

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Tuesday, May 9, 1978 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS

Bill 254
The Plant Protection Act

MR. NOTLEY: Mr. Speaker, I beg leave to introduce Bill No. 254, The Plant Protection Act. The purpose of the act is to set out preventive measures to control plant disease, including the regular inspection and annual licensing of nurseries and other premises regularly selling nursing stock in the province of Alberta.

[Leave granted; Bill 254 read a first time]

Bill 39
The Mines and Minerals
Amendment Act, 1978

MR. GETTY: Mr. Speaker, I beg leave to introduce Bill No. 39, The Mines and Minerals Amendment Act, 1978.

In 1976, Mr. Speaker, the Legislature passed amendments to The Mines and Minerals Act that put into place an overhaul of our petroleum and natural gas leases and introduced a new lease tenure system intended to accelerate the evaluation of Crown petroleum and natural gas leases. It also allowed for splitting of leases by zones, as well as providing legislative authority for changes to coal leases.

The bill I'm introducing today is a result of two years' experience with the new system and has changes that should make it more efficient. This bill also completes the overhaul of The Mines and Minerals Act. It amends our oil sands and bituminous sands legislation to make that legislation similar to normal petroleum and natural gas leases, in that leases can be issued by separate zone and have no royalty ceiling. The bill also provides for changes to allow better co-ordination with other legislation of exploration activity on petroleum and natural gas leases.

[Leave granted; Bill 39 read a first time]

head: TABLING RETURNS AND REPORTS

MR. DOWLING: Mr. Speaker, I would like to file with the Legislature Library two copies of the survey Chemical Consumption in Alberta, completed recently by our department. The purpose of this survey is to make available statistical data for potential entrepreneurs who want to establish chemical plants in Alberta.

head: INTRODUCTION OF SPECIAL GUESTS

MR. SCHMIDT: Mr. Speaker, it's my privilege this afternoon to introduce to you, and through you to the members of the Legislature, 17 students from the Leduc senior high. They are accompanied by their teacher Mr. Head. They're seated in the members gallery, and I would ask them to rise at this time and receive the welcome of this Assembly.

MR. PLANCHE: Mr. Speaker, it is my privilege today to introduce to you, and through you to members of the Legislature, some 40 young ladies and gentlemen from Henry Wise Wood in Calgary Glenmore. They are seated in the members gallery. Some are from Mr. Pat O'Brien's Social Studies 10 class, and the remainder are with their teacher Mr. Tim Buehner and their counsellor Mr. Ron Flaterud. I would ask them, please, to stand and receive the welcome of the House.

MR. PURDY: Mr. Speaker, it is my pleasure today to introduce to you and to members of the Assembly 31 grade 5 students from the Queen Street school in Spruce Grove. They are accompanied by their teacher Mr. Ibsen and parents Mrs. Ibsen and Mrs. Sharpe. They are in the public gallery, and I would ask them to rise and receive the welcome of the House.

head: MINISTERIAL STATEMENTS**Department of Education**

MR. KOZIAK: Mr. Speaker, the Commonwealth Games are providing a significant focus for study in Alberta schools this year. Student interest in Commonwealth countries has been high. A number of excellent essays on the Games were among the highlights of Education Week, which was observed during the first week of March this year. The special curriculum publication, Physical Education, A Sports Festival Curriculum Guide, has added to this interest and promises to maintain it between the completion of the Games this summer and the next Games in 1982.

It is my pleasure, Mr. Speaker, in co-operation with The XI Commonwealth Games Foundation, to announce a program to assist junior high school classes from all parts of Alberta to attend four of the events: competitions in athletics, boxing, badminton, and the demonstration competitions in lacrosse.

Mr. Speaker, the government of Alberta is purchasing approximately 105,000 tickets at a reduced cost of \$317,000 for these events, for distribution, through the Department of Education, to Alberta schools. These tickets will be made available first to all junior high school classes in the province.

For classes having to travel more than 200 miles to Edmonton, temporary overnight accommodation will be arranged in school gymnasiums through the co-operation of the Edmonton public and separate school boards. Custodial and other necessary extra costs for making gymnasiums available will be borne by the government. Transportation and supervision of classes

will remain the responsibility of participating schools and systems.

Details and application forms are being sent immediately to school boards, superintendents, and principals. The cut-off date for system applications will be June 9. After June 9 any remaining tickets will be available to students over 12 years of age on a first-come, first-served basis.

Mr. Speaker, we will be distributing 63,000 tickets for athletics — that is, track and field — to be held in the Commonwealth Stadium on Sunday, August 6 and Tuesday, August 8. We will also have between 4,000 and 5,000 tickets for the boxing events at the Edmonton Gardens on Friday, August 4 to Tuesday, August 8, inclusive, for a total of 21,000 tickets. There will be up to 2,000 tickets for badminton at the University of Alberta arena on each of August 4, 5, 8, and 9, for a total of 6,800 tickets. There will be 7,000 tickets for demonstration competitions of lacrosse in the Edmonton Coliseum on each of Thursday, August 10, and Friday, August 11.

All students attending events will have the opportunity to tour the Commonwealth Stadium and to join other visitors at the many cultural events that will be taking place in various centres in Edmonton. Mr. Speaker, I wish to extend publicly to The XI Commonwealth Games Foundation our appreciation for their support in this joint project by making tickets available at a reduced price.

Mr. Speaker, through this program we expect to increase substantially the opportunity for Alberta students from all parts of the province to attend the Commonwealth Games and share the experience and Commonwealth fellowship.

Thank you, Mr. Speaker.

head: ORAL QUESTION PERIOD

Japanese Tourists

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Business Development and Tourism. It flows from information that's now available with regard to the number of Japanese people who come to Canada as tourists. What effort is being made by the Alberta government to attract Japanese tourists to the province of Alberta?

MR. DOWLING: Mr. Speaker, we do very little in the Japanese market. As the hon. Leader of the Opposition knows, we do have a government office there with minimal staff. With his support people, this staff member undertakes primarily industry-related activities. Our position on the Japanese market is that they are coming without too much promotion, the private sector doing the bulk of the promotion. Our fear is that we could overpromote a very lucrative area into Alberta at a time when we haven't the facilities to accommodate them. So we maintain a watching brief on the Japanese market, and we maintain a presence there, although minimal.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. In light of the change that's going on in the Japanese life style today, and having regard for the fact that British Columbia attracts some 45,000 tourists from Japan, Ontario some 41,000, and we

less than 5,000, has the government seriously considered the idea of stepping up its promotional work in Japan for the areas outside the national parks in Alberta?

MR. DOWLING: Most assuredly, Mr. Speaker, we have considered that at length. You should know too that the bulk of our promotional activities take place in areas outside the national parks. We believe the 255,000 square miles of Alberta should participate as equally as possible. With the British Columbia government, the Yukon, and the Northwest Territories, we do undertake a number of Canada West promotions, the Japan market being one of those.

But as I say, we do this on a minimal basis, because our major market areas are of course our own country first of all; secondly, the United States; and thirdly, the United Kingdom and central Europe. Those are the easiest to promote. By that I mean there are people who are already interested in coming. They have reasons to come other than just visiting the province. From the United Kingdom, in particular, they come for VFR reasons — that's "visit friends and relations". So we feel that we have taken the right approach with regard to promotional activities outside our own country.

MR. CLARK: Mr. Speaker, to the minister. Is the minister's department aware of the most recent projections from Japan that the number of tourists coming to Canada from Japan in all likelihood will more than double within the next five years? Has the government taken that into consideration in really opting out of this Japanese market and leaving it to British Columbia and Ontario?

MR. DOWLING: Mr. Speaker, most assuredly not. We are not opting out of any market that has potential. But what we do not want is for the visitor to Alberta to be disappointed because he cannot be accommodated properly. Our view is that our first priority should be to develop new destination areas throughout the province of Alberta. That is being undertaken.

MR. CLARK: Mr. Speaker, to the minister. What steps does the minister plan to take, in co-operation with the tourist association of the province, so that in fact Alberta doesn't lose out on this very lucrative market? In light of the projected increases and the fact that some 45,000 go to British Columbia and some 41,000 to Ontario, which is much farther from Japan than we are, what action does the minister plan to take?

MR. DOWLING: Mr. Speaker, what the hon. Leader of the Opposition does not understand is the tourist business. A great deal of it is business that is brought here because of industrial relations with a country as well. A great number of people come to our country because they have reasons other than just to visit. [interjections] They come to invest and a number of things of this kind.

We still believe, and it's factually documented, that our major market and the easiest, least expensive market area to promote is the United States; secondly, the United Kingdom; thirdly, central Europe; and fourthly, of course, Japan, which we have not neglected in any way. But if we're going to promote in

any market, we have to be very sure that when people come to visit us we can accommodate them properly, and that they will enjoy their experience here.

MR. CLARK: Mr. Speaker, I'll go on to my second question, after the minister has just opted out as far as letting the tourists go to Ontario.

MR. SPEAKER: Order please.

Consultants' Contracts

MR. CLARK: Mr. Speaker, I'd like to direct the second question to the Minister of Hospitals and Medical Care. My question centres on the services of Jackson Willis, in light of the fact that, according to page 3 of the agreement signed between the government and Rune Associates for Mr. Willis' services, it's indicated that Mr. Willis would serve in an advisory capacity or work with the financial policy adviser to the minister. My concern deals with that area of financial policy adviser to the minister, in light of the fact that more than 36 hospitals have now appealed their . . .

MR. SPEAKER: Order please.

MR. CLARK: Has the minister terminated the agreement with Mr. Willis?

MR. MINIELY: No, Mr. Speaker. Motion for a Return No. 169 clearly illustrated the projects on which Mr. Willis has been used as special adviser under the contract. I think the hon. leader is confusing the function with that of the special financial policy adviser, Mr. Maruca, whose contract was terminated. Mr. Willis will continue to advise and work with the new Deputy Minister Mr. Chatfield and me in the areas delineated in Motion for a Return No. 169. The contract is due to expire on October 31, 1978.

MR. CLARK: Mr. Speaker, a supplementary question, having regard to the government's financial restraints and the increases that hospital boards get. When you look at Mr. Willis' contract, it's over \$6,000 a month, when you consider overhead and clerical . . .

MR. SPEAKER: Is the hon. leader going to be asking a question?

MR. CLARK: Is it the minister's intention to extend this idiotic contract?

MR. MINIELY: Mr. Speaker, the hon. leader chose a word. In my seven years in government, I would say I have found instances where money has been wasted, by former governments or this government, far more than the quality of services and the hours that have been put in under the contract, as indicated in Motion for a Return No. 169. The hon. Leader of the Opposition is perfectly free to make his own judgments on that. But as far as I'm concerned, I am perfectly satisfied with both the quantity and quality of services as indicated in Motion for a Return 169. I might say that the new deputy minister has assessed that as well and agrees that the services have been more than worth the amount that's been paid under the contract.

MR. CLARK: Mr. Speaker, let me repeat the question to the minister. In light of the fact that the contract runs from November 1, 1976, to October 31, 1978, and having regard for the fact that we're paying this individual over \$6,000 a month when you consider the clerical overhead, does the minister have, in the budget he's presented to the House, money to extend this contract past the end of October 1978?

MR. MINIELY: Mr. Speaker, I answered that question earlier. There is money in the budget to pay out the contract to its expiration on October 31.

MR. CLARK: Mr. Speaker, to the minister. Does the minister have any intention to extend this contract or to enter into another contract with Rune Associates, or by any other mechanism to rehire Jackson Willis?

MR. MINIELY: Mr. Speaker, it seems to me that that question is hypothetical. The contract as it sits now is due to expire on October 31, 1978.

MR. CLARK: Mr. Speaker, it may be hypothetical, but I can put the question to the minister this way then. In light of the fact that the minister has entered into this agreement with Mr. Willis, paying him from the first of the month rather than the end of the month after those services have been provided at some \$6,000 a month, does the minister plan to enter into any more contracts where he pays to Mr. Willis or anyone else \$6,000 a month prior to getting the services?

MR. MINIELY: Mr. Speaker, the Deputy Minister of Hospitals and Medical Care Mr. Chatfield is assessing all consulting contracts, not just Mr. Willis'. Mr. Willis' continues until October 31 as a special adviser on contract to the minister, as I indicated in Motion for a Return 169. There are other consulting contracts which were directly with the minister by members of the medical profession, some of them international experts in the area of heart disease. Mr. Chatfield is assessing all those contracts and will either be assigning them to the department, concurrent with the organization of the department, or terminating them, depending on whether or not he feels they're worth while to continue beyond their contract period.

Flour Mill

MR. HYLAND: Thank you, Mr. Speaker. My question is to the Minister of Agriculture. Mr. Minister, are you aware that in southern Alberta Robin Hood mills has almost totally cut off the contracting of soft white wheat? I know for sure that at one elevator they've totally cut out their contracting.

MR. MOORE: Mr. Speaker, no, I was not aware of that.

MR. HYLAND: Has the minister any information or could he supply to the House any information on where the wheat might be coming from that would make up that portion of the contract? This is one of the crops in the irrigated area of southern Alberta that has a pretty fair cash turnover, and one is able to make a few bucks on it.

MR. MOORE: Mr. Speaker, after having heard the representations of the hon. member, I will check into the matter to see if I can understand the problem and how it might be resolved.

Rural Power Lines

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Agriculture. In an earlier session the minister indicated that there would be support for moving power lines off irrigated lands, and that there was a possibility of this money coming from the heritage fund. Could the minister indicate whether that policy is presently in effect or still under consideration?

MR. MOORE: Mr. Speaker, during the last couple of years the matter has been discussed a number of times with Calgary Power, which of course is the major utility power company involved in the irrigated areas. Insofar as my office is concerned, we were not able to come to an agreement with Calgary Power and with the individual REAs with respect to the movement of existing power lines from irrigated land.

I do know, however, that since that time the Minister of Utilities and Telephones has had considerable discussions with Calgary Power and the REAs, and he may want to comment further.

DR. WARRACK: I would, Mr. Speaker, not in relation to the heritage fund, because there has been no contemplation as of the present time with respect to that as a source of financial capacity and assistance. However, we have established a committee that is now involved in work between the Department of Utilities and Telephones, the departments of the Environment and of Agriculture, and the Energy Resources Conservation Board to look at what rationalization might make sense as the irrigation expansion and rehabilitation take place.

I think its status, Mr. Speaker, would be that work has to go on for some time to conclude whether a major restructuring is in order. If so, we would then come to the question of how it might best be financed.

MR. R. SPEAKER: Mr. Speaker, supplementary to the Minister of Utilities and Telephones. Would the minister foresee a possible announcement with regard to a program in 1978 or early 1979? And is the minister looking at some type of financial arrangement, a program of low-interest loans or longer term loans made available to the farmer, similar to loans that were made to established power lines?

DR. WARRACK: I think it would be premature, Mr. Speaker, to speculate on the outcome in terms of the result of the analysis I described, which includes the question of how financial arrangements might be struck. Basically the situation is this: we have a number of overhead lines that traverse irrigation areas. In the expansion and rehabilitation that will be undertaken in the irrigation system areas, there is the choice of moving some of these facilities to go cornering around land areas or, alternatively, continuing to traverse the fields, but in an underground fashion. The comparisons involved there are pretty detailed and complex, and require considerable assessment

and review.

I might say that there is some experience in the United States with underground rural electric systems. These are experiences we'd like to share. Moreover, in recent years a pilot project was established near Olds by Calgary Power, and more recently a pilot underground project by Alberta Power, although for the moment I've forgotten the exact location. We're at a preliminary stage in that kind of assessment, but I think it's important work.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the Minister of Utilities and Telephones. I've advised some of the farmers to hold position at the present time. Would the minister advise at this time that no type of program will be made available during 1978, and that I should accordingly advise the farmers not to expect any type of announcement?

DR. WARRACK: I think it would be too early to lead them to expect a program in this area by the end of 1978. It's not impossible, depending on how the analysis presently under way proves out. But I do stress that it's at an early stage. If someone had urgent work that needed to be done, I would think they would need to proceed with it, as I'm not able to give assurance that it would be concluded by the end of this calendar year.

Housing Prices

MR. NOTLEY: Thank you very much, Mr. Speaker. I'd like to ask a question of the hon. Minister of Housing and Public Works. It flows from the rather astonishing news this morning that the average price of houses sold last month in the city of Calgary was slightly in excess of \$80,000; albeit that included a number of more expensive homes. Is the minister in a position to outline to the Assembly what system the department is presently using to monitor house prices in the province?

MR. CHAMBERS: Frankly, Mr. Speaker, no. I'm sure we have one, but I'm not aware of the details. Like the Member for Spirit River-Fairview, I read the article in the paper before I came in here. The comment there was that that average or number may not have been really representative, in that one \$250,000 house purchase, as I recall, was included in the total.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. As a result of information gathered by the department, is the minister in a position to advise the Assembly whether or not the information contained by the MLS listings, Royal Trust, and last weekend's *Canadian Homes* magazine that Edmonton and Calgary house prices are the highest in the country — has the minister been able . . .

MR. SPEAKER: Order please. The hon. member well knows that it's not within the official duties of the minister to monitor all and sundry publications and then to provide during the question period easy comments on whatever they might say.

MR. NOTLEY: Mr. Speaker, then a supplementary question to the hon. minister. In view of the very

substantial increase in home prices, and at least the considerable evidence to indicate . . .

MR. SPEAKER: Would the hon. member please come directly to the question.

MR. NOTLEY: Mr. Speaker, in light of the increased prices for homes in the province, the question is: what specific steps does the government consider appropriate at this stage to bring down the price of lots in the province of Alberta?

MR. SPEAKER: The hon. member, repeating his representation for the third time, is now outright asking the hon. minister for an expression of opinion. He well knows this is not the place for that. The parliamentary practice simply doesn't allow for it in the question period, even though it quite often gets past the Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the government of Alberta considering any specific measures at this point in time which will deal with the very high-cost lots in the province of Alberta as outlined in the . . .

MR. SPEAKER: Order please.

MR. NOTLEY: . . . Alberta/Montana study?

MR. CHAMBERS: Mr. Speaker, at some future period of time, perhaps in estimates, I'd be happy to review all the programs we have. I've had great pleasure in reviewing them myself in the last couple of weeks.

One of the outstanding programs we have, for example, is in Mill Woods. Many people, generally young people, are involved in building co-ops, making use of our starter home ownership program, our direct lending program, and putting in sweat equity. They're able to obtain very affordable housing. I think that's an excellent program. It's making affordable housing available to those young people who are willing to make that extra effort. Frankly, I'm very pleased and proud of that program.

