development of program budgeting.

As to zero-base budgeting, sunset budgeting, or whatever other name one wishes to apply to it, there's certainly no intention on my part to adopt that system. In saying that, I want to emphasize that I doubt that what's represented by the phrases "zero-based budgeting" or "sunset budgeting" is really very much different from the process we go through annually in the preparation of our budgets, although we don't call it that.

Finally, Mr. Chairman, I was asked whether program budgeting had had any effect on the problem the Leader of the Opposition referred to, the tendency for some departments to ensure that they spend all their funds before the funds lapse and go back into general revenue. In a sense the changes we've made in program budgeting do affect that, because there's been a greatly reduced capacity to transfer funds. It used to be that funds could be transferred throughout

the department. Now the capacity to transfer funds is greatly reduced, so there is less risk of that occurring.

While I haven't checked the percentages, I think that in the last year we had a relatively high unexpended percentage of the total authorized budgetary sums. If that were so, it might be some preliminary indication that the matter he referred to was turning the other way. Of course, we have in place a number of controls and procedures that deal with the expenditure of funds. So while there might be a tendency in departments to get out the funds, to spend them before they lapse, they still must meet the controls and tests of properly expended funds.

So it's not a matter of their being improperly expended. It's just a matter that perhaps they could have been held over, lapsed into general revenue, replaced in the new budget, and spent the next year.

Agreed to:  
Department Total \$136,262,676

MR. LEITCH: Mr. Chairman, I move the resolution be reported.

[Motion carried]

MR. LEITCH: Mr. Chairman, I move that the salary contingency fund be reported.

[Motion carried]

### Legislation

Agreed to:  
Vote 1 — Support to the Legislative Assembly:  
1.0.1 — Administrative Support \$730,639

#### 1.0.2 — Members' Indemnities and Allowances

MR. KING: Mr. Chairman, I just want it put on the record at this time, for Treasury, that this vote includes a sum of money to pay for credit card expenses of members of the Legislative Assembly related to travel on the business of the constituency, the government, or the Legislature.

Agreed to:  
1.0.2 — Members' Indemnities and Allowances \$1,658,725

#### 1.0.3 — Speaker and Deputy Speaker — Office Services

MR. KING: Mr. Chairman, I'd just like to put on the record, for Treasury, that this includes an amount of money to be voted for a car for the Speaker of the Legislative Assembly.

Agreed to:  
1.0.3 — Speaker and Deputy Speaker — Office Services \$84,831  
1.0.4 — Government Members' Services \$208,344  
1.0.5 — Opposition Members' Services \$291,100  
1.0.6 — Legislature Committees \$100,000  
1.0.7 — Legislative Interns \$57,840  
1.0.8 — Hansard \$486,570

1.0.9 — Legislature Library \$362,758  
1.0.10 — Chief Electoral Officer \$759,680  
1.0.11 — Electoral Boundaries Commission —  
Total Vote 1 — Support to the Legislative Assembly \$4,740,487  
Total Vote 1 — Capital \$16,500

Total Vote 2 — Auditor General \$3,959,481  
Total Vote 2 — Capital \$14,400

Total Vote 3 — Office of the Ombudsman \$423,680  
Total Vote 3 — Capital \$3,250

Capital Estimates:  
1.0 — Support to the Legislative Assembly \$16,500  
2.0 — Auditor General \$14,400  
3.0 — Office of the Ombudsman \$3,250  
Total Capital Estimates \$34,150

Department Total \$9,123,648

MR. APPLEBY: Mr. Chairman, I move that the vote be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

DR. McCRIMMON: Mr. Speaker, the Committee of Supply has had under consideration the following resolutions, reports the same, and asks leave to sit again:

Resolved that for the fiscal year ending March 31, 1979, amounts not exceeding the following sums be granted to Her Majesty for the Department of Social Services and Community Health: \$10,832,685 for departmental support services, \$258,767,080 for social allowance and specialized social services, \$41,869,800 for senior citizens' supplementary benefits, \$7,813,550 for vocational rehabilitation services, \$43,005,090 for services for the handicapped, \$45,232,300 for treatment of mental illness, \$10,381,920 for general health services, \$49,733,790 for financial assistance for community preventive services, and \$9,067,676 for alcoholism and drug abuse treatment and education.

Resolved that for the fiscal year ending March 31, 1979, amounts not exceeding the following sums be granted to Her Majesty for the Department of Government Services: \$1,834,070 for departmental support services, \$59,536,775 for building operations and maintenance, \$1,804,680 for government transportation, \$1,427,890 for supply, \$3,486,560 for public affairs, and \$666,780 for computing and systems.

Resolved that for the fiscal year ending March 31, 1979, amounts not exceeding the following sums be granted to Her Majesty for the Department of Municipal Affairs: \$3,021,252 for departmental support services, \$74,138,721 for financial support for municipal programs, \$23,799,800 for Alberta property tax reduction plan — rebates to individuals, \$7,171,287

for support to community planning services, \$9,602,190 for administrative and technical support to municipalities, \$560,650 for regulatory boards, and \$520,220 for co-ordination of northeast Alberta programs.

Resolved that for the fiscal year ending March 31, 1979, amounts not exceeding the following sums be granted to Her Majesty for Treasury: \$1,149,950 for departmental support services, \$1,246,100 for statistical services, \$33,254,300 for revenue collection and rebates, \$14,555,150 for financial management, planning and central services, \$19,623,200 for public debt service, \$4,531,721 for personnel administration, and \$61,902,255 for public service pension administration.

Resolved that for the fiscal year ending March 31, 1979, an amount not exceeding the following sum be granted to Her Majesty for the salary contingency: \$49,000,000.

Resolved that for the fiscal year ending March 31, 1979, amounts not exceeding the following sums be granted to Her Majesty for the Legislative Assembly: \$4,740,487 for support to the Legislative Assembly, \$3,959,481 for the Auditor General, and \$423,680 for the office of the Ombudsman.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, regarding the proposed business for tomorrow and the balance of the week,

first, hon. members will recall that last Thursday, Motion Other Than Government Motion No. 210 proposed by Mr. Young, with respect to controls on gaming events, went to the bottom of the list by reason of the absence of that member. I gather it has been agreed between members of the opposition and the government that Motion No. 210 would be the first one called tomorrow under Orders of the Day and that it would be debated, following which No. 211 would be debated, and No. 208, if there is time.

Tomorrow evening the Assembly will sit in Committee of Supply. The government will call the balance of departments not yet covered in Supply, with the exception of Hospitals and Medical Care. Because of the special request by the Member for Little Bow with respect to more detailed information, that department will be called next Monday night at 8 o'clock. We hope the minister will be in a position to provide the information on Thursday or Friday of this week.

That would leave Utilities and Telephones, Culture, and Federal and Intergovernmental Affairs. If those are not completed tomorrow evening, they would continue on Wednesday. Either on Wednesday or when those three are completed and for the balance of the week, being Thursday evening and Friday, we would call second reading and committee study of the bills now on pages 2 and 3 of the Order Paper.

[At 10:19 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]