I'd be happy to provide the booklet we have on the starter home ownership program — this isn't it; I think it has a green cover — the direct lending program, and so forth. But we have many programs to assist home ownership in Alberta.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. During the course of the minister's assessment of his department, is he giving any consideration at this time to the recommendation of the Land Use Forum that some form of speculation tax be imposed by the government of Alberta?

MR. CHAMBERS: I'm considering many things at this time, Mr. Speaker. I would be happy to accept that as a suggestion from the hon. member.

MR. NOTLEY: Mr. Speaker, bearing in mind that the announcement of Mill Woods was I believe in 1970, what measures does the Department of Housing and Public Works have at this stage to undertake future land banking in the province?

MR. CHAMBERS: Mr. Speaker, I'm trying to go from memory here. I think we have some \$23 million in our budget for this coming fiscal year for land banking all over the province. I've got the right booklet in hand, coincidentally. Priorities are enumerated, but there is a substantial program of land banking.

In terms of Mill Woods, as I'm sure the hon. member knows, 50 per cent of the lots are allowed to be sold as in any land-banking program. We have some 43 of these presently in operation across the province. Fifty per cent of the lots are allowed to be sold at a reasonable price — market value, if you like, that the municipality decides is a reasonable price. The municipality — Edmonton, of course, in the case of Mill Woods — can realize a substantial profit therefrom, which I would like to see them plough back into future city land banking and continue to provide the affordable housing that we have initiated through Alberta Housing in the Mill Woods program.

MR. GHITTER: Mr. Speaker, a supplementary to the hon. minister. I wonder if the minister could advise the House whether any other province in Canada had anywhere near 36,000 housing starts, either last year or anticipated this year, without the necessity . . .

MR. SPEAKER: Order please. [interjections] The hon. member is going to make it necessary for us to have a *Guinness Book of Records* in the question period.

MR. GHITTER: Mr. Speaker, on a point of order.

MR. GOGO: Mr. Speaker, a supplementary to the hon. Minister of Municipal Affairs.

MR. SPEAKER: Would the hon. Member for Lethbridge West please allow the hon. Member for Calgary Buffalo to state his point of order.

MR. GHITTER: Mr. Speaker, on the point you just raised with respect to the *Guinness Book of Records*, I'm pleased the Speaker has taken judicial notice, then, of the fact that we've had so many housing starts in the province of Alberta.

MR. GOGO: Mr. Speaker, a supplementary to the Minister of Municipal Affairs. Could the minister indicate to the Assembly the approximate number of people arriving in Alberta from the other jurisdictions in Canada, which may indicate the reason for the high price of housing? [interjections]

MR. JOHNSTON: Mr. Speaker, I could merely add to the comment of the hon. Minister of Housing and Public Works that in fact the population of Alberta is growing very rapidly. Of course, with that goes a very substantial demand.

DR. BUCK: Tell us about the prime rates while you're at it.

MR. JOHNSTON: Mr. Speaker, while I'm on my feet I might just supplement the answer to indicate that municipalities also have the right to borrow money from the Alberta Municipal Financing Corporation for land banking. Of course those loans are subsidized at 8 per cent interest.

MR. SPEAKER: I believe the hon. Member for Spirit River-Fairview was trying to raise a point of order with regard to the minister's giving a statement of opinion. But my understanding of the question was that he was asking the minister whether he had information concerning the number of people coming into the province.

Land Assembly Agreements

MR. MANDEVILLE: Mr. Speaker, my question is also to the hon. Minister of Housing and Public Works. It pertains to the land assembly agreement between Alberta Housing Corporation and participating municipalities. The minister partly answered the question, but does the agreement between AHC and municipalities specify that 50 per cent of the houses built on land assembled must be for low-income applicants?

MR. CHAMBERS: Yes, it does, Mr. Speaker. In the 43 agreements I've mentioned, there is a requirement that 50 per cent of the lots marketed are to be sold within the guidelines of the lending programs of the Alberta Home Mortgage Corporation. The other 50 per cent can be sold at market value or at values that are considered reasonable.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Did the land assembly program, as originally designed, have this 50 per cent low-income housing requirement?

MR. CHAMBERS: No, Mr. Speaker. And I would like to take this opportunity to thank the hon. Member for Bow Valley for giving me quick notice of this question. I was able to scan the file on the particular item before I came here. Therefore, hopefully I can give him an answer. The original agreements had no such provision in them.

MR. MANDEVILLE: Could the minister indicate when the 50 per cent requirement became a condition of the land assembly agreement?

MR. CHAMBERS: Mr. Speaker, I wasn't able to put my finger on a specific day; however, it was in late 1975. At that time all the agreements were amended, with the exception of one. The municipalities then signed, in effect, an amended or new agreement which provided for the 50 per cent rule.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. With specific reference to the town of Peace River, was the town council aware of this 50 per cent requirement prior to entering into the land assembly agreement with the Alberta Housing Corporation?

MR. CHAMBERS: Peace River was the one town that . . . Well, there was one other, but that's since been settled. Peace River, for a reason I wasn't able to ascertain, did not sign the amending agreement. As to awareness, there was a lot of discussion with the town of Peace River on the amending agreement, and a letter agreement was finally signed.

There were two main provisions of that agreement. One was that the price of the purchase was to be in accordance with the original agreement signed in

1974. The second key feature was that the town of Peace River would endeavor to ensure that the 50 per cent rule would pertain: 50 per cent of the lots would be sold to low- and middle-income applicants.

Native Women's Programs

DR. BUCK: Mr. Speaker, my question is to the hon. Premier. It deals with the closing of the headquarters of the Voice of Alberta Native Women in Fort McMurray because of lack of funds. Can the Premier indicate if he or his office has received a representation or communication from the president of the Voice of Alberta Native Women with respect to the closing of the headquarters in Fort McMurray?

MR. LOUGHEED: Mr. Speaker, I'm not able to confirm the nature of the various representations that flow through my office, so I would refer the question to the hon. minister responsible.

MR. BOGLE: Mr. Speaker, in the last several days correspondence has been submitted to a number of the members of the Assembly from officials of the Voice of Alberta Native Women — I believe from Calgary, not from the president, Bertha Clark. I will respond by indicating that I have written the president of the Voice of Alberta Native Women; I believe the date was March 8. At that time I indicated that consideration could be given to further funding — interim funding, I might add — to the Voice in lieu of the shortfall from the federal department of the Secretary of State, but that before any funding could be initiated from the province, an audit of the books would have to be done to determine past public funds granted to that organization.

I'm currently awaiting a response from the president of the Voice of Alberta Native Women. Once that has been received, we are prepared to request a private auditing firm to move in and do the audit very quickly, and we'll respond to the request at that time.

DR. BUCK: Mr. Speaker, a supplementary question to the Minister Without Portfolio responsible for Native Affairs. Can the minister indicate if it is government policy to allow groups such as the Voice of Alberta Native Women and the isolated communities group to become inactive through the withdrawal of funds and putting them in through the Native Secretariat?

MR. BOGLE: Mr. Speaker, it is government policy that all public funds are accountable, and used by the various organizations, whether native or non-native, to the best of that organization's ability.

DR. BUCK: A supplementary question to the Minister of Social Services and Community Health. In light of the fact that the Voice of Alberta Native Women lacks funding, can the minister indicate if the foster home program will be affected by the withdrawal of funds?

MISS HUNLEY: I can't answer that specifically. I was under the impression that that was nearly complete, Mr. Speaker. I would have to check and find out its status at the present time. I know that one initial report was received. Some additional moneys were left unexpended in the contract, so we entered into

an extension, as I recall the details. But I'd have to look into the present status.

DR. BUCK: Mr. Speaker, can the hon. minister indicate if the information will be made available to us in the Assembly?

MISS HUNLEY: Yes, Mr. Speaker.

Correctional Institutions

MR. TAYLOR: Thank you, Mr. Speaker. My question to the hon. Solicitor General is in connection with the return he provided so promptly in connection with correctional institutions. Averaging the numbers of prisoners and guards, I find that Peace River has three prisoners to one guard, Calgary Correctional has 20 to one guard, and Lethbridge and Fort Saskatchewan have 10 to one guard. Realizing that averaging may give a very false picture, I wonder what the criteria are in providing the number of prisoners to each guard in the correctional institutions of Alberta.

MR. FARRAN: Yes, Mr. Speaker, that's very easily answered. In Fort Saskatchewan, unfortunately, we have economies of scale, because it's overcrowded and a closed institution. But basically speaking, the more activity you have the more staff you need. If a prisoner is in a cell, you can get by with minimum staff. If he's in a work camp in the forest, you require more surveillance.

Our highest teacher/pupil ratio, so to speak, is at Nordegg where we have small groups of young offenders carrying out wilderness challenge exercises with adventure leaders. They go in groups of six and seven up and down the mountains, paddling canoes in white water, and so on.

In Peace River our main effort is in teaching trades in conjunction with Grande Prairie college. So there is more activity in the Peace River area than there would be directly in Fort Saskatchewan, which I regret to say is, under present circumstances until the remand centre is opened in Edmonton, something of a holding unit, although we have Belmont as a sort of safety valve for training in prerelease and so on, and facilitating a smooth re-entry into society at the end of a sentence.

MR. TAYLOR: A supplementary to the hon. minister. Is there a follow-up of the prisoners, say in Nordegg camp, to ascertain whether a greater percentage do not return because of that type of experience?

MR. FARRAN: Mr. Speaker, in our budget this year we have funds for a project called COMIS, which is to give us instant inmate profiles which will point out the number of recidivists, repeaters, and so on. I think it's too early to say whether or not Nordegg is a success in terms of rehabilitation.

I just have to caution hon. members that there is no magic wand in this field. The so-called leading expert in the world, an American called Martinson, now has the nickname "Nothing Works Martinson" because he says that the repeater rate remains constant whether you take a hard or a soft line. We don't take that as an excuse for not trying. If we could reduce the 60 per cent average recidivism rate across North

America by only 5 per cent, the benefits to society would be enormous, because the same people commit offences over and over again.

DR. BUCK: A supplementary question to the minister. Referring to the first question the hon. member put to the minister — that is, where the ratio is higher in some institutions than in others — can the minister indicate the criteria for transferring people from one institution to the other, in light of the representation I made to the minister where a boy was taken out of Fort Saskatchewan, where his family was supporting him, and transferred to another institution? Can the minister indicate the criteria for transfer from one area and one institution to another?

MR. FARRAN: Yes, Mr. Speaker. The hon. Member for Clover Bar drew this particular case to my attention. The criteria are twofold. Fort Saskatchewan is terribly overcrowded. As everybody knows, earlier in the century it was built basically as an institution to hold 200 inmates. It has had as many as 800 in recent times. Despite all our remodelling, the kitchen itself is basically designed for only 200. So we have a constant stream of people going to or from meals.

Therefore if there are vacancies in Peace River, with the particular case the hon. Member for Clover Bar drew to my attention, naturally we'll ship some of the inmates to Peace River. We do this not on the basis of where they come from but on the length of sentence and the availability of facilities.

I'm afraid these institutions are not built for the convenience of the inmates, who may well want to be where they can have family visits. I have to deploy the inmates according to the space I have available in our facilities.

MR. GOGO: Mr. Speaker, to the Solicitor General, on the same subject. I wonder if the minister could indicate to the Assembly how the new principle in The Corrections Act introduced two years ago, the meaningful work program under the direction of the director of the institution, is working out.

MR. FARRAN: Mr. Speaker, I hope and believe it's working out. In the budget we have a provision to increase the number of work camps from seven to 14. From the institutions themselves, a great deal of work is taking place. During the last year we did change the incentive pay from a maximum of \$2 a day to a maximum of \$5 a day for those who work a little harder at more meaningful jobs.

Firestone Plant Closure

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Labour. Would the hon. minister inform this Assembly of the progress that has been made to date with the employees and management of the Firestone plant? Or was his department involved at all?

MR. CRAWFORD: Mr. Speaker, over the course of the difficulties involved in the closure of that plant, the Department of Labour officials have been primarily involved in making sure the standards are complied with in the sense of compensation for employees who will be leaving their employment. As to the balance

of the discussions that have been held, primarily in regard to what options, if any, the company might still have, I believe my colleague the hon. Minister of Business Development and Tourism has been much closer to those discussions.

MR. KUSHNER: A supplementary question to either minister. At this point in time, is it at the stage that the plant may be back in operation or under other management or something?

MR. DOWLING: Mr. Speaker, our conclusion is that to operate the plant as a tire manufacturing concern is rather out of the question, bearing in mind the statistics and information we have at hand.

Energy Development

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Energy and Natural Resources. It really flows from comments from the east this morning with regard to comments by the federal Minister of Energy, Mines and Resources on Alberta's slowing down — I think the terms were much-needed energy projects in Canada. Is it the position of the Alberta government that that really is fodder for the next federal election? Or is the Alberta government in fact dragging its feet with regard to negotiations with the federal government, especially PetroCan?

MR. GETTY: Mr. Speaker, I'm not familiar with the comments the hon. Leader of the Opposition is referring to. I don't know how the Alberta government can be holding up any plants when all the projects presently being discussed haven't proceeded through the Energy Resources Conservation Board application and approval process.

Japanese Tourists (continued)

MR. DOWLING: Mr. Speaker, if I might supplement an answer I gave earlier to the Leader of the Opposition. In conjunction with the Canadian government office of tourism, from which we receive a great number of statistics, it is estimated that 100,000 Japanese visited Canada last year. Of that total, approximately 45,000 to 50,000 visited Alberta — assuming that a great number of them arrived at Vancouver by aircraft or whatever. The suggested increase for 1977 is between 15 and 20 per cent, which would make the total 55,000 to 60,000 Japanese visiting Alberta.

Mobile Telephones

DR. WARRACK: Mr. Speaker, last Friday I was asked a question by the hon. Member for Drumheller relating to mobile telephone services available through AGT. I indicated that I would need to check what I said, and I have now had an opportunity to do so.

AGT leases mobile radio equipment for use on general mobile radio networks. However, customers may also use their own equipment for connection to this network. There is an \$8 per month charge for connection to the network, whether or not the radio unit is customer-owned or leased from AGT.

Japanese Tourists (continued)

MR. CLARK: Mr. Speaker, in light of the answer of the Minister of Business Development and Tourism, I'd like to direct a further supplementary to the minister. Using the figures from the same federal agency, is the minister in a position to explain to the Assembly why some 45,000 of the Japanese people who come to Canada select British Columbia as their prime area of touring, as opposed to some 3,000 for the province of Alberta and some 41,000 for the province of Ontario?

MR. DOWLING: Mr. Speaker, the hon. Leader of the Opposition does not know that Roypac Tours, which is a Japanese-operated firm, makes its home base in British Columbia and operates out of Alberta. We suspect that the statistics compiled by the Canadian government office of tourism take into account not only travel for sightseeing but business travel. I account for it simply that we receive the bulk of the Japanese travelling in western Canada, and in Alberta particularly, because of the business interests involved between Japanese and Canadian entrepreneurs in partnership arrangements. And of course the fact that Alberta is one of the best places in Canada to visit.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

MR. FOSTER: Mr. Speaker, I move that Motion for a Return 135 stand.

[Motion carried]

MR. HYNDMAN: Mr. Speaker, on a point of order and to provide some continuity for business this afternoon, I would now ask for unanimous leave of the Assembly to continue with Government Bills and Orders following the designated hour until 5:30, notwithstanding temporary order 8.

MR. SPEAKER: Does the hon. Government House Leader have the requested unanimous consent?

HON. MEMBERS: Agreed.

head: GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 7 The Surface Rights Amendment Act, 1978

MR. MOORE: Mr. Speaker, on behalf of the hon. Member for Hanna-Oyen, I move second reading of Bill 7, The Surface Rights Amendment Act, 1978.

Mr. Speaker, members should be aware of two important aspects of this bill. In the first instance, the bill will amend the section of the act which presently provides that the Surface Rights Board shall consist of some seven members. The purpose in amending

that section is that the number of members comprising the board, as determined by the Executive Council, is to increase to nine.

As members would probably be aware, the increased activity in the oil exploration business in Alberta in the course of the last three years has about doubled the workload of the Surface Rights Board in terms of ensuring that individuals who are owners of the surface are dealt with fairly, and adequately compensated with respect to surface leases obtained by those who are owners of minerals. It would be my intention, shortly after proclamation of this act, to appoint two new members to the Surface Rights Board, bringing the total number to nine. I would hopefully anticipate that number will suffice for some years to come, and that the board will be able to catch up on some backlog which developed over the course of last fall.

Mr. Speaker, a second important aspect of the legislation has to do with the ability of an individual landowner to serve notice on a company, or vice versa, that they wish to have their surface lease upgraded after the expiry of a five-year term. As hon. members know, we brought in legislation in 1972 to provide that after January 1, 1972, an individual would be able to seek an upgrading or renewal of his surface lease in five-year intervals. The legislation at that time indicated that the individual must make application in writing during the last three-month period before the end of the five-year lease. In other words, for a lease that was entered into on January 1, 1972, it was essential that the individual serve notice of his intention to seek renewal of that surface lease agreement during the last three months of [1976].

I have to precede, Mr. Speaker, that many of those who are farming in the rural part of this country, including myself and some others in this Legislature, don't have a secretary with a follow-up file. It's four years and nine months since the lease was written, and we forget to bring it forward during that three-month period. According to the present legislation, you're then out of luck until another five years go by.

The amendments basically provide a situation where an individual has one full year, 12 months, to apply for a renewal before the expiry of that five-year lease. There may be cases, and undoubtedly there will be, where the individual doesn't make that specific written request during that 12-month period. So we further provided in the new legislation that any time after the fifth year an individual may make an application, may serve notice of intention to ask that the surface lease be upgraded. However, if in fact the individual doesn't take that advantage during the last year of the five-year lease agreement and waits until after January 1 of the year in which the lease expires, then any new payments, any new agreement with respect to his surface lease, would not come into place until the following January 1. That is simply to avoid the situation where an individual may let his lease run for 10 or 15 years and then decide he wants it renewed and go back 10 years. We don't think it is proper to provide legislation where that may be allowed.

So in short, Mr. Speaker, I hope we've resolved the problem which was raised with me in the Legislature by the hon. Member for Drumheller some weeks ago, and raised privately by a good number of other

members here with regard to this business of requesting a renewal on upgrading the surface lease.

Mr. Speaker, with that I would like to suggest to all hon. members that that aspect of the bill, plus the increase I talked about in the number of board members, would receive the support of the Assembly.

MR. MANDEVILLE: Mr. Speaker, a few comments on Bill 7. I'm certainly going to lend my support to the bill, because I think it is good and has some good amendments.

As the minister indicated, the one important portion of the bill is that they're extending time from 90 days to one year for application of notice on increasing leases. In the past I think the problem has been that too many of our surface leaseholders, or people who are renting out leases or leasing to oil companies, didn't appreciate that they could apply in the last 90 days. If we could get it out and get it advertised, I think it would [save] a lot of confusion.

I want to commend many of our oil companies which have increased their rates on leases, since it's only that they did it voluntarily. However, some oil companies — and I have one down in my constituency — are still causing problems; they haven't upgraded their leases. I appreciate that it is voluntary. I was just talking to some of my constituents, and North Canadian Oils Limited still has leases there and they pay \$100 a year. I'd certainly like to see them bring their leases in line with what most of the oil companies have done throughout the province. In this particular case a pipeline is going through at the present time, and I really can't understand why they're putting it through when they're not paying anything for the right of way on the Crown land. I can't see how they can be entitled to go onto land without paying anything as far as pipelines are concerned.

But as I say, Mr. Speaker, I'm going to lend my support to this bill. It is a good bill.

MR. McCRAE: Mr. Speaker, I'd like to indicate my support for this bill. It's a very good and forward one. I think the first amendment, increasing the number of members on the Surface Rights Board, is indicative of the tremendous activity taking place in the oil and gas sector in this province, which is so important to us all.

Of course a large part of that dramatic increase in activity results from the planning we did a few years back, at the time of the differences of viewpoint between the provincial and federal governments, as to the right to manage the resources of the province when we had double taxation. Our response to that was the implementation of an incentive policy. Because of that incentive policy the private sector has made several new discoveries in the province, which have seen a resulting increase in the need for surface rights. And it has increased the responsibilities of the membership of the Surface Rights Board to the extent that they apparently need increased membership.

Mr. Speaker, while we're on the subject, I'd also like to comment on what I think is the very proper attitude of the oil exploration and development companies in renegotiating their surface rights commitments to landowners. The member opposite commented about a situation where there was a particular company with a very modest payment because of an old agreement. In my past experience with the oil

sector through the Canadian Petroleum Association, the landmen's association, and the individual companies, many of the companies were persuaded to review voluntarily, unilaterally, their commitments to the surface rights owners. I believe about 90 per cent of them have voluntarily agreed to upgrade their commitment, their annual payment to the surface rights owner.

The other part of the bill I think is important is the flexibility aspect for the five-year review. As the hon. sponsor said, all landowners don't keep their calendars marked as to the five-year anniversary of the lease term, and would sometimes miss out on the opportunity of applying for a review. It is important that today we've introduced this measure which will give them the opportunity of applying for a review period, the new financial arrangement to have effect from the date of the application for review.

Mr. Speaker, I think they are very important amendments. I'm happy to say I believe they have the full support of the oil industry, at least those I'm in contact with. I urge all members to support the bill.

MR. TAYLOR: Mr. Speaker, I want to say a few words on the bill. First of all, I'd like to thank the hon. minister for looking at the section I brought to his attention at the request of some of the farmers in my Standard area. The minister has gone far beyond what we asked. This will be appreciated by our farmers. As the hon. minister mentioned, in many cases farmers don't have secretaries, bring-forward files, and so on. They can very easily forget something that doesn't have to be renewed except once every five years. I think the amendment does the trick, and it will be appreciated by our farming population generally.

We're still having some difficulties in this province with a few companies who are refusing or at least not putting a renewal clause in the new contracts. Again, it was my pleasure to bring one case to the attention of the hon. minister. I appreciate the type of letter he sent to that company. I hope the company will be sensible enough to realize the minister is going out of his way to try to co-operate and to persuade companies in a nice, decent way that they are expected to provide five-year renewal contracts. If they absolutely refuse, I suppose the only alternative is legislation. But as the minister pointed out in his letter, it would be a shame to have to do that when so many companies have been so co-operative in this respect.

I think the renewal clause in a five-year contract is absolutely essential. Conditions change tremendously in a five-year period. Taxes, costs, oil companies' revenues, and so on go up. Or costs and revenues go down, which might be the experience in the future. At the present time they're all up. The increases provided by some companies are away lower than the taxes alone on the said pieces of land.

The other point I would like to mention is a growing resentment in the province against some of the oil companies. Some are excellent, but some just don't seem to realize the farmer has rights. I say to the farmers I have the honor of representing that the farmer has rights; he owns the surface. The oil company has rights; they own the minerals underneath the surface. There has to be some type of

legislation, some legal way of getting the minerals from under the ground that belong to the farmer. The farmers recognize this, but I think they have a pretty logical complaint. The oil companies refuse to give anything in writing; they do everything by telephone. There are no records.

This is becoming nauseating to some of the farmers, certainly in my constituency. They tell the Surface Rights Board and the Energy Resources Conservation Board they have negotiated. In many cases it has all been done over the phone. The farmer wants to meet on the land. Many oil companies don't bother doing that, at least until they're forced to do it.

I would like to say that I personally, as a representative of the people, do not appreciate the arrogant attitude now displayed by some of the landmen of some of the oil companies. I emphasize "some". Many of them are excellent. They go out of their way to give everything; to talk to the farmer a second, third, and a fourth time if necessary; to give what they agree on in writing to the farmer so he has a record of it. They're businesslike. I know another company that just doesn't do that at all. They seem to think the farmer is a nuisance and that they can get anything they want from the Surface Rights Board anyway.

I don't appreciate that attitude. I think the oil companies and the heads of those companies should start making it very evident to their land buyers and landmen that the farmer has rights. He owns the surface and should be dealt with in a businesslike way, if possible resolving his difficulties. Certainly the farmer is entitled to have these things in writing, and should not be expected to do business over the telephone, of which there is no record.

I'm hoping the coming year will see a better feeling created by the few oil companies that today don't recognize the farmer's rights, that are trying to gyp the farmer out of what should properly come to him in light of today's costs. These companies are doing an injustice to the whole oil and gas industry. I think the industry itself should realize that. There might be the odd farmer who is unreasonable too. Mostly I find that if the companies will come and talk to the farmers in a businesslike way and not look down their noses at them as if they're inferior people, the farmers will respond and co-operate.

I hope the new Surface Rights Board, with increased members, will make it a point to remember that it is the Surface Rights Board. I think they have a definite responsibility to be very fair to the people who want the minerals, but to be very fair also to the owners of the surface.

MR. MILLER: Mr. Speaker, I would like to say a few words in support of Bill No. 7, and to reiterate what the Member for Drumheller has said. There are problems in the rural areas with some of the oil companies and the way they deal with farmers. Concerns have been expressed to me the same as they have to the hon. member opposite. I would like to express two or three concerns at this time, Mr. Speaker.

The first is the concern of those companies which have not seen fit to upgrade their leases on a voluntary basis. I would like the minister, if at all possible, to contact those companies and reiterate how important it is that they give consideration to upgrading and making their surface lease awards more favorable.

I also have a concern about the terms of reference of the Surface Rights Board. On occasion I have heard where they haven't, in my opinion, arrived at a true value of the land. With land prices escalating quite rapidly in the last few years, in many cases they possibly haven't been taking the true market value, particularly when you're dealing with a small portion. It would be different if they were leasing the whole quarter. But in effect they're just leasing a small portion thereof, possibly an acre or two or, at the most, four or five acres.

I also have a concern about the inflation factor. The farmer signs a lease for five years. During that five years we see his costs and the value of his land increase, yet no inflation factor is built into the initial award he signs.

I also feel that in many cases, particularly with farmers who have gone to larger tractors, field implements, and sprayers, the increased costs of putting on sprays and fertilizers and having to overlap because of the roadways that split the quarter should be given further consideration.

I support the amendment, Mr. Speaker, but I hope that some of these concerns would be brought to the attention of the Surface Rights Board.

MR. HORSMAN: Mr. Speaker, I want to add a couple of words on this bill. I support the legislation. I want to ask the minister if either in closing remarks or in committee he could outline the current status of the leases and board orders which have not yet been renegotiated by those companies which constitute approximately 10 per cent. I wonder if we could have a clarification whether or not the 10 per cent figure that has been mentioned relates to 10 per cent of the companies or 10 per cent of the outstanding leases and board orders. I think there could be a great deal of difference in the two items.

I would like to add my concerns as well to those expressed by the hon. Member for Lloydminster, with regard to the terms of reference of the Surface Rights Board. While it is not part of the legislation now before us, I would ask that the minister take it under serious consideration in future consideration of this surface rights legislation.

I regret that the hon. Member for Spirit River-Fairview is not with us at the moment. I wanted to thank him for the efforts he made in making representations to the government of Saskatchewan on the control exercised by that government through Sask. Power and through to Many Islands Pipe Lines. They have now renegotiated their long-outstanding leases, and of course it is not for any other reason than that I raised it in this Legislative Assembly while I was sitting, I think, where the hon. Member for Grande Prairie now sits. I'm very grateful that the socialist government of Saskatchewan has finally seen fit to treat the landowners in Alberta in a fair and equitable manner.

[Motion carried; Bill 7 read a second time]

Bill 4
The Alberta Municipal Financing
Corporation Amendment Act, 1978

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 4, The Alberta Municipal Financing Corpora-

tion Amendment Act, 1978. The purpose of this bill is to increase from \$2.2 billion to \$2.8 billion the sum a corporation may borrow. The reason for the increase is to enable the corporation to meet the anticipated requests for loans that will be made of it during the coming fiscal period.

[Motion carried; Bill 4 read a second time]

Bill 35
The Pension Statutes
Amendment Act, 1978

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 35, The Pension Statutes Amendment Act, 1978. This bill proposes to amend The Public Service Management Pension Act and The Public Service Pension Act in two ways.

The first, Mr. Speaker, is to correct an error that occurred during the amendment recently passed and effective January 1, 1978. In that amendment we provided that common-law spouses would be entitled to certain pension benefits. In an effort to be consistent in the provincial legislation dealing with that subject, we endeavored to follow as closely as possible the wording in The Workers' Compensation Act. That wording is tied to the question of dependency. But in so doing, we inadvertently eliminated a legal spouse's right to a pension if she were not dependent. The amendment is proposed to correct that, effective January 1, 1978.

The other amendment, Mr. Speaker, provides for payment of interest on contributions that have been made and withdrawn within a period of one year. This is one of those occasions where the computer has finally struck a blow for the little man. We had initially put in the provision in the expectation that it would be administratively simpler not to pay the interest on those accounts. We've now found that it costs more to withhold the interest than to pay it. So we're now proposing that we pay the interest on those contributions when they're withdrawn.

Those are the two matters dealt with in the bill, Mr. Speaker.

[Motion carried; Bill 35 read a second time]

Bill 36
The Universities
Academic Pension Act

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 36, The Universities Academic Pension Act. This is an important bill. It provides for pensions for the academic staff of the universities in Alberta in very much the same way as we provide pensions under The Local Authorities Pension Act. Essentially the staff and boards of universities will contribute to the cost of the pensions by contributing 13 per cent of pay roll: 7 per cent by the employer and 6 per cent by the employee. I'm advised by our actuaries that that would result in a positive cash flow for a period of 30 years into the future.

The province will provide the administration of the plan and is bearing that cost. As part of the proposed plan, the province will take over pension funds that are now in academic pension plans and of course will assume the obligation to pay pensions as they're set

out in the legislation.

Mr. Speaker, this is the fulfilment of discussions and negotiations that for a number of years have been going on between the academic staffs and boards at the universities and the provincial government. I expect it will be welcomed not only by the staffs but the boards of the universities as well.

[Motion carried; Bill 36 read a second time]

MR. HYNDMAN: Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into Committee of the Whole to consider certain bills on the Order Paper.

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

HON. MEMBERS: Agreed.

head: **GOVERNMENT BILLS AND ORDERS**
(Committee of the Whole)

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of the Whole Assembly will come to order.

Bill 22
The Election Statutes
Amendment Act, 1978

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

[Title and preamble agreed to]

MR. McCRAE: Mr. Chairman, I move that Bill 22, The Election Statutes Amendment Act, 1978, be reported.

[Motion carried]

Bill 4
The Alberta Municipal Financing
Corporation Amendment Act, 1978

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

[Title and preamble agreed to]

MR. LEITCH: Mr. Chairman, I move that Bill No. 4 be reported.

[Motion carried]

Bill 35
The Pension Statutes
Amendment Act, 1978

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

[Title and preamble agreed to]

MR. LEITCH: Mr. Chairman, I move that Bill No. 35 be reported.

[Motion carried]

Bill 36
The Universities
Academic Pension Act

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

There is one amendment to the bill. Are you all familiar with the amendment?

[Title and preamble agreed to]

MR. LEITCH: Mr. Chairman, I move that Bill 36 be reported as amended.

[Motion carried]

Bill 26
The Attorney General Statutes
Amendment Act, 1978

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

[Title and preamble agreed to]

MR. FOSTER: Mr. Chairman, I move that Bill 26 be reported.

[Motion carried]

Bill 21
The Workers' Compensation
Amendment Act, 1978

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

There is an amendment to Bill 21. Are you all familiar with the amendment? I can read the amendment.

The bill is amended as follows:

A The following is added after Section 10:

10.1 Section 39(1) is amended by adding "or" at the end of clause (b.1) and adding the following after clause (b.1):

(b.2) \$95 per month, where the death or remarriage occurs on or after July 1, 1978,

B Section 11(a) is amended

(a) in the proposed Section 40(1) by striking out "or any predecessor of this Act in respect of an accident that occurred" and substituting "in respect of an accident that occurred on or after January 1, 1974 but", and

(b) by adding the following after the proposed Section 40(1):

(2) A dependent widow or widower or a foster-parent receiving compensation under any predecessor of this Act in respect of an accident that occurred prior to January 1, 1974 shall be granted an additional payment of compensation sufficient to increase the monthly payment to the dependent widow or widower or to the foster-parent, as the case may be, to \$463 per month.

- C Section 19 is amended in the proposed Section 66(1) by striking out "to be in an industry" and substituting "to be in the industry of the employer".

Is there any further question with respect to the amendment?

MR. TAYLOR: Mr. Chairman, I wonder if the minister would indicate the significance of the amendment, not on the remarrying but on widows' pensions.

MR. CRAWFORD: If the hon. member is referring to Section B of the amendment where Section 40 has added to it a Subsection (2), that is the section that actually brings in the minimum of \$463 per month for those prior to January 1, 1974. That is the reason for that.

MR. TAYLOR: Mr. Chairman, it doesn't affect the principle of creating parity among the widows at all?

MR. CRAWFORD: Mr. Chairman, the issue of parity ties to the minimums in each case being equated. Pre-1974 widows received dependants' allowances normally in the sum of \$95 per month per child, if they have dependent children. Post-1974 widows fell into the new classification of the payment going to the family as a whole; in other words, trying to replace the worker's income and directing it to what remained of his family unit with him gone. Therefore separate children's allowances, so long as they're in the home, weren't paid any more after January 1, 1974. The board would send a single larger cheque.

The way this works is: the pre-1974 widow, tied to the \$463 minimum as is the one after, is in the same position. In fact, because the new policy of the single cheque was instituted, there would be cases where that amount was more or less than the one before, dependent only on the question of dependent children. When this has been brought in this way, the only anomaly we've been able to discover in perhaps a few of these 1,000 cases is that because of an extraordinary number of dependants in a few cases prior to 1974, those widows with their additional \$95 a month, times the number of children, could actually receive more than a post-1974 widow, but minimally. It's just a very slight possible variation.

But I say again, the important part is that the minimum for each is now established as the same.

[Title and preamble agreed to]

MR. CRAWFORD: Mr. Chairman, I move that Bill 21 be reported as amended.

[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 the Whole has had under consideration the following bills and reports the same: bills 22, 4, 35, and 26.

The Committee of the Whole has had under consideration the following bills and reports the same with some amendments: bills 36 and 21.

MR. SPEAKER: Having heard the report, do you all agree?

HON. MEMBERS: Agreed.

head: **GOVERNMENT BILLS AND ORDERS**
(Second Reading)
(continued)

Bill 13
The Collection Practices Act

MR. TESOLIN: Mr. Speaker, I move second reading of Bill 13, The Collection Practices Act. The proposed act will go a long way to providing the administrator with more clearly defined tools to ensure that the business of collecting debts is done in a proper manner, as well as providing the necessary guidelines to ensure that trust funds are handled correctly in a clearly defined manner. It will assure those individuals collecting debts of a clearly defined set of standards by which they can operate without interference in their business.

[Motion carried; Bill 13 read a second time]

Bill 30
The Agricultural Chemicals
Amendment Act, 1978

MR. MILLER: Mr. Speaker, I move second reading of Bill No. 30, being The Agricultural Chemicals Amendment Act, 1978. This bill will replace the original bill that was introduced in 1970. Amendments were needed because of the increased use of chemicals and pesticides in the agricultural industry. It deals with not only the application but also the transportation and sale of the chemicals. The Crown is also covered under this act. It prohibits the dumping of chemicals and allows for the protection of municipal and domestic water supplies. This bill is extremely important because of the varied uses of chemicals in the agricultural industry. I would ask for the members' support.

[Motion carried; Bill 30 read a second time]

MR. HYNDMAN: Mr. Speaker, the government is ready to proceed on second reading of Bill 38, but yesterday the Leader of the Opposition asked that we not proceed with second reading at this time. So we will not proceed with that today.

Mr. Speaker, I move you do now leave the Chair

and the Assembly resolve itself into Committee of the Whole to study bills.

[Motion carried]

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

HON. MEMBERS: Agreed.

head: **GOVERNMENT BILLS AND ORDERS**
(Committee of the Whole)
(continued)

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of the Whole Assembly will now come to order.

Bill 13
The Collection Practices Act

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

There is an amendment to this bill. Are you all familiar with the amendment?

MR. MANDEVILLE: Mr. Chairman, Section 21 of this bill is very similar to Bill No. 10, The Agricultural Societies Amendment Act, where the director had so many powers, and the Minister of Agriculture did bring in an amendment to that. In Section 21 on page 13 the administrator seems to have many powers; he can go in to a collector and pick up, examine, or remove any documents he has. I would like the minister to look at possibly making an amendment to this, so that the administrator gets permission from someone before he is able to go in to someone's business without a court order or without police officers or anybody with him. It seems like Section 21 of this bill has pretty sweeping powers for the administrator. I would like the minister to comment on that.

MR. HARLE: Mr. Speaker, I'd like to take that under advisement and get back to the House later. The chairman advises me there are some amendments that might affect the comments that. . .

MR. CHAIRMAN: Would you care for me to read the amendment? Section 21(1) is amended by adding "whom he believes to be" after "the business premises of the person".

MR. TAYLOR: Have the amendments been distributed? I don't have these amendments, and it's rather difficult to start dealing with amendments when you haven't even read them.

MR. HYNDMAN: Mr. Chairman, insofar as there's some question as to the adequacy of opportunity to review the bill and amendments, perhaps I could move adjournment of debate on this bill in committee and we could move on to the next bill, Bill No. 30, giving everyone an opportunity to consider this one further.

Bill 30
The Agricultural Chemicals
Amendment Act, 1978

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

DR. PAPROSKI: Mr. Chairman, just very briefly. I'm rising to compliment the member who introduced the bill. I've raised the concern about agricultural chemicals and pesticides and their use in Alberta a number of times in this House, and I know this is a concern across North America. I feel this bill truly improves that control of the use of chemicals and pesticides in our environment in the agricultural field. I hope the member who introduced the bill will follow this closely and bring in other amendments if necessary to improve the situation even further if the case warrants it in the future, because this area regarding chemicals and pesticides is a rapidly changing one.

Thank you, Mr. Chairman.

[Title and preamble agreed to]

MR. MILLER: I move that Bill 30 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 the Whole Assembly has had under consideration Bill 30 and reports the same.

MR. SPEAKER: Having heard the report, do you all agree?

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, I move that we call it 5:30 and the Assembly resolve itself into Committee of Supply.

[Motion carried]

MR. SPEAKER: The Assembly . . . I'm just wondering how to announce the amendment of the clock. [laughter] The Assembly stands adjourned until the Committee of Supply rises and reports.

[The House recessed at 4:18 p.m.]

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

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

[Dr. McCrimmon in the Chair]

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

**Department of
Hospitals and Medical Care**

MR. CHAIRMAN: We will continue with the estimates of Hospitals and Medical Care. Do you wish to continue with the list I had last night?

HON. MEMBERS: Agreed.

MR. KROEGER: Mr. Chairman, last night when you put my name on that list, things were pretty warm. For me to start in the same mood or the same frame of mind I might have been in last night is just a bit difficult. In fact you surprised me. I didn't realize we were going to carry on where you left off last night.

In any event, Mr. Chairman, my remarks are going to be aimed at looking at the future. I think we've covered a lot of the past. I'm not too interested in that, simply because the future is what we're concerned with, and I think the future holds some good things for us.

Having made the decision to departmentalize, we have to accept the fact that it's going to take some time to get on track. One of the reasons I say that is that last spring the minister invited me to do some work in the nursing home area that, compared to the department, was relatively simple. Having said that, I discovered after three and a half months of committee work in the nursing home field alone, which would represent about 6 per cent of the budget of the department, that it takes a long time with a new group, with new people, to get a feel for an organization like this. So I can appreciate why we can't move any faster than we are.

The other thing I would like to say is that I have confidence in looking ahead. One of the reasons I can say that is because of the kinds of people involved in the future development of the department. I'm talking about the two deputy ministers, both of whom I've come to know pretty well. I think they can add a lot of strength and give us a lot of confidence. They also have some people with many years of background whom I've met and worked with as a former member of the Hospital Services Commission.

So I don't feel depressed; I don't feel let down; I don't feel worried. I think we should not be looking back, Mr. Chairman. I think we should be looking ahead.

Thank you very much.

MR. CLARK: Mr. Chairman, with regard to the rather general discussion we've had, I'd like to go right at the question of comparison of the summary of estimate expenditures. My colleague, the Member for Little Bow, last night raised the question that for most estimates the government goes from this year's forecast and then makes an estimate from there. But for some strange reason, the Department of Hospitals and Medical Care is not allowing hospital boards to take the estimates of what they spent last year and

then take the 6.5 per cent increase from there. They're going back to the estimates of last year and adding the 6.5 per cent or whatever it is on top of that.

Mr. Chairman, it just happens that's the way we've done a breakdown or summary of the estimated expenditures for the province. If you look at the Department of Hospitals and Medical Care as far as their total increase is concerned, estimates of last year to estimates of this year, we get an 8.1 per cent increase in that department. But if we look at the overall government increase from the estimates last year to those of this year, Mr. Minister, we have a 14.6 per cent increase in the overall government and only an 8.1 per cent increase in your own department.

Mr. Minister, any way you cut it, this means that there are going to be cutbacks, and a lessening in the amount of services which can be provided by hospitals across this province. We're not keeping pace with overall government growth. Hospitals and Medical Care has to accept the problems of new people coming into the province, yet in this department, one of the most important, we have an 8.1 per cent increase in estimates this year. In the government itself, when you add up all the departments including the salary contingency, there's a 14.6 per cent increase. So we're clearly falling behind; hospitals are falling almost 6 per cent behind what the rest of the government departments are doing.

If we look at manpower costs themselves, in the past I've heard the minister wax eloquent in the House about what a high portion of the cost of hospitals is made up of manpower costs. As far as the department is concerned, manpower costs for this year are going up 12 per cent. What are they doing as far as the government is concerned? 15.4 per cent. Clearly, Mr. Minister, you haven't been able to convince your colleagues of the importance of health care. Clearly that's what's happened.

Let's go on to the area of supplies and services. This year's increase as far as hospitals are concerned, 18.6 per cent, sounds very impressive. Yet we go to the total overall governmental increase in supplies and services, and we see a 30 per cent increase.

Mr. Minister, here's the problem. Once the speeches by various members are finished and you've had a chance to respond, we want to get involved in a question and answer kind of situation as far as a whole variety of hospitals are concerned, what's happening in regionalization and so on. But in my initial remarks, Mr. Minister, I want to point out to you that there's an 18.6 per cent increase in your department this year as far as supplies and services are concerned, lumping the whole works together. As far as the government is concerned, there's a 30 per cent increase in supplies and services.

Mr. Minister, not once — not in the areas of manpower costs or supplies and services, nor in the total budget — does this department that deals with the health care of the people of Alberta live up to the comparisons or meet the average of all the other government departments put together. Not once.

Mr. Minister, when you became the minister in the department, you made the point that hospital and medicare costs in Alberta were running away. That's the excuse you used again last year with regard to

the freeze placed on rural hospital construction across the province. I'm sure you've had consultants look at the percentage of the provincial budget that goes into Hospitals and Medical Care. In 1972-73, when you were Provincial Treasurer, 18.7 per cent of the budget went to Hospitals and Medical Care. In 1976-77, 19 per cent of the total budget went to Hospitals and Medical Care. In 1977-78, 19.7 per cent of the provincial budget went to Hospitals and Medical Care. This year, 18.5 per cent of the provincial budget goes to Hospitals and Medical Care.

If we look at those figures and had seen that over the past six or seven years Hospitals and Medical Care had taken a much bigger portion of the provincial budget, I could have some sympathy for the way in which you've treated hospital boards across this province. We now see 36 hospital boards appealing their budgets. But here we have a situation: last year 19.7 per cent of the provincial budget went to Hospitals and Medical Care; this year, 18.5 — clearly a reduction of 1.2 per cent of the total provincial budget. A cutback in this area, Mr. Minister. Several times in this House you've said we've been unfair in talking about cutbacks. But when you look at the percentage of the provincial budget, the facts are we've had a cutback of 1.2 per cent of the provincial budget this year as far as Hospitals and Medical Care is concerned.

Now I simply say to you that I can't understand you as the minister, or the government as far as that goes, choosing this time to cut back in this area of hospitals and medicare. Mr. Minister, try as we might on this side of the House, we simply have not been able to understand the comment the minister has made over the past three to four years of this happening. We simply have to have some sort of explanation here before we get involved in the detailed questions of what's happening, for example, at Drayton Valley and all sorts of other hospitals across the province.

MR. BATIUK: Mr. Chairman, I too would like to express a few concerns. Since this spring session there has been a lot of criticism about what is happening with the Department of Hospitals and Medical Care, and it may be easy to criticize. Sometimes there may be a reason. If a minister or elected member was not criticized, it would mean there is really nothing much more to do. However, before I would want to criticize the department and the minister in any way, I would like to say that five elected persons in this Legislature may have helped a great deal to put the costs of hospitals and medical care in the condition they are today.

In 1971, after the election, a provincial/municipal finance task force was selected and the members were the hon. Solicitor General, at that time the hon. Member for Calgary North Hill, the hon. Members for Ponoka, Drayton Valley, Innisfail, and myself. We spent 23 days meeting to see what we could do so the government would absorb more of the costs for social services. I think we went a far way to reduce the tax on homeowners' property. We also felt maybe the government should pick up the last dollar for hospital costs. At that time we thought it was the right thing. We saw prosperity for this province even though we didn't yet have a sitting of the Legislature.

Our recommendation of this task force was to take

in the entire costs of hospitals, and I think that was one of the biggest mistakes we made. From then on, the costs of hospitals had to go up. Many hospitals were employing more and more people. Since the government is paying the shot, why not?

As I say, even at that time, we really intended to recommend that the government pick up the entire costs of deficits for senior citizens' lodges. I think that was a good thing we didn't go into that. When I look at the financial statement of senior citizens' lodges throughout the province and see where only two or three have a little surplus and the rest have deficits from \$5,000 to \$80,000, I think management is very responsible. I think we were wise not to recommend that.

However, when we go back to the entire hospital costs, I was a member of the Hospital Visitors Committee. We were to travel the entire province to visit all hospitals, nursing homes, auxiliary hospitals, and senior citizens' lodges. For the couple of years I was on this committee, I noticed there were more workers than patients in some hospitals. It was clear there was mismanagement. I knew at once that taking the entire hospital costs had created this. So, as I say, when we saw the hospitals 1970-71 budget of \$125 million jump to \$750 million this year, I could see there was a necessity for a freeze, and I think we will have to take a good look at it. I have already noticed some hospitals have been reducing their staff, and they seem to be doing all right.

Mr. Minister, I do have a few concerns, and this may be a good time to bring them. When I think back, in 1970 the fire commissioner inspected the hospital in Mundare and made recommendations for some renovations and fixing, or he would condemn the place. At that time the Hospital Services Commission felt it was not worth spending \$200,000 in a 50-year-old hospital, and that it was time to look at a new hospital.

There have been studies, plans, and so forth, for a good number of years. Even two years ago, I know \$1.5 million was in the budget for a new hospital. So far nothing has materialized. Here again the Hospital Services Commission spent a lot of time going round and round, whether they were trying to protect their jobs, so they would have something to do for longer or what. But I thought that was delayed much longer than necessary. In your remarks yesterday, Mr. Minister, I was glad to hear you say an approval has been given for tendering. I have waited long, but I have always believed patience is a virtue. As I say, I'm very glad.

Mr. Minister, in this House you and I have noticed over the past number of months that the Leader of the Opposition is very much concerned about the conditions of the Vegreville Hospital. He has remarked several times that there is no physiotherapy. I looked into it a number of times. As you had mentioned, Mr. Minister, there is a global budget. They have their priorities and may use them for what they see fit. Now if this is right, I accept it. However, there have been statements that there was a physiotherapist in Vegreville at one time, but he left. By the time they were able to find somebody else, the Hospital Services Commission felt it was a new opening and could not be approved. I would like to ask the minister to look into whether or not this is right.

I was quite perturbed over the last little while over

the crying about Foothills Hospital. With a global budget increase of \$2 million, I just can't see anybody crying that there is a cutback. There is no reason for it. Again I think we'll have to look strongly at that, to see whether management is performing the way it should.

Mr. Minister, I know you have a hard portfolio. The demands are various, whether it is the nursing homes, the auxiliaries. Because of our government's programs, people are going to live longer. The life expectancy of a person has gone up considerably over the last number of years. There are going to be more old people, more people who need the services of senior citizens' lodges, nursing homes, auxiliary hospitals, active treatment hospitals. There is no doubt in my mind that the demands are going to be greater every year.

Mr. Minister, as I say many times, maybe we should take some of the fault on ourselves rather than putting it off on one person and trying to make political mileage.

Thank you, Mr. Chairman.

MR. LYSONS: Mr. Chairman, I'd like to address a few brief remarks to the minister. This evening I checked with the three hospitals in my constituency as to how they were coming along with their budget allocations. Although one couldn't give a firm statement, the other two were very happy. Although they're going to have to squeeze the lemon a little harder, they can get by. There is no problem there.

I would like to compliment the minister on his reorganization of his department. In the last few weeks I have found it is much easier to talk to my hospital boards and people regarding the response they get from the department. I think this is a major step forward. I have one hospital that has some concern. It is a very small hospital, and the concern is on budgeting. Because they had some extraordinary illness, sick leave, and overtime last year, they will probably be looking at some additional money. But from my past experience in dealing with these types of issues, it will receive favorable consideration.

I couldn't help but be envious, though, of the one new hospital we have, where the lawn around it is probably big enough to pasture two or three cows and calves for the summer. I wonder whether or not some of the extra expenditures on some of these hospitals aren't for things that probably should be dealt with by the municipality rather than the hospital. I know we need a certain amount of trim around these facilities to make the patients feel more comfortable, but I believe that when municipalities get these hospitals with no tax dollars involved — whether or not they shouldn't be looking after some of these extra things.

I couldn't help but feel a little sorry for the hon. Member for Little Bow last evening when he was howling about cutbacks and all the problems, the phone calls he has been getting, the sleep he has been losing, and so on. I've had one phone call in three years about a patient not being able to get into a hospital, the Lloydminster hospital. I understand that hospital is under the jurisdiction of the Saskatchewan government. One phone call not even from Alberta, although the resident was in Alberta.

Mr. Minister, in dealing with hospitals, we have two new ones coming up in the constituency. I

believe we're going to have to be very, very careful and take a hard look at the planning and the costs as far as utilities and so on are concerned. Having the experience of one new hospital where the utility costs just went out of sight, I think we must take a much firmer look at utility costs and the way we design hospitals in that regard.

Of the three hospitals in the constituency, I believe all have had additions within 25 years. Now when we hear the opposition complaining about our budgeting and the money allocated for hospitals, in my mind I just simply cannot accept how we can put additions onto hospitals that 25 years later are so obsolete and out of date — and they really are. How can the opposition possibly criticize this government when they went ahead and built these very, very temporary facilities 25 years ago? I just wonder what they had in mind when they were building these hospitals. I find it very difficult.

On behalf of at least two of the hospitals I talked to tonight, I would like to thank the minister for special consideration given in the past. They've asked me to pass that along. With the amount of building and so on that is going to be done on hospitals in the future, I think we'll all have to work together a little more, including the opposition members. If they want hospitals and services, I think they're going to have to realize that they have to help a little in this process.

With that, Mr. Minister, on behalf of the constituency of Vermilion-Viking I would like to thank you very, very much for the consideration you have given me and my constituency.

MR. ZANDER: Mr. Chairman, after reading the hospitals report based on 1976-77 figures, I wish to correct some of the figures I gave last night. On page 27, the average active beds per 1,000 in the province is 6.43. I was quoting a '74-75 figure, which was 9.99. If we take the nursing home beds per 1,000, on page 34 of the report, the figure given there, and I assume it to be correct, is 3.74. With 1.55 auxiliary beds, page 31, we come up with an average bed capacity for active, nursing home, and auxiliary beds, of 11.72.

I wish to thank the minister that we've come to an understanding in both meetings. I would like to quote the figures though, so they are correct. Based on those figures, Mr. Minister, with a population based on the same figures as '76-77, the average bed capacity in the Drayton Valley constituency is something like 3,718 people for one bed. I wish to correct that figure.

Mr. Minister, if you recall our meeting at Breton, I believe in 1975, at that time we were thinking of some consideration being given to that area because of the relatively high population of senior citizens. I'm thinking of the three areas of Winfield, Warburg, and Breton. There is a total of some 1,200 senior citizens in that general area. Has any further consideration been given? They were asking for an addition of about 10 or 20 beds to that hospital, so they could possibly utilize these beds for extended health care purposes. I don't know what has transpired since that time. I know we've been working in two directions. I'm glad we have one problem solved. But I think there will be a problem looming ahead in a year or two in that general area. I wonder if the minister can make a comment on that later.

MR. STEWART: Mr. Chairman, in listening to the discussion that has gone on relative to this particular portfolio, I think I have to express my feelings relative to the hospital situation in my own particular constituency.

Under the administration previous to the one the minister is now looking after, the Wainwright area was recognized as needing additional extended care bed facilities. This process has gone on, to my knowledge, since about 1971, or even prior to that. The Hospital Services Commission led the people in the Wainwright area to believe they were in a position to get 25 additional extended care beds in their auxiliary hospital. This was a compromise; the people of the area felt they were in need of 50 beds.

Mr. Chairman, I've had a hard time reconciling how the policy of our department that looks after hospitals and medical care has arrived at the conclusion that active treatment hospital beds and extended care beds are to be handled. Last spring I was led to believe that when a holding pattern was put on active treatment beds, we were going to recognize the fact that extended care beds were not going to be under this holding pattern.

Mr. Chairman, last July the people of Wainwright were told that they were to proceed with developing the functional plan for the addition to their auxiliary hospital facility in Wainwright. I realize that in revamping his department the minister has had a lot of changes to make. But the people of my area took at face value the statement made by the chairman of the Hospital Services Commission and the minister himself, in July last year, that 25 additional beds were going to be brought on stream at the Wainwright hospital.

This is not the case now, Mr. Chairman, and I've yet to have a satisfactory explanation by the minister, recognizing the fact that in revamping the department a complete assessment was being made of the whole operation. But it's awfully hard for me to satisfy the people in my constituency that, when it was recognized they were on stream for an addition to their auxiliary hospital, somehow this spring, after a year's delay, they're not to be recognized. I'm of the opinion that when we make a commitment, recognizing the need is there, the revamping of the department is hardly a justification for a complete change of policy.

The people of my area are not very happy about this. I'm having a hard time justifying the minister's viewpoint on this particular matter, and I feel that extended care beds for our senior citizens are a priority with this government. We recognize that active treatment hospital beds were completely out of control as far as the cost of construction was concerned, and I agree with the philosophy that we needed to stop and take a good look at construction costs. I've no quarrel with that. But we have a program of nursing homes that do not need sophisticated engineering to bring on stream. If we follow the policy that we are going to provide a reasonable amount of accommodation for our senior citizens, I believe there really should be no delay in our bringing auxiliary hospital facilities on stream.

With the active treatment hospitals in the province, there's no doubt that our construction costs got completely out of control from 1971 to 1975. But I do not believe this is any justification for us to be withholding auxiliary or nursing home facilities that do not

require the engineering and have not created the same construction problems that our active treatment hospitals have in the last four years.

Mr. Chairman, I am putting this on the table. I hope the minister will recognize the seriousness of the situation in Wainwright and the fact that extended care bed facilities for senior citizens have not been a problem in construction costs in the past and should not be lumped together in the same program as our active treatment construction program.

As we look around our province, there isn't any doubt in my mind that we have as many hospital beds — some of them are old; some need to be replaced. I recognize it's a very complex department to handle. I think the minister is striving to accomplish our philosophy that there should not be open-ended funding as far as construction of active treatment hospital beds is concerned. We have a few glaring examples around the province of where this took place, and I certainly support him in his endeavors to bring this under control. I think we're dealing with apples and oranges if we're going to group our nursing home facilities with our active treatment hospitals and try to bring them all under one program.

I hope the minister, with the people he's brought around him in his department, will be able to get control of the construction costs and bring a greater number of beds on stream in our active treatment hospitals, where they are required. It's not a problem of active treatment beds in my particular constituency, but it certainly is as far as extended care beds are concerned. I hope the minister will take this into consideration and possibly comment on it later on in this discussion.

DR. PAPROSKI: Mr. Chairman, to hear some of the comments from the hon. members from the opposition, especially the Member for Little Bow, the NDP member, and the Member for Olds-Didsbury, you would think we haven't done a thing in hospitals and medical care in this province. That is exactly the impression one gets. I've been here two evenings, and I haven't heard one compliment about the money we've spent in hospitals and medical care relative to other provinces. Relative to other provinces, we're so far ahead it's just unbelievable — and not one comment from the hon. members.

Mr. Chairman, I could appreciate the hon. NDP member and the Member for Little Bow making those comments, but when the Leader of the Opposition — the hon. leader of the loyal opposition — gets up and makes these kinds of comments, I just wonder where the credibility and responsibility lie. Instead of being supportive, instead of adding constructive suggestions regarding the new direction the minister has taken, regarding some new innovative ideas and directions — which we haven't heard from that section of the House for so long I just can't believe it — they all stand there and criticize and criticize.

More important, their criticism is not even founded on facts. That's the thing that's really distressing. I've sat here for seven years, but I've never heard such a display of irresponsibility. I say that with sincerity. Maybe it's not intended. Maybe they don't have the facts, Mr. Chairman. Maybe they should go over the information they have in front of them again. Maybe they should consult with the department heads, because they're available. I know the minister

will quickly agree that the department heads are available on a day to day basis to each MLA here to clarify, to indicate why a direction is taken and why it is not taken.

Mr. Chairman, they've fallen into a mud pool, and they're all negative. It's a difficult proposition to get somebody who's got into that situation — it's almost the opposite of saying: hear no evil, see no evil, speak no evil. They obviously hear problems, see problems, and speak problems and problems and problems. Not one compliment; not one thing has been done well in hospital services and medical care according to these three. [interjection] Now we're going to hear from the hon. Member for Clover Bar. Maybe he's got something positive, because, honestly, he's in the medical care field. As a dentist, I would hope that at least maybe he can see the light, because his sensitivity should be higher. But so far I haven't heard it.

DR. BUCK: You'll hear it.

DR. PAPROSKI: We've spent a large amount of dollars in hospitals, quantitatively and qualitatively the highest in Canada, on active hospitals, auxiliary hospitals, and nursing homes. But the more important issue here we're discussing with this new department, the redirection, is the responsibility and accountability the minister has taken upon himself, to do something now, not to wait any longer. He's given the Alberta Hospital Services Commission an opportunity. Mr. Chairman, with respect, they've done the job as well as they could under the circumstances and with the direction they were given by that previous, old government. But the Alberta Hospital Services Commission also did not respond every time for every case. If they did respond, sometimes they responded in a 'maldirection' also. Who could they turn to at that time? Every member of the House knows very well they could not turn to anybody, because they were not elected, and the elected minister, unfortunately, was in a relatively incapacitated position because direction and assurance was given to the Hospital Services Commission not to interfere to that extent.

DR. BUCK: What was Crawford doing?

DR. PAPROSKI: Mr. Chairman, like all commissions, when we set up the Hospital Services Commission as a government body, we assumed that they, under their ambit of activity, would carry it out in an appropriate manner. [interjections] Now sure, elected members can dispose of them.

MR. CHAIRMAN: Order.

DR. PAPROSKI: Mr. Chairman, they can't stand it. They can't stand it when they hear the facts.

They did respond; nobody denies that the Alberta Hospital Services Commission did respond. They did a good job. I'll underline that again, so there is no misunderstanding. But also, they did not respond in many directions that we as elected officials feel they should have responded. The responsibility, the response, and a direction was to non-elected people.

Having said that, Mr. Chairman, it's been stated already — and I think it should be underlined again, because the opposition members don't get the mes-

sage — that the hospital and medical budget is 18.5 per cent of the total budget, a 67.60 per cent increase since 1975-76 for hospitals in budget at that time. He didn't speak of that. I haven't heard him say anything about that increase. He mentions one given year. He did not speak of the number of beds we have in auxiliary hospitals, nursing homes, and the fact that in rural hospital construction, building has been the highest in the history of this province, and the increased number of beds in auxiliary hospitals, nursing homes, and active hospitals.

Being a medical doctor — I hate to switch into that area for just a minute — I have not heard complaints from medical doctors about admissions. If I've heard complaints, Mr. Chairman, the complaints have been the usual fare. It's always going to be a problem. At any given moment no doctor can get in every patient he wishes to. But any emergency case, any case that has to be admitted, whether for a relative emergency or an emergency, will be and can be admitted in this city or anywhere in this province. I am confident of that, because even if there are zero beds in a given hospital a patient can always be discharged early. I can tell you that the waiting list the hon. Member for Little Bow articulated the other day — I believe it was he — is out of line. I could have a waiting list of 1,000 patients. They're elective cases, Mr. Chairman. They can wait, because they are elective. There's no emergency. But I can also bring anyone right to the forefront and get him in immediately.

Mr. Chairman, it seems to me the hon. Member for Little Bow made very shallow points in his comments. On one hand he complains, and I've heard this from all the opposition members. They complain of the excessive amount of government expenditure: don't spend too much, because government is getting too big; hold on to the reins. At the same time, when the minister takes hold in a responsible way and tries to get hold of why the construction costs are so high and why there isn't a proper accountability of this, they complain that this is inappropriate. You can't have it both ways. At least give him an opportunity for a year or two or even three, if that's the case. The millions of dollars and the type of sensitivity involved here require a lot of evaluation and proper planning.

Mr. Chairman, they did not offer any direction for good management. I suppose they would like to stay where we were before. We're not going to go over that again. But obviously they didn't give any directions then, and they were complaining about increased hospital costs. Now when we go back in a new direction, they're complaining about not enough expenditure. They don't recognize the fact that rural needs are being met. Construction in that area is the highest ever.

Certainly, we didn't hear once from them, Mr. Chairman, that the disparity in the per square footage was so wide-ranging it was unexplainable. Why don't they comment on that? Why don't they rise and say: Mr. Minister, when the disparity per square footage for the same type of hospital ranges from \$50 to \$200 a square foot, surely there has to be an explanation, and surely something must be done about it. Those figures are not exact, Mr. Chairman. The minister could clarify them if he wants to, but the range was really wide, and there's no way you could buy that.

Mr. Chairman, I'm glad the minister has the forti-

tude to take hold of the department under a lot of flak. He's getting a lot less flak from the public than he is from the opposition here. The opposition obviously don't want to understand, or else they're closing their eyes. Take hold of the department, redirect it, evaluate it, and then act in a very calculated, deliberate way. At the same time, there is no suffering going on in this province. Underscoring that, we have more hospital beds per capita than any province in Canada. We're spending more money again this year than any province in Canada.

We don't want him to be gutless. We don't want him to pass on the responsibility. We want him to stand there and say: I've got it here; I'm the elected official, and I'm responsible enough to stand in my place and say, I will take the flak that's necessary to account for the expenditure of the dollars.

Then we hear from the hon. Member for Spirit River-Fairview, who gets up and implies he would spend it all. He would spend it all, Mr. Chairman. There's no doubt in my mind because ... He's waving his hands now. There's a very clear memory in my mind. The hon. members in this House will recall what happened in British Columbia. The coffers were bulging when they took office. In a few short years, the coffers were dry. Do we want that? I suggest not, Mr. Chairman.

Regarding the appeal, Mr. Chairman, what more honorable thing can a minister or any government department offer than an appeal if any hospital feels an appeal is necessary because the expenditure may be too high, or they miscalculated, or the hospital didn't present their case clearly enough? So the minister has offered an appeal. He will hear the cases. And rightly so; he should.

And let's not assume for one minute, hon. opposition members, that because a hospital is appealing there is going to be an automatic grant of dollars. I would hope not. If that is the intention, there is no necessity to have an appeal; we might as well just hand them the money.

MR. MINIELY: Exactly.

DR. PAPROSKI: It is exactly that, the minister says. Those appeals should be justifiable, to justify that those needs are there over and above the basic needs and basic good quality care provided in hospitals in this province.

To say that 124 beds have been reduced because of not enough dollars, Mr. Chairman — it's not cut back; it is just not enough, according to some of the hospital boards in this province. It is not a criticism of the hospital boards. Including the last dollar, they have had the dollars flowing. They don't actually have to go down to the taxpayers and ask for it. Maybe it is partly this government's fault too for allowing that to happen. That creates a situation where obviously you're going to ask for the last dollar. But I'm really asking the hospital boards ... I'm a medical doctor. I've been in hospitals, and I see what is going on too. A lot of this has been articulated by some of the members. Some of the activities that go on and the expenditures — non-medical, not health care — I wonder if they couldn't be cut down rather than closing beds.

If they choose to close beds within their local sphere of hospital activity, that is their choice. As a

matter of fact, as somebody said, during the summer holidays it is not uncommon to have six operating rooms cut to three, because people are on holidays. Nobody suffers, nobody dies because of that. [interjections] And in the elective beds too.

So, Mr. Chairman, where are we going from here? I think it is very clear, but the opposition members again are in a mud pool. They just can't see it. Costs have to be accountable; they have to be accountable to an elected official. They're not unlimited. There is no doubt about it: they are not unlimited. It would be very easy and very irresponsible for this government just to open up that bank and let the money flow out when other provinces are maintaining health care quality also, with a lot fewer dollars on a per capita basis.

The quality and quantity of health care has been assured by the minister. I can assure you that the minister not only has assured this House, Mr. Chairman, but every MLA on the government side won't let him budge from that quality and quantity of care we have already established. Let's be sure the next direction we take is accountable to elected officials, as it should be. The short-term difficulties are going to be obvious. Any time there is a change, there is some discomfort. In an area such as health care, it's obvious we're going to have more discomfort than usual because of the sensitivity and emotionalism involved. But let's not kid ourselves; people are not going to die, they're not suffering as a result of this redirection. As a matter of fact, our health care system in this province, again I underline, is the best in Canada, if not the world.

Mr. Chairman, I'm confident that where there are growth areas the emphasis on rural hospital care has been augmented and will continue to be augmented. The senior citizen extended care and out patient care is already being carried out, which is so important. Somebody mentioned the last dollar funding was a concern, and now it is an even greater concern. Maybe we should revert to local responsibility for that last dollar. So far I haven't heard that as a suggestion from the opposition members in this debate. Maybe they should get up and — let's hear, what do you suggest?

DR. BUCK: You did it, Ken.

DR. PAPROSKI: Good. Then let's hear it again, put it on the record. If we all agree, maybe we should bring that back.

Mr. Chairman, the need for quality and quantitative evaluation co-ordinated with the community is obviously a necessity, and that is what the minister is doing. He's co-operating with the Minister of Social Services and Community Health, and it's vital that he continues to do that. I know the Minister of Social Services and Community Health is co-operating with him in turn. Hopefully we'll bring up a delivery system second to none in Canada.

When I brought in the resolution for community health and social service centres, hon. members opposite will recall that the central theme was to deflect from institutions to the community. Mr. Chairman, a lot has been done in that direction, and I'm really pleased and proud it has happened. Think of the home care program, which is taking care of people in the home and the community, where people under-

stand and people want to be; the day care program; the home adaptation program for wheel chair handicapped; the handicapped programs, and so forth; senior citizen support, no medical premiums for them; removing medical premiums for lower income groups.

Mr. Chairman, all these things are part of a health care package, whether it's housing, senior citizens' support, day care support, home care, home adaptation, handicapped care, removing the medical premiums for lower income groups or senior citizens, or support for those on social assistance. Of course, the hon. members in the opposition wouldn't recall the debate when I indicated that health is not physical health only. There's a physical, mental, and social aspect to it. When we deflect some of the dollars to these areas to encompass the physical, mental, and social aspects, the total health of our society, the members don't recognize that. They think there's a cutback, when in fact there is restraint across the board and redirection where it should be.

Mr. Chairman, I'm going to say one final thing. I haven't heard anything about the southern Alberta cancer hospital, the children's hospital, the cardiac program, and cancer research. Three out of four have spoken already, and we haven't heard one complement. I find that not only amazing but almost unbelievable.

Thank you, Mr. Chairman.

DR. BUCK: I intended saving a few remarks for a little later in the debate, but after that barrage of verbal diarrhea, I think I should get my oar in.

First of all, Mr. Chairman, I think we have to remind the hon. government members that they have been the government in this province for seven years. I think we have to start from that basic premise and remind the hon. government members that they had a Minister of Health, the hon. Mr. Crawford. What was going on in the four years under that ministry?

MR. NOTLEY: But he let the commissions bamboozle him, Walt.

DR. BUCK: That's right. We're blaming everything on the commissions.

MR. NOTLEY: Four years asleep at the switch.

DR. BUCK: The budgets that were passed for Hospitals and Medical Care in this Legislature were under the auspices of that hon. minister, and we're blaming everything on the commission. Well, I'll get back to the commission a little later.

I'd like to say a little about the hon. Member for Drayton Valley, who was a tiger outside the House and now he's turned into a pussycat.

MR. ZANDER: Mr. Chairman, a point of order.

DR. BUCK: Mr. Chairman, I have the floor, and I will not surrender the floor, because the hon. member does not have a point of order.

AN HON. MEMBER: How do you know?

MR. CHAIRMAN: Hon. Member for Drayton Valley, do you have a point of order?

MR. ZANDER: Yes. My point of order is if that hon. member wishes to come outside, I'll find out what kind of pussycat it is. [laughter]

DR. BUCK: Outside the House and in the media the hon. member was telling us all the things he was going to bring up, what he was going to do for his constituency. All of a sudden somebody — presumably the Premier, because I'm sure it wouldn't be the minister — must have taken him back behind the woodpile and laid the facts of life before the hon. member. We expected the member to come in here and act on behalf of his constituents. I say he has not done that.

AN HON. MEMBER: He got his hospital.

DR. BUCK: He got his hospital. Nothing has been done in the town of Drayton Valley since 1971, which was the completion of a project promised by the previous government.

Now, Mr. Speaker, that community deserves a new hospital, some new extended care facilities. They can use the old facility as a nursing home. Why doesn't the member say that? I mean if he said that, maybe they'd offer that he could sit over here. Well, we'd accept him.

MR. NOTLEY: Sure.

DR. BUCK: At least he'd be standing up and speaking for his constituents. That's what we're here for.

And to hear the hon. Member for Edmonton Kingsway give us the platitudes that we are not responsible by questioning the incompetence of what's been going on in the department.

MR. R. SPEAKER: Hear, hear.

DR. BUCK: Well, that is utter nonsense, utter nonsense.

MR. MINIELY: Demonstrate it with the facts.

DR. BUCK: Demonstrate it with the facts.

MR. CHAIRMAN: Order.

DR. BUCK: You've been bamboozling around here for three years, hon. minister, doing absolutely nothing for the health care of the people of this province, showing no new initiatives. All we've been hearing from the hon. minister is holding patterns. The government has been doing nothing but stall for time. They've been stalling for time so they can get by the next election.

What is the history of the Grande Prairie hospital? In 1975 the Premier promised it as an election promise. When are we going to turn the sod? When the Queen comes up. It's a good thing the Queen's coming; otherwise they might never have got it.

What happened in Sherwood Park? The hon. member from Sherwood Park, the hon. Mr. Ashton, came in on an election promise that he was going to build a new hospital. He's going out under the same promise. They still haven't built a hospital. They've promised it in 1982, and let's hope we get it by 1982. If I were a betting man, I would lay a few dollars that

it won't be ready by 1982. But it's a beautiful promise. We'll probably have more holding and freezing patterns.

So quit blaming the commission. You're the government. You've been the government for seven years. So get at it.

Studies. Freezes. Delays. Some more consultation. Hire some more high-priced assistants. But don't do anything. That might be too original.

I felt genuinely sorry for the hon. minister last year when he made the announcement on the freeze. I do not like to see a man destroyed, and that man was almost destroyed when he made that announcement. I say he has come back a long way. I felt badly for the member as a man and as a member of this Assembly, because the pressure had been on him. He had to make that announcement. In fairness to the member, I think he's trying to do a job. But either he doesn't know how, or he hasn't the help or the support.

I'm glad to see the hon. Member for Wainwright stand up in his place and lay it on the table. We're elected to do that in this Assembly, not to be told what we're supposed to say, to sit around and tell the minister what a great job he's doing when he's doing a lousy job. That's what we're here for.

My responsibility in this Legislature is to tell the government what I think they're doing wrong. The government has enough members to tell them what they think they're doing right. But they're not listening to what their people are telling them. That's what they're not doing. This government doesn't listen. It just listens to itself.

MR. ASHTON: Have you got some facts written down to start with yet?

DR. BUCK: Ashton, I'll tell you they'll sure be glad to be without you.

MR. CLARK: That's one fact.

MR. CHAIRMAN: Order please. When you speak to the member, address him in the proper manner.

DR. BUCK: Okay. To the hon. member from Sherwood Park.

MR. FOSTER: That's not right.

DR. BUCK: The hon. Member for Edmonton Ottewell.

MR. FOSTER: That's better.

DR. BUCK: I'm glad to see the hon. Member for Edmonton Ottewell has become active in the last six months of his tenure in this Assembly. He's probably done more in the last six months to make sure I keep doing my job than he's done in the seven years he has been here. But I compliment the member. He's a fine fellow. We'll miss him. I'm sure the hon. Deputy Premier will do everything he can to make sure he misses me the next time.

MR. CLARK: He did last time.

DR. BUCK: He tried his best last time, but I guess the people out there thought maybe they might want me around for a little while longer.

The thing that concerns me more than anything is that in 1970 the Premier, with his best Harvard accent, talked about priorities. We heard about priorities. And that's what we're really talking about. We spend \$120 million on parks. Now what's more important, parks or hospitals? That's what we want to know. Where are the priorities? Lougheed house south, \$4 million; government house north, \$1 million; a golf course in Kananaskis Park for \$3.5 million. Where are the priorities? That's what the people of this province want to know. We know this government can spend the money, but can they manage it? I say, I don't think they can, not in the manner the people in this province want it to be managed. So what we're talking about is priorities.

The last point I would like to make to the hon. minister is that we hear how much money we spent, but when we look at the statistics the hon. Leader of the Opposition has given us, the budget is not going up. The budget is going down in relative figures. That's really what's concerning the people of this province. When the hon. Member for Edmonton Kingsway, stands up and says, in speaking to his medical colleagues, there's no problem, you can get a patient in any time you want to. Well, I say that is absolutely utter nonsense.

MR. NOTLEY: Especially if the patient is patient.

DR. BUCK: Many times people are taken into hospitals under the guise of emergencies. If you know a friend who's a buddy of yours, a medical doctor, certainly you'll get in. He'll admit you as an emergency.

DR. PAPROSKI: A point of order, Mr. Chairman. Now just hold on. You don't get away with that.

DR. BUCK: Paproski, you sit down and listen to me.

DR. PAPROSKI: A point of order, Mr. Chairman. I did not say . . .

DR. BUCK: He'd better have a point of order, because I'm not sitting down until I'm finished.

MR. CHAIRMAN: Point of order. He's entitled to his point of order.

DR. PAPROSKI: Mr. Chairman, thank you. Mr. Chairman, I did not say that you can get a patient in any time. What I said or implied, if I said what he thinks I said, is that an emergency can be gotten in any time, not any elective cases. An emergency can be gotten in any time.

DR. BUCK: Now the member's treading water. That's not what he said. He said that there were no — he'd never heard any of his medical colleagues say . . .

MR. CHAIRMAN: Order please. I think we should check this in *Hansard* tomorrow.

MR. CLARK: We're here tonight.

DR. BUCK: He said none of his medical colleagues have a problem with a waiting list.

DR. PAPROSKI: None.

DR. BUCK: None. Really, doctor — I mean, hon. member. What are the statistics, then, that the minister has compiled?

MR. MINIELY: The best in Canada.

DR. BUCK: Best in Canada. How about the waiting lists? Best in Canada?

MR. CLARK: Longest in Canada.

DR. BUCK: How many other provinces have \$6 billion in the bank?

MR. MINIELY: Do you want to spend it all?

DR. BUCK: No, I don't want to spend it all, but I want to see some priorities established by this government. For three years the minister has been treading water, delaying and delaying and delaying. Well the people are getting sick and tired of listening to this delaying procedure of the government.

I just want to offer one word of advice to the minister. You know, being the Minister of Hospitals and Medical Care in this government is just like being the Finance Minister in the federal government. If you don't produce, you don't stick around very long. I predict that the minister won't be sticking around very long.

Thank you, Mr. Chairman.

MR. CRAWFORD: Mr. Chairman, I would like to make a more restrained contribution — if I might attempt that — than the hon. Member for Clover Bar, who began, as a matter of fact, on a mistake of spelling. He said he was going to put his oar in, and he left the "b" off the front. But as usual, he joins a select company. Tonight we have the speech of the hon. Leader of the Opposition, and it made me wonder what percentage there is in a speech like that. He spoke for 10 or 15 minutes — it seemed longer — and didn't do anything but compare percentages, which is a cute trick. His demonstration was simply that if the percentage is higher than some average, that's good. If it's lower than some average, that's bad. He could go through all the government estimates, compare the ones above a percentage and those below the percentage, adjust them all to his liking, do everything exactly the same right across the board and leave no room whatever for any variation from one appropriation to the next. Of course, another percentage he could have is the 3.5 per cent that was the increase in 1971-72 over the appropriations approved the year before.

That brings me to the remarks of the hon. Member for Little Bow. Although it would be unfair to all of our recollections as to debate in this House to say that what he said was memorable or unforgettable, I do remember some of what he put on the record last night. He said he was concerned with the method and technique of administering health care in the province.

Shortly I shall embark upon a very short, historic trip. I don't want to become the ancient historian of the Chamber, but I think it's fair to look at some time that isn't that long ago, 1970 and '71. At different

times, the hon. member and I shared the same responsibilities in 1971.

I know he undertook the work with some limitations, having created a new department and a new commission, and launched them all with the very highest of hopes and to the very best of his judgment and, I think, in the very proper tradition of the understanding that democratic legislatures have of the function of the public service. Early in the game, for good reasons, as I felt at that time and still do, we did not disturb the commission structure established only months before by the hon. members opposite. I may be wrong in my memory of the hon. Member for Bow Valley, I'm not sure, but all the other three gentlemen sitting here at the present moment were members of that government at that time.

Another thing the hon. Member for Little Bow said was that he had no objection to global budgeting. He said, in effect, that he instituted it or took part in that decision. Now what does that mean? Surely that's not just a complacent or a gratuitous statement on the part of the hon. member. He meant, I would think, that he agrees a hospital should therefore be able to operate within a global budget. Otherwise, he wouldn't have proposed after due deliberation that that was the proper course and wouldn't have made it his policy, as he said he has.

When you have a practical requirement — if not a legal requirement, because you have the appeals — that on the whole hospitals operate within their global budgets, what do you do if they don't have enough money? You appeal. Is there another answer? Or do you give them the money with no appeal? That's the policy of the hon. Member for Spirit River-Fairview. What a convenient, easy, and effortless policy that is.

Either the hon. Member for Little Bow is telling us he made no provision for appeal or that he did, when he adopted the policy of global budgeting for hospitals and instituted that through the Hospital Services Commission in 1971-72. Either way there can be no criticism from that corner that an appeal procedure is provided for by the Minister of Hospitals and Medical Care and that that is a matter for discussion.

I made reference a moment ago to wanting to dwell momentarily on a few facts of history: 1971, \$173,725,000 for hospitals, of which \$7 million was for nursing homes. I attribute this attitude to all hon. members, not wanting to single out the hon. Member for Little Bow when I use his words, because I come back to his statement that it's the method and technique of administration that had him concerned.

I listened carefully when he said that, because he and I know the method and technique used in the year I've spoken of, when the budget was established at roughly \$173.7 million. By the fourth quarter, indeed just after the Christmas break but conveniently before the House could go in, we needed a special warrant, \$14.8 million, in two separate votes; well, a little aberration from the estimates, 8 to 9 per cent out in the estimate a number of months before. But the reasons, which are not stated on the special warrant, are no doubt within the recollection of hon. members opposite. I frankly don't know why it was necessary to find what in those days was such an enormous sum for that purpose.

So they fixed everything up and went into the next year. They brought in nursing homes at \$8.8 million and the hospital system at \$186.2 million, for a grand

total of \$195 million. I'm sure the discussion at that time went something like this: well, we were a little bit out last year; despite the advice we received in caucus from the hon. Member for Clover Bar, we were out all the same; because of that, because we've added a few millions in January — it's going to be April soon, new budget; we don't have to go that far. That was the 3.5 per cent; they just edged it up. That was no closer than the last effort.

August of that year came to pass. One of my first memories of September 1971 was having Dr. Bradley — who I respect very much, a fine public servant unknown to me prior to that time — come to me and say: by the way, I'm going to need a special warrant.

Things being as they are when getting acquainted with a new job, I'm afraid maybe I let him go a few weeks, probably into October. We were at a point halfway into the estimates the hon. gentleman opposite had provided for our use for that year. We couldn't arrange to take office on April 1. It was the then premier's choice to have the election when he did, halfway through the term. The special warrant had to come again, \$17.5 million this time. Hon. members opposite will think they should split that with us or something like that, because we came in halfway through. But we sure didn't set those estimates the previous spring. We didn't have anything to do with that. So they added \$17.564 million. Once again, a little miscalculation, about 9 per cent. These aren't increases; these are miscalculations. That's two years out of two.

By the way, the hospital capital budgets of course are merged in the grants to the hospitals and appear in the operating budget, particularly in those years. I haven't drawn out how much capital from that, so I don't know what the board hospitals got. But the estimates themselves show what the provincial hospitals got, except for the portion that was set aside and never spent for Centennial Hospital. Two million dollars. Per year? Uh-uh. Total, two years. That's performance.

DR. BUCK: Now, keep going, right on to '77. Keep going.

MR. CRAWFORD: The hon. Member for Clover Bar is like a steamboat. He always makes the most noise when he doesn't know where he's going. He's going to keep on trying to whistle me down, and somehow I don't think he's going to succeed.

I've covered the portion of ancient history that hon. members opposite have forgotten. I wouldn't blame them for their disclaimers if they hadn't been involved. But I say again, I wonder what percentage there was in the speech the hon. Leader of the Opposition gave. The percentages I've just referred to weren't increases. The measures of the mistakes were larger than our proposed annual increases in each year of the last two. The hon. leader was referring to the 18-and-so area, percentage-wise, of the total budget that went into hospitals. I just happened to notice that the figure of \$173.7 million out of a total provincial budget of \$930.3 million is about 18 per cent. Was that a particularly catastrophic judgment in that year? Perhaps. Perhaps not.

Mr. Chairman, I just want to close on a note that I think deserves to be placed in perspective this evening in this debate. I look back over the period when I

had the responsibility that my colleague, the minister responsible for hospitals, has now. I look back over a period during which all of Canada knew that difficulties were developing in an unprecedented way — part of this is retrospect — by 1976 or late 1975. Extremely significant developments were the enormous cost of the public sector to the taxpayer. We've talked about that in different circumstances in this Assembly. We have our views on that, and we've expressed them. But those views were also significant enough for most governments in Canada, including the federal government through the anti-inflation program — and I recognize there are pros and cons in that respect, but they found it necessary by 1975 to try to constrain inflation in that respect.

I think some of us who had the responsibility in the two or three years before were spared that runaway inflation and the real challenge of trying to build and maintain a hospital budget, or a budget in the sense of public sector spending, hospitals being the largest single portion of that. But I also referred to a second factor. By the late 1960s responsible commentators in the area of the economy of Canada were also talking about inflation in another sense. They were saying construction costs were out of line. Comments made in due course thereafter established that there were a number of other areas where people really had to be concerned. But the one that led it at the time was construction costs.

So we have a discussion in these estimates about how possible it is for any responsible government to have built over the last two or three years. I think my hon. colleague, the Minister of Hospitals and Medical Care, would be able to say that that construction inflation, partly as a result of the Anti-Inflation Board — and let's not forget the 30-odd per cent increases in the summer of 1975 in the construction trades, and the 6 per cent allowed through the Anti-Inflation Board this year. Note that those things make something of a difference. Then look at that period of the last two or three years. Given the private sector capital development and the inflation that had run in the construction industry just prior to that time, that would have been the worst possible time to have a large capital program.

Yet insofar as we hear, the criticism is delay for not having built during that very period. I suggest the hon. minister, whose information is up to date as of now, is going to be in a position to show that the time for some relaxation in some of those construction plans — which, as everybody knows, during that time were held according to a certain pattern, for very good reasons — can be released a little bit more right now. Now is the time, because private sector construction is significantly down and the inflation rate, at least in construction, is to a large extent held in check. People would rather have it lower, but it is held in check by past comparisons.

So in my view, the hon. minister is doing a very good job and has a grasp of an extremely difficult and complex portfolio that I don't mind saying surpasses the grasp I had of it in my period of office. The minister is now in the position to be able to say to people with reasonable economy and reasonable understanding of the needs out there: we can begin to fulfil these demands, these construction proposals. So you'll get what you should find; that is, a movement in that direction. But I think hon. mem-

bers regrettably make a raucous and unthinking argument to criticize not having done it at the worst possible time we could have been building things.

Mr. Chairman, perhaps only one other thing. I know this isn't the place to discuss the heritage fund. But when we talk about the absence of capital projects in some areas where hospital boards have looked for them, the magnificent hospital health care funding available through that program must also be taken into the overall perspective of what is available to the people of Alberta. So it all has to be kept in balance.

DR. WALKER: Mr. Chairman, I would just like to offer a few remarks on this subject. We have watched the Minister of Hospitals and Medical Care being roasted on this proverbial sacrificial pyre of democracy, and maybe some of it is deserved. But I remember the last minister got sort of roasted too, and I think that he was feeling sort of shaky by the end of the term. It's a difficult job. When you put one of the ministers into this job, I think it builds his ego up an awful lot, and he feels he's really important. Then all of a sudden there is one almighty smack, and you come back down to earth in an awful hurry. I think the hon. minister might agree that sometimes happens.

We talked about waiting lists, and there were arguments back and forward. But maybe I should explain to everybody that there are three different classes of waiting lists in the province. There are elective surgery waiting lists, things there's no urgency on, and it doesn't matter whether people get it done three months, six months, or even three years from now. Then we also have an urgent list, things that are reasonably urgent and should be done within a matter of days or weeks. Those on urgent lists usually get into hospitals within weeks.

Then there's the emergency list that the hon. member from Edmonton talked about; all I do and all he does is lift the phone and say, this patient must go in, and in they go. Nobody says there's no bed right now. If they say there's no bed, you just say, find one. This situation happens all over the province. There is no question about getting any emergency case into hospital, and I certainly have never heard any complaints in that direction.

Of course if the big hospitals in Edmonton and Calgary have any great problem about getting their elective surgery done, I think the hon. Member for Barrhead or I or any of the others in the country would be very glad to fit them in next week.

On hospital buildings, I think one of the problems in the department all along has been indecisiveness, where we stand with it. If communities could realize that once they were on a priority list for hospitals, then maybe two years, five years, six years down the road they would be looking at getting their hospital upgraded or built. I think that if such a five- or 10-year plan or whatever were worked out, we could budget better. Once the people in the communities know it's on the way, they're generally satisfied and happy enough to wait.

Years ago we had an old adage on country hospitals: 50 beds and 50 miles. I think this was a good theory. It doesn't need to be inflexible. I don't know that it's changed an awful lot, but the smallest, most efficient hospital unit was then considered to be 50 beds; and 50 miles apart or 50 miles from a commu-

nity was considered about right, in that even in Edmonton you may be living in the outskirts and it will take you at least one hour to get to a hospital, and in the country 50 miles will take you an hour to get to a hospital. I think this is a reasonable type of thing to plan for.

I would also maybe expound the possibility of putting 10 per cent of the hospital costs back onto the patient. I think this leaves the patient knowing the cost of the service he is receiving. If it's costing him \$8 a day in Barrhead, he knows it's going to cost the government \$80 a day. If he comes to Edmonton and it costs him \$25 a day, that cost is \$250 a day. Of course it also has the effect of keeping people in their local hospitals, when it costs them a little less and the thing can be done there just as well as in the bigger hospitals.

At the moment, with our nursing homes paying around the 10 per cent figure and the very expensive auxiliary and acute hospitals costing absolutely nothing, the situation just isn't logical. As I said to the Minister of Social Services and Community Health, I think home care should be free or almost free, to encourage people to stay in their homes. They of course would put some pressure on their doctor to stay at home, instead of the pressure being the other way around: why can't I go into hospital and live free for a week while I'm sick, rather than pay the expenses of home?

Also, maybe we should try to get some sort of incentive for efficiency into the hospital system. At the moment, looking through the figures we have here, the less efficient hospitals seem to end up with more money. I don't know whether this is due to the formula or what. But there is certainly a very big discrepancy in hospitals of equal size with equal types of services, yet one seems to end up with very much greater annual payments than another.

Possibly the way to do this would be to classify hospitals in different categories, and then work out the average cost of those categories and on a per patient-day, number of beds, or some other similar basis, give the average cost to each hospital. Then, if they have a little over, they can buy those little extras they want without any strings attached. If they're over, they have to look at charging that patient a bit more than the 10 per cent we suggest, or whatever percentage was decided on. The patient starts getting upset and objects, and I think in this way we'll rationalize the thing.

We talk about civil rights. People think they have the right to medical care. I don't think this medicare system was ever set up to be all-encompassing, total care, as the hon. member from Lethbridge suggested. It is a co-insurance thing, with the government taking by far the biggest part of it. People now think they have a right to it. But along with rights and privileges go duties and responsibilities. Very many patients, doctors, and hospital administrators are really asking for all the rights and privileges without giving in return the duties and responsibilities that they owe to society, especially to this province and the government of Alberta.

The hon. Minister of Labour talked almost entirely of money. It isn't all money; it can't all be money. We tend to judge everything by money here, but I wonder how the hon. members in the opposition will feel when they realize, for instance, that at the

moment in this province we're paying \$250,000 per year for two patients on parenteral nutrition. They feed themselves intravenously every day. The total cost to this government for those two is a quarter of a million dollars. Are you going to put a price on this? Can you say, we can't possibly pay out that much money to keep one person alive? With what we have in this province, I don't think we ever have the right to withdraw the financial aid needed to let that person live a reasonably normal life.

I was over in Europe last summer, and they have some fantastic places. They have palaces, castles, and monuments costing literally billions of dollars. We don't have any of that in Alberta. There are very few monuments, and they're certainly cheap ones. I don't think we have any castles, unless you call Government House a castle. So why shouldn't we build hospitals instead? I don't mean that they have to be palatial places, but let us build a few well-planned, efficient, properly run, properly staffed hospitals; staffed well with experts in surgery, medicine, nursing, and in just ordinary people care.

One of the other odd things we have in this province is the duplication of services in the medical profession. If you were to break your arm here tonight — well, let's say during the day; you won't get them at night. If you broke it during the day, you'd be brought down to one of the clinics, and you would have it X-rayed. Then a radiologist would come in and read the X ray. You don't really need a radiologist, but it happens anyway. And that is all charged to Alberta Health Care. Then you are sent over to the Royal Alex or any other hospital, and your arm is immediately X-rayed again. It will be read once more, either by the same radiologist or another radiologist. That is all paid for again by the benevolent Alberta Health Care Commission.

Each department feels that they must have those records on hand from a medical/legal point of view. Maybe we should be looking at changing any law or regulations that say you must keep these on hand. Surely they can be kept for the benefit of both the doctor and the hospital without total duplication of services. The same thing happens in lab tests day after day. The same thing happens in almost every other field of medicine.

Therefore, in a way, we've traditionally had a very good relationship of government and the medical profession. It has usually been one of co-operation and help. I think we should use the medical profession, especially their elected bodies, in consultation for any schemes or plans that we may envisage. We may use their expertise to help reduce the costs that seem to get into a system such as this.

At Medicine Hat I was cornered by a few doctors who really felt government was interfering far too much in the practice of medicine. Their suggestion was that we should completely opt out of medicare. We don't need it; we shouldn't have it; and it wasn't good. My reply to them was, yes, we could certainly opt out of medicare. But I said, please don't expect to have a Progressive Conservative government there the next election. You could look forward to the hon. Member for Spirit River-Fairview being the Premier. I said, then you would have no problems at all, because all would be done for you and you would have no choice in the situation.

Hon. members, we have problems in the hospital

department, yes. But I think these are solvable. With the help of everybody, I think we can resolve many of them; I hope we can all help a little. I would look forward in the next few years to a great improvement in the situation, and I hope in some way I can help toward it.

MR. HORSMAN: I wonder if the hon. member would entertain a question? Would the hon. member be good enough to advise the Assembly of the reaction of the doctors in Medicine Hat to the suggestion that the hon. Member for Spirit River-Fairview might be the Premier of Alberta?

DR. WALKER: There wasn't the reaction to that particular thing, but their mouths sort of dropped a little when I suggested they might not have a Conservative government here.

MR. ASHTON: Mr. Chairman, I'm very disappointed. I think in political life we all enjoy a good scrap. When I heard in the House and read in the news media that the opposition were going to attack the minister, I rather looked forward to it with a bit of anticipation. But what have we had? We've had the Leader of the Opposition get up, and the big attack on the minister is that, apparently, according to his figures — I couldn't follow all his percentages, but I gather there's been a slight drop in the percentage of the total provincial budget that we now spend on hospital care versus last year. That's his argument, his big attack.

I'll tell you what occupied part of my dinner hour, Mr. Chairman. I was arguing with my 14-year-old daughter about a dance she wants to go to on Saturday night. I must say some of the arguments she could raise are much more effective than those of the Leader of the Opposition.

Last night we had the leader of the NDP. His big attack is that he attacks the minister because he removed the Hospital Services Commission. In other words, his big attack is that the minister refuses to hide behind the skirts of the Hospital Services Commission. That's his big criticism. Then of course he brought in a few statistics about Saskatchewan, without mentioning that everybody who is able-bodied and able to walk is leaving Saskatchewan. Sherwood Park is a pretty big community. I suppose we're the biggest community close to Saskatchewan. A standing joke in Sherwood Park is that, next to Regina and Saskatoon, Sherwood Park is the largest Saskatchewan community in North America.

Then we hear the big attack from the Member for Clover Bar. He starts off spending about 10 minutes attacking not the Minister of Hospitals and Medical Care, but the hon. Member for Drayton Valley. Then he ends up the last two minutes attacking the hon. Member for Edmonton Ottewell.

MR. NOTLEY: You're going to leave.

MR. ASHTON: Mr. Chairman, I'm rather entertained by all this. However, I'm not here to attack the hon. members of the opposition. That wasn't my purpose in coming here tonight.

But I did want to make a few comments complimenting the people of Sherwood Park with respect to hospitals. I want to compliment them for their

maturity, their responsibility, and their patience. There are almost 30,000 people there, and they don't have a hospital. The nearest hospital is the University Hospital. I can tell you that when you're in a hurry during rush hour going down Whyte Avenue, that is a long, long way. Most of the doctors who have admitting privileges have them at the Misericordia Hospital. For those members from out of town, they will know Sherwood Park is in that direction five or six miles outside the city, and the Misericordia Hospital is on the far edge of the west end of the city, and that's a long way.

But they have adapted. You don't hear them whining. I doubt if you've ever heard me make a speech in the House complaining about the lack of hospital services. But that doesn't mean I haven't been inactive. The former and the present minister of hospitals know that very well.

They have adapted. They have probably the most effective ambulance service in Alberta, operated by the fire department. Gone are the days when Smith Ambulance used to be called out there. They would get to Sherwood Park and spend half an hour trying to find the address. Any of you who have tried to find an address in Sherwood Park will appreciate the significance of that. We have our own ambulance service. They're well trained. It includes some volunteers in the fire department. We're very happy with it and very proud of it.

They've also adapted; the medical service offered by the doctors in Sherwood Park is at a high level. There's one major clinic that can deal with almost every emergency. At my last count, there are at least a dozen doctors in that clinic. If there is an emergency, I understand their procedure is that literally the whole clinic deals with it. So we have adapted to the situation instead of running around complaining and snivelling, like we hear from some members of the opposition.

I realize, and perhaps I should comment, that the medical definition of "emergencies", as I understand them, is a little different from mine. When I broke my ankle before Christmas and was bouncing down Whyte Avenue in the back of a neighbor's station wagon, I can tell you I thought that was an emergency. But when I got to the University Hospital and was lying on the cot there, nobody seemed to be paying much attention to me. I saw some of the people being brought in, and I realized the difference between my problem and a true emergency. So I understand the difference.

It may have been politically expedient in the short term to build a small hospital in Sherwood Park. But again I compliment the people, the residents of Sherwood Park, for having the understanding and maturity to realize that they have access to probably the finest hospital care in North America. It's not surpassed. I'm satisfied of that. I believe the people in Sherwood Park believe that also.

We had a look at it early in the term, of course. We accept, and I certainly accept, the minister's priorities, dealing with nursing homes and auxiliary beds in the Edmonton area as the immediate priority. The members are all familiar with the cost differences between active, auxiliary, and nursing home beds. It's rather dramatic. Certainly the need was in that area, and we very much support the priority he has given. I'm sure the minister can quote the figures: a very large

number of auxiliary and nursing home beds have been constructed in the Edmonton area in the last few years. That's where it should be. The people in Sherwood Park are intelligent and responsible, and they accept some of these things.

However, we are now going to get our hospital. That's one of the pledges made not only by myself; I can assure you that the Edmonton MLAs have all been involved in this process, the most active being those MLAs in the east Edmonton area, including the members for Gold Bar, Avonmore, Norwood, Beverly, and Belmont. Certainly they have all been very active in pursuing this issue of a hospital to serve Sherwood Park and east Edmonton. It's coming, and I commend the minister for that announcement.

I was a little nervous about the minister even making that announcement. Knowing the hon. Member for Clover Bar, although all we hear is a stream of nauseating negativism from him in the House, out in the boon . . . [laughter] the county of Strathcona, he takes credit for everything we do. You can't believe it.

I have to produce exhibit A, Mr. Chairman. It's called "The Walt Buck Record". [interjections] I hope all the members can have a look at that. You'll notice he's even got hair in the picture. I should say at the outset, Mr. Chairman, it's completely irrelevant that one of my kids pointed out to me that it's the exact size to fit on our dart board in the rumpus room. This interesting document lists "MLA Proud of Constituency Achievements". I hope you can read that big headline. [interjections]

Now let's have a look at some of the opposition member's proud constituency achievements. Flat rate dialling to Edmonton in 1975. Well, I don't know what he had to do with that; we did it. Five agricultural society complexes: Tofield, Lamont, New Sarepta, Ardrossan, Bruderheim. Well, what did he have to do with that? We built them all. And these are his achievements. That's what he got elected on in 1975, they tell me.

I had a farmer in my office one day, and he swore to me that the hon. Member for Clover Bar was a government member. [laughter] Well, that's true, so help me God. In fact he was willing to bet me \$10.

DR. BUCK: Mr. Chairman, now I have a point of order. I was always under the assumption that in this Assembly every constituency in the province was treated fairly and equitably, because the money belongs to the taxpayers of the province, not because of your government members or opposition members. [interjections]

AN HON. MEMBER: That's no point of order. Admit it; you're not a government member.

MR. R. SPEAKER: On a point of order, Mr. Chairman. [interjections] I feel the hon. member should withdraw those earlier remarks. I think he has been misleading the House to think that the hon. member sits with the government.

MR. DIACHUK: No, he's reading from Walt's report.

MR. ASHTON: If I'm misleading the House, Mr. Chairman, I withdraw the remarks as long as the Member for Clover Bar will stop misleading his

constituents.

We've got more here. Of course I could spend a fair amount of time on it, but he's taking credit for the first water pipeline to be built with the help of provincial funds, Edmonton to Redwater. Do you know where Redwater is? [interjections] Also on the list of his proud constituency improvements are the grants to community hall improvement. Well, I don't know, Mr. Chairman. In fact I presented most of those cheques throughout the county of Strathcona myself with our previous candidate out there. So I don't know how he can take credit for that.

DR. BUCK: You and Horst.

MR. ASHTON: Then we could go on. The list is fairly long. [interjections] The hon. members would be rather interested in reading this because we have done a lot of things in Clover Bar. There's no question about it.

DR. BUCK: You speak up, John, for your people, not like a puppet.

MR. ASHTON: Yes, right. Anyway, I wanted to conclude by getting back to Hospitals and Medical Care. I want to thank the minister for the sensible approach he has taken. There's going to be a hospital which will offer a full range of services, which will serve my constituents. There are members on that hospital board from the county of Strathcona; they will have input. I think we can be very proud of the approach he has taken. There will be a number of years of planning, and that's the way it should be, because we want a top-flight hospital. When I say I have confidence in the minister, I'm not talking about 50 per cent confidence, 75 per cent, or 99 per cent, but 100 per cent confidence.

Thank you very much, Mr. Chairman.

MR. NOTLEY: Mr. Chairman, before we move on. At this stage we have 36 appeals. I believe that's the latest count, unless several more have come in in the last day or two. In responding, would the minister outline the cumulative total of those 36 appeals when he responds, so we have some idea of what we're looking at?

I'd just like to correct one statement the Minister of Labour made. No one in this House is suggesting that all the appeals are automatically going to be accepted. The question is simply this: is the \$2.6 million in the budget adequate, or are we going to get into the same kind of miscalculation that the Minister of Labour talked about back in 1971? That's the question. If we find that the 36, 38, or however many appeals go beyond the \$2.6 million — if that's the judgment, that the appeals are upheld — then we have two choices. Either we artificially have to fit the appeals into that \$2.6 million; alternatively, we have to live with the consequences at the hospital level.

Mr. Chairman, as I look at the difference in the composition of the appeals this year compared to last year, it seems to me the requests will be for substantially more than \$2.6 million. We should have cumulative figures at this time. I think it would be useful in discussing the details of the estimates if we have those figures.

MR. R. SPEAKER: Mr. Chairman, when the minister is commenting with regard to the point just raised, I'd also like him to comment on the two pieces of material presented to us. One was with regard to projected deficits or surpluses for 1977-78. The accumulated total of the deficits was \$3,670,097, as I read this material. Now that doesn't seem quite in line with some of the figures I've heard this year. The summary of surpluses was \$3,000,411.

MR. MINIELY: Send that over [inaudible].

MR. R. SPEAKER: Right. Mr. Chairman, I'll pass this over to the minister. I would like it back. It was delivered to my office from the minister's office. I would appreciate very much his commenting whether those projected deficits for 1977-78 on that paper are accurate. My information is that the deficits are coming in higher than the projected deficit which was calculated prior to last December, or at an earlier date.

MR. MINIELY: First of all, Mr. Chairman, I would surely like to say that in the three years I have been in the portfolio, I don't think we've ever had a more wide-ranging or important debate on Hospitals and Medical Care. In my opening remarks on the estimates, I said that I think the debate we've had is an extremely important one to hospital and medical care services in this province. I think I've acknowledged in several ways and at several times that it is an area full of emotion and sensitivity.

I think the hon. Member for Drumheller made the statement best when he said that statistics, however true they may be, are very difficult to use in an argument to someone who has a family member who feels as though he needs immediate access to a hospital. Mr. Chairman, it is that very reason that makes the debate on the kind of thing we've gone through last night and again to this point tonight, in terms of the financing of hospital and medical care services in Alberta.

On the last question, Mr. Chairman, I'll have some information coming down from departmental officials in the gallery in answer to the hon. Member for Spirit River-Fairview. I have part of that answer, but the rest will come down from the gallery while I am responding to other remarks that have been made by hon. members.

MR. R. SPEAKER: Mr. Chairman, if it's possible, would they have the list of the hospitals which made the appeals, and also the amount of each hospital's appeal? I would appreciate that.

MR. MINIELY: I have that, Mr. Chairman, if you'll give me a moment to locate that in my resource material. This was up to date last night. If any additional appeals have come in today, a note will be delivered to me from the gallery in the next couple of minutes.

I'd like to read into the record the hospitals that have filed appeals until yesterday, the examination of the estimates. The 1978-79 budget appeals: Allen Gray Auxiliary Hospital, Dr. W. W. Cross Cancer Institute . . . No, the amounts of the appeals I cannot. Some of these hospitals are in the process of preparing their appeals. I believe we cannot give you that information until . . . [interjections] No, we can't yet.

Some of the hospitals have not filed their appeals and total requests to us. That's accurate.

MR. NOTLEY: Can you give them approximately?

MR. MINIELY: No. The reason we leave it open until May 15 is so the hospitals have time to prepare their appeals and present their case in total for the additional funds they require. The earliest we will have that will in be May 15, for the hospitals that file appeals.

Are hon. members still interested in the hospitals that have filed intention to appeal? Allen Gray Auxiliary Hospital, Dr. W.W. Cross Cancer Institute, McLennan Sacred Heart Hospital, Peace River Municipal Hospital, Wetaskiwin General and Auxiliary Hospital, Red Deer regional hospital, Rocky Mountain House General Hospital, George McDougall Hospital in Smoky Lake, Big Country Hospital in Oyen, Metro-Calgary District 93 Hospital, Claresholm General Hospital, Fort McMurray General Hospital, Grande Prairie General Hospital, Provost Municipal Hospital, Hythe Municipal Hospital, Edmonton General Hospital, Sturgeon General Hospital, High Prairie Regional Health Complex, Calgary General Hospital, Fairview Municipal Hospital, University of Alberta Hospital, Good Samaritan Hospital, Olds Municipal Hospital, Berwyn Municipal Hospital, Drumheller General Hospital, St. Louis Hospital, St. Michael's General, Islay Municipal Hospital, Alberta children's hospital in Calgary, Viking general hospital, Foothills in Calgary, Bow Island, and Mountain View-Kneehill in Didsbury.

Mr. Chairman, having read that list, it's important that at the same time I indicate the number which filed appeals last year, in answer to an earlier question. Last year 34 boards filed appeals. That total is 36. So to this point it is not significantly higher than 1977-78. The total, cumulative amount appealed last year was \$5,388,391. I believe this question was raised yesterday by the hon. Member for Spirit River-Fairview or the hon. Member for Drumheller. The amount granted on those appeals of \$5,388,391 was \$633,623.

Now I would point out the fact that, of the amount appealed, only slightly more than 10 per cent was granted; and the hospitals in Alberta operated, province-wide. In fact our preliminary information is that the cumulative surpluses for 1977-78 are greater than the accumulated deficits. I think the hon. Member for Little Bow is interpreting this information inaccurately. We have brackets around the wrong figures, I believe, in some of these. If you take this in total, the surpluses are in excess of the deficits, so there is a net surplus on hospital operations for 1977-78.

If that stands to be corrected, I'll be getting a note from the gallery as well. Well, you have here, hon. Member for Little Bow: 15 months, '77-78. The surpluses on auxiliary hospitals are \$586,272; the deficits, \$174,112. So the net surplus in auxiliary hospital operation is \$412,160.

The case of active treatment hospitals. I don't know whether that bracket is accurate, but for the 15 months it would appear as though there is a \$258,913 deficit, unless the brackets are wrong. That's a net deficit of \$258,913, but that's on a budget in excess of some \$300 million in 1978. It's a very small surplus on that kind of province-wide hos-

pital funding. Perhaps I could return this to the hon. Member for Little Bow.

Mr. Chairman, last night in examination of the estimates the hon. Member for Drumheller asked me to put in context the matter of waiting lists, beds, and so-called bed closures for budgetary reasons. We do not have the exact number of beds that are available on a given day in hospitals in Edmonton and Calgary or throughout the province.

But to put it in context, I would like to read into the record the occupancy rates for 1973 to 1977 for Edmonton and Calgary, because this is where the main concerns about provincial funding have been raised. That is important because restraint did not begin until 1976 for the first full year. Now listen to these occupancy rates for Edmonton and Calgary for those years. In 1973 the occupancy rate was 84 per cent; in 1977, four years later, it was 78 per cent. In the city of Calgary in 1973 the occupancy rate was 85 per cent; in 1977, 76 per cent.

Mr. Chairman, that points out what I've said in this House many times: the matter of availability of beds within our total system, the matter of waiting lists, is something that solely has been an easy target because of provincial restraint being applied, commencing with the year '75-76. In fact we are gaining access to beds just as well as we have historically. There is no substantial increase in waiting lists in the province. I'd like to file copies of this particular one for members of the Assembly.

The hon. Member for Little Bow requested of my office today a copy of the letter which went to all hospitals in Alberta, relative to their appeals and how they could file their appeals within what time frame. I would like to have it on the record that I'm providing a copy to the hon. Member for Little Bow.

Mr. Chairman, as I said, I think the contributions were excellent. It would be my intention simply to answer the questions that have been raised by hon. members during the course of their debate. Frankly, I felt that it was an excellent debate until the hon. Member for Clover Bar got up. Then I wondered whether or not I should make use of these pills that my staff had very kindly given me for this debate, which — I think it would be unparliamentary of me to use the exact word, but I think it reads something like "excrement from bulls".

They are allergy pills. I thought I should have used them while the hon. Member for Clover Bar was speaking. The directions go something like this: to avoid hearing tall tales, place one pill in each ear and nod at regular intervals.

Until that point, I thought there were reasonably good contributions to the debate.

DR. BUCK: Eyes and ears closed.

MR. MINIELY: I'm just checking my notes to see whether there are other questions I should answer, Mr. Chairman.

The hon. Member for Drumheller asked whether there had been any conversations with Ottawa on abortions, either directly or with hospital committees. The answer is that there have not been direct conversations other than at federal/provincial meetings, where a variety of topics are talked about. Of course, we have an ongoing liaison or relationship with hospital committees. But as it relates to hospitals, it's

really a professional matter which the College of Physicians and Surgeons and the hospital set up to supervise and ensure that abortions are done consistent with the Criminal Code of Canada and with sound medical procedure. Other than that, we've left it to those particular areas.

Mr. Chairman, to the hon. Member for Wainwright, with the greatest of respect to my government colleague, I must say that I agree with his concern about the need to have a facility in Wainwright. But I think he was somewhat unfair in suggesting, or leaving the impression, that a specific date had been communicated. With any project in Alberta, I think the problem always is that when it's our desire as a government to place priority on building a project — and we have that desire in the case of Wainwright and others, as we've indicated — the need for the province to agree on concept and for the hospital board to work with its architects and engineers and move it through the different stages of planning to ultimate construction is a responsibility shared by the board, the local community, and the province.

I simply want to say to the hon. member that we've had a couple of meetings and more; we've had three or four meetings in my office. He knows the priority we place on Wainwright. I thought he was a little unfair in leaving the implication that there was a specific date when that priority may be met. I'm sure we'll be discussing it further in conversations in my office.

The Leader of the Opposition got up — and I think my colleague the Minister of Labour made some very effective comments in response to all three members of the opposition. I thought it was a rather historic thing for a former Minister of Health and Social Development, who had a large responsibility, where the commissions were just part of it, to make the kind of contribution my colleague did tonight. I sent a note to him saying I thought his contribution was tremendously effective and really gave an excellent record, in the Legislature, of the history.

Mr. Chairman, the mandate is totally different. As my colleague said, governments in 1975 and 1976, not just in Alberta but throughout Canada and the world, started to become concerned about cost increases. And that was the objective we had. It leads to the kind of thing the Leader of the Opposition says and has been saying in this House: let's have more money for hospitals. No one can argue with that. But earlier in the House he said, let's have more money for advanced education in the portfolio of my colleague the Minister of Advanced Education and Manpower. Earlier in the House the hon. leader said, let's have more money for my colleague the Minister of Social Services and Community Health, and so on.

That's the difference, Mr. Chairman. That's why we're the government and they're the opposition. They would spend the entire Alberta heritage savings trust fund. There would be nothing left for the future of this province. I think the arguments are easy to make that way. The question is, what is a responsible level of expenditure? Consistent with my opening remarks, we think the budget we've presented to this Legislature is a responsible level of expenditure, compared with any other province in Canada.

I also want to correct his figures. The provincial support for hospitals and nursing homes as a percentage of total provincial spending is 15.1 per cent

in 1978-79, which is down very slightly from 15.2 per cent in 1977-78. I would point out pages 15 and 16 of the Budget Address. As was stated in the Budget Address by the Provincial Treasurer, and as has been debated in this House relative to schools, universities, and so on, the priorities of this government in this budget are within an overall objective of continued restraint in the growth of operating expenditures. No attempt has been made to ensure that any one department, certainly not Hospitals and Medical Care, would necessarily receive a significantly higher or lower proportion of the total budget this year as compared to last.

I say again, the question is: what is the responsible level to maintain our existing quantity and quality of hospital and medical care services? We believe we've struck that. Through the appeal procedure, we believe we can apply it equitably to individual institutions.

Mr. Chairman, with respect to the broad discussion we've had to this point on the Hospitals and Medical Care estimates, I think those are the questions that require my response. Again I want to thank all hon. members for what I believe to be a very important contribution at a very important time in hospital and medical care services in Alberta.

MR. R. SPEAKER: Mr. Chairman, what I'd like to do, with the minister, for just a few moments — there were some things in your remarks last evening that I'd like further elaboration on, confirmation of, and maybe a little more detail. I'd like to go through the remarks from the unofficial copy of Hansard ["blues"] just to ensure clarification. Early in your remarks you established the objective of the health care system with regard to budgeting. Your comments were:

... that the objective of the budgetary policy for the hospital system in Alberta in 1978-79 is that hospitals should be able to maintain their existing level and quality of service.

I was wondering if the minister would confirm that statement, and maybe elaborate on its intent in the coming year.

MR. MINIELY: Mr. Chairman, I think there are two things I would say in response to that. One is that certainly that's a general statement. Hospitals are continuously adjusting their priorities within their internal operation. As an example, at the very time Foothills Hospital was talking about some difficulties in the current budget that was granted, I noticed an article in the newspaper — again it may be inaccurate, but it points out the kind of thing we're dealing with — that Foothills Hospital was starting a program related to mountain and skiing accidents. I think we in this Legislature could ask about priorities. When we talk in the budget about the existing level and quality of service, I think we're saying that should be maintained within sound health care priorities. We believe some things are done in hospitals that we would all question in this House within an overall system of priorities.

Having said that, I think the clear objective of the government is that there should be no need for any hospital in Alberta to close beds or wards for budgetary reasons. Absolutely none. Now the hospital may come to us and say they're going to do that if they don't get more money. But, Mr. Chairman, you and

all members of the Assembly would understand that that's like two sides, the employer and employee in a bargaining situation sometimes. We have to be satisfied that that's in fact the case, that the hospital isn't using some funds in a low-priority area and then closing down beds. That's a tough thing to do.

I want to pay tribute to Mr. Chatfield and Dr. MacLeod, the two deputy ministers in the new department, and their staff who are sitting in the gallery. They're charged with a darn tough administrative responsibility in trying to manage the largest area of public expenditure. I know, because as minister the last three years I know what it's been like.

So as I stated, I think the clear, general objective is that absolutely no beds should be closed down by hospitals in the province of Alberta for budgetary reasons in 1978-79.

MR. R. SPEAKER: I thank the minister for that comment. Further in your remarks you made the statement, and you partly made it again at this moment:

... we would not consider it appropriate in Alberta for hospitals in fact to be cutting back service until they know what their final budget is. That won't be known until the time frame I've indicated.

I had a feeling from those remarks that there is a possibility that if you're unable to meet their request following the May 15 date and the appeal process and the examination by the end of May and in early June, possibly there may be a reduction in beds. There may be an effect on the quantity of health care in the province. Was that the intent of those remarks, Mr. Minister? I'd appreciate clarification on that. It does seem a bit of a contradiction from one to the other.

We won't have the opportunity to discuss this budget after next week, most likely. We won't have a chance until next fall or into next spring. I think we'd appreciate confirmation that by that statement you really don't intend to indicate that beds are to be reduced in this appeal procedure that's going to go on.

MR. MINIELY: Mr. Chairman, I don't see the contradiction. Perhaps the hon. Member for Little Bow could point it out to me again.

MR. R. SPEAKER: Mr. Chairman, the statement from Hansard ["blues"] reads as follows:

... we would not consider it appropriate in Alberta for hospitals in fact to be cutting back service ...

Then there is an extra sentence tagged onto that:

... until they know what their final budget is.

That's what the minister said last evening. The implication there is that after the budget review, towards the end of May and the first week of June, if they don't get the amount of money they are requesting, there could be cutbacks.

MR. MINIELY: Mr. Chairman, to put that in context, "services" is a much broader word than "beds". I indicated it would be our policy in Alberta because of our obvious population growth and for the fact that in Edmonton and Calgary the bed ratios per thousand population have been dropping fairly rapidly because

of population growth, although they're still above what need actually is. My statement tonight has been that our policy will be that no beds should be closed for budgetary reasons.

Hospitals have a lot of other services besides operating beds. They have surgical suites and outpatient services of all kinds and descriptions. In some parts of a hospital, in services, the hospital could be making normal adjustments, increasing one service area and decreasing another, which has nothing to do solely with budget, but they're eliminating a lower priority and putting more emphasis into a higher priority.

Now my remark that the Legislature must leave those decisions with the hospitals: no matter what budget we grant hospitals, they're going to be assessing priorities, lowering service in some areas and increasing service in other areas. Whereas I can say unequivocally that there should be no reason to curtail beds or close beds as an objective, I cannot say unequivocally that a hospital might decide to curtail a lower priority service and put more emphasis on a higher priority service.

MR. R. SPEAKER: A further clarification. So the object of the minister is to maintain the bed level in the various ... This is sort of the directive or suggestion, I guess, made to the hospital boards, that as a government we want to maintain our level of bed capability in each one of the hospitals. But the minister is saying at the same time that other types of services could be reduced in order to accommodate this maintenance of care in the beds in the hospital. Would I gather then from what the minister is saying that outpatient service or community care service could be reduced by the hospital? That type of service, or you mentioned a few others, would be reduced, but we'd maintain the level of bed care for that particular hospital. Is that the interpretation?

MR. MINIELY: Mr. Chairman, for three years of restraint to this point, and this year again, we will be saying to hospitals that they must decide their priorities. I don't know — when the appeals are heard by the department the hospitals will say, this year this is our priority, and we don't feel that a program we had last year needs the same amount of priority. I assume they will have to present justifiable reasons or we will find them not acceptable.

I have simply said that the hospitals must determine their priorities in service. But because we now know the one thing we can pin down is the bed ratios for our population, we feel that no further beds should be closed down. Funds provided to hospitals have been provided on the basis that there should be no reason, unless we've made an error in calculation, that hospitals should have to close further beds. If they can show us where they have definitely made a mistake, that's what we have the appeal procedure for.

I indicated during my opening remarks that we have to watch the population growth very carefully, because later in the year we might have to phase in the beds that have been closed down during three years of restraint, not just this year. I'm going to report to the House in the fall sitting on that particular matter. But again let's put it in context, Mr. Chairman. In the total Alberta system, 139 beds are closed for budgetary reasons. This is information

from the hospitals. Nearly 400 beds are closed for conversions, construction, and many other reasons and are not available to Albertans. So the issue isn't just financing in terms of availability of beds.

MR. R. SPEAKER: Mr. Chairman, to the minister. The priorities that can be established now by the hospitals under the global budget system will be in the area of services provided outside their bed capacity at the present time. So that's where their decision-making is to be allowed at the present time, where their flexibility is. But in the area of beds in the hospital, that is to be maintained as is. The government is going to assure the hospital boards that they will have finances for that. But the only areas where they must set some priorities are in the outpatient or service areas.

MR. MINIELY: What about in administration?

MR. R. SPEAKER: Or in administration, right. That's a very good point.

I was wondering how the minister foresees things in the coming year. Last year there were 34 appeals for something like \$5,388,000. Now as I look at the projected budgets from the material you gave me and that I sent over to you — and I appreciate that being sent to my office — something over \$3 million are deficits for the various hospitals. The government has said to them, we are not going to pick up any of the 1977-78 deficit. It's up to them. So they have to rearrange their priorities with regard to services, maintain a bed level, and take care of this debt they had in 1977-78. They have no access to funds other than the provincial government.

Now this coming year, in 1978-79, I can very quickly add up between \$15 million and \$17 million in deficits that the very few hospitals I have been in contact with are going to be requesting from the minister. The fact is that only \$2.6 million is available in the budget to react to that request of \$15 million to \$17 million. I was wondering how far, and under what pressure, the minister sees the hospitals with that kind of request coming before him during this month of May, and the decision has to be made by June. How far will the minister allow the priorities to be established, just in the service area without it moving into the bed area, before he reacts by possibly bringing in more funding?

MR. MINIELY: Mr. Chairman, that is an important question. The Deputy Minister of Hospitals, Mr. Chatfield, and I, in reviewing the surpluses — because we must appreciate that in many cases the surpluses and deficits in the data that we have provided the hon. Member for Little Bow are not audited. But that is an important fact; we cannot accept a surplus or deficit that is unaudited. We have to have audited financial statements filed by the hospitals.

But the policy is still important, how we deal with deficits and surpluses, particularly after three years of restraint. We will be consulting with Treasury, but it is our view we should take a lenient attitude with respect to the deficits that have accumulated in the hospital system. Basically the hon. Member for Little Bow is adding the figures wrongly. Our data indicates that the surpluses in the hospital system would

pretty well wipe out the deficits in the hospital system.

MR. CLARK: That doesn't add up.

MR. MINIELY: Okay, but just a minute. The question can be that the surpluses could be applied to the deficits. We call the surpluses back from the hospitals which have surpluses, and those can be applied to the hospitals that have deficits.

Now we wouldn't like that for a long-term policy, but that's a possibility while we've been trying to get the system under control and manage it. We want to be flexible, and I'll certainly have to discuss that with the Provincial Treasurer and with my colleagues. Basically our attitude is that where deficits have been incurred during the past three years, subject to calling the surpluses, because they are callable . . . We wouldn't want that for a longer term policy because in the longer term we want to develop a policy which provides incentive, not just encourage hospitals to operate with deficits on any longer term basis.

MR. R. SPEAKER: Mr. Chairman, to the minister. I'd like to cite an example. These figures are accurate, because I was in contact today with this particular board, the Grande Prairie General Hospital. Their deficit last year, in 1977-78 — and this is projected on the figures you gave me, Mr. Minister — is \$199,620. They said today their 1977-78 deficit was going to be around \$200,000. Their projected deficit for 1978-79 is \$650,000. Here we have two figures. They are \$200,000 short in '77-78, and they don't know where the funds are coming from; \$650,000 in '78-79; for a grand total of \$850,000 deficit. They're asking, how does that fit into this plan of flexibility?

I asked the question, will there be some reductions? They said: we don't want that to happen; we want quality of service, but that seems to be the only way we can handle it; we're going to have to cut back on bed space, start cutting back on staff, cutting back on the quality and quantity of service. So they're in a very difficult position.

I also said, have you had any directives or requests for new programs at the same time? They said, yes, from the department we have been requested to improve our pharmacy facility, which costs quite a bit of money. This would only add more to their projected deficit for 1978-79.

Mr. Minister, that is \$850,000, a major portion of the \$2.6 million. The question is: how will you handle cases such as that?

MR. MINIELY: Mr. Chairman, I think I just answered the question. I found the schedule, so I think we're working from the same schedule, which starts off: 1976 audited surpluses or deficits, and 1977 projected. Are we working from the same document?

MR. R. SPEAKER: Yes.

MR. MINIELY: Okay, hon. Member for Little Bow, the second page of that document says, 1976 audited surplus or deficit. The cumulative total there is a surplus of \$417,444 for 1976. Have you got that? You have to follow it all the way through for 1976 and 1977-78 to date. The 12-month, 1977 projected surplus or deficit is a surplus of \$646,715 for those

hospitals. It says, cumulative surplus. There are individual deficits, but the total is a surplus in the system. Then for the 15 months of 1977-78, it's \$412,160 cumulative surplus, on the same page. So there are more surpluses in the hospital system than there are deficits for all of those periods.

Now, if you want to turn to the next series, page 4 of the same document, at the bottom. This is total surplus and deficits in the entire active and auxiliary hospital nursing home system. For 1976 there are net surpluses in the system of \$2,379,736, audited surpluses for 1976. For 1977 projected, there is a deficit for that 12-month period of \$810,695. For the 15 months, because we had a change in year end with a change in federal cost sharing, the net deficit is \$258,913. So my point is this: in the hospital system in total we have a cumulative surplus at the end of 1977-78 in excess of \$2 million, subject to all of them submitting final audited statements.

MR. R. SPEAKER: I'm not sure whether the minister has enlightened me with regard to this document or not. Just so we get the record straight, the first figures that were given with regard to accumulated surpluses and deficits related to the auxiliary hospital program, which is on this page. One of your staff inserted it on the second page when it should have been the last page. The second figures that were read, Mr. Chairman, were with regard to hospitals. They're accumulated figures. It comes out with deficits and surpluses, showing a net surplus. So that kind of figure can be made.

I'm not arguing about the minister's interpretation of this. I think we should do a little more studying of the document he gave me, and I didn't want to debate this. I didn't get into debate at this point on the interpretation of things nor the subject, because I'd like to have gathered some material on the whole thing.

The question I raised with the minister was a very important one. If we can't go from the specific to the general, we can't really decide what the intent of this government is. I gave an example to the minister with regard to the Grande Prairie hospital. The numbers I gave to the minister are accurate: \$200,000 deficit, 1977-78; \$650,000 deficit projected 1978-79. With the statistics given to me by the minister, it's an unfair way of examining the process. I'd like the minister to tell me which hospital should we tell the Grande Prairie board to approach to get \$850,000?

AN HON. MEMBER: No, no.

MR. R. SPEAKER: Well, that's what the minister's saying by these statistics, Mr. Deputy Premier. He's saying here that after we look at the audited surplus and deficit of hospitals for 1976, when we net all those figures, we come out with a surplus of \$2,000,379. But does hospital A give to hospital B, and B to C, and C to A? When you interpret it that way, that's really what it's saying, and that is not . . . [interjection] Well, I'd love the minister to explain.

MR. CLARK: That's what he said. He said they were callable.

MR. R. SPEAKER: He said surpluses could be callable and given to other hospitals. Now does Grande Prairie with its deficit position go to a little hospital — Carmangay in my own constituency? They always have surpluses and good managers down there, \$10,000. Do they send their \$10,000 up to Grande Prairie? Is that what the minister is saying? I'd appreciate the minister's clarifying that example relating to the concept of maintaining levels of beds and giving to the hospital board the right to rearrange the priorities in the service area. That's all. I'd appreciate the minister to clarify that so I understand.

MR. MINIELY: Mr. Chairman, if the hon. Member for Little Bow keeps up that performance, I'm going to use these pills.

I thought I explained it very clearly. Obviously one hospital isn't going to go to another hospital. The surpluses have historically belonged to the province. If there's a surplus, it comes back to the province. What I was saying was that in connection with the department hearing the appeals, and in connection with reviewing up to date all the operating financial statements for hospitals in the province, we will be examining the deficits. [interjections] Let me finish — the audited deficits and surpluses in the hospital system, active and auxiliary hospitals. At the present time it appears that the surpluses outweigh the deficits.

Now, what I'm saying is that we feel we should where it's an approved . . . The same as with appeals: we're not just going to hand them the money just because they yell a little bit. We want to be satisfied that it's a proper deficit; that it's an audited, proper deficit on an approved program. But if it is, our posture will be that we should probably pick up that deficit, and we will be calling the surpluses.

MR. CLARK: All surpluses?

MR. MINIELY: That's right.

MR. R. SPEAKER: Mr. Chairman, I would like that statement made very clear. Surpluses of 1977 and '78 will be called by the government in order to subsidize or be transferred to other hospitals to pick up their deficits?

MR. MINIELY: No, I haven't said — I'm saying the surpluses outweigh the deficits in the system. I've said there are more surpluses in hospitals in Alberta than there are deficits. I've said we will examine the deficits, and if we're satisfied that they're on approved programs and that they are audited, proper deficits, our attitude would be inclined to be to pick up that deficit. So basically after three years of restraint, we clean up that situation. Basically, every year the surpluses in the hospital system have been called back to the province. They have never stayed in the hospital system.

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

MR. CLARK: Oh.

DR. BUCK: That's a good move.

[Motion carried]

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

[Mr. Speaker in the Chair]

DR. McCRIMMON: Mr. Speaker, the Committee of Supply has had under consideration a certain resolution, reports progress on the same, and asks leave to sit again.

HON. MEMBERS: Agreed.

[At 10:50 p.m., on motion, the House adjourned to Wednesday at 2:30 p.m.]