

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Friday, June 29, 1979 10:00 a.m.

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS

Bill 218
An Act to Amend
The Alberta Health Care Insurance Act
(No. 2)

MR. NOTLEY: Mr. Speaker, I request leave to introduce Bill 218, An Act to Amend The Alberta Health Care Insurance Act (No. 2). The basic principle of Bill 218 is that payment from the commission to medical practitioners would constitute payment in full and the practice of additional billing would not be permitted.

[Leave granted; Bill 218 read a first time]

Bill 231
An Act to Amend
The Alberta Hospitals Act

MR. NOTLEY: Mr. Speaker, I request leave to introduce Bill 231, An Act to Amend The Alberta Hospitals Act. The principle contained in Bill 231 would clearly eliminate the imposition of a users' fee on patients in Alberta hospitals.

[Leave granted; Bill 231 read a first time]

Bill 228
An Act to Amend
The Teachers' Retirement Fund Act

MR. R. CLARK: Mr. Speaker, I beg leave to introduce Bill 228, An Act to Amend The Teachers' Retirement Fund Act. It would give teachers on maternity leave the option of making contributions to the Teachers' Retirement Fund for the period of that leave.

[Leave granted; Bill 228 read a first time]

head: TABLING RETURNS AND REPORTS

MR. BOGLE: Mr. Speaker, I wish to table the annual report of the Department of Social Services and Community Health for the fiscal year ended March 31, 1978, as requested by statute.

head: ORAL QUESTION PERIOD
Alberta Energy Company Operations

MR. R. CLARK: Mr. Speaker, I'd like to direct the first

question to the Minister of Energy and Natural Resources. It concerns the activities of Willowglen electronics company, 76 per cent of which is owned by the Alberta Energy Company.

When Willowglen was acquired in '77, the president of the Energy Company said that it had been operating profitably and would do even better under Alberta Energy Company's management. My question is: has Willowglen increased its profits since having been taken over by the Alberta Energy Company?

MR. LEITCH: Mr. Speaker, I will take the question under consideration and respond later in the House.

MR. R. CLARK: Mr. Speaker, I'd pose a supplementary question to the hon. Minister of Energy and Natural Resources and ask if, while he's checking with the Alberta Energy Company, he could check why Willowglen was not included in the consolidated statement of earnings, 1978 annual report of the Alberta Energy Company.

MR. LEITCH: Mr. Speaker, I have serious reservations about whether that's an appropriate question to me. However, I will consider whether it is appropriate and respond later in the House.

DR. BUCK: We have \$75 million in it, Merv. Don't worry about it.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. Will the minister request of the president of the Alberta Energy Company some explanation as to why AEC was not included in the consolidated statement?

Could I also pose a question to the minister with regard to the out-of-court settlement between Alberta Energy Company and Willowglen. Could the minister confirm that the \$5.5 million ...

MR. SPEAKER: Order please. I regret interrupting the hon. leader, but the further we go along this line the more apparent it becomes that these questions really should go on the Order Paper.

MR. R. CLARK: Mr. Speaker, can I ask the minister this question: can the minister advise the Assembly if an out-of-court settlement has been reached between Willowglen electronics, its former president Dr. Donald Wright, and the Alberta Energy Company?

MR. LEITCH: Mr. Speaker, the reservations I had expressed about the earlier questions are growing as the Leader of the Opposition continues to ask questions. It seems clear to me that these should be asked at the annual meeting of the company and not in the House.

SOME HON. MEMBERS: Agreed.

MR. R. CLARK: Mr. Speaker, I'd like to ask the Minister of Energy and Natural Resources an additional supplementary question. Does the Alberta government still hold 50 per cent ownership in the Alberta Energy Company? And does that money come out of the Heritage Savings Trust Fund?

SOME HON. MEMBERS: Order.

MR. R. CLARK: Order be darned.

MR. SPEAKER: If the information concerning the shareholding is not public knowledge, I suppose it would be in order to ask that question. The second branch of the question is of course a little different.

MR. NOTLEY: Answer the question, Merv.

DR. BUCK: The Premier said you couldn't.

MR. SPEAKER: Has the hon. leader a second question?

MR. R. CLARK: Mr. Speaker, he didn't answer the first one.

I'd like to direct one last question on Willowglen electronics to the Minister of Tourism and Small Business. Has the Alberta Opportunity Company now confirmed that Willowglen Company was misrepresented to the Alberta Opportunity Company when it applied for and received a loan from the Alberta Opportunity Company?

MR. ADAIR: Mr. Speaker, I'm not sure if the word "misrepresented" is appropriate. I would take it as notice and do some checking.

Bankruptcies

MR. R. CLARK: Mr. Speaker, I'd like to direct the second question to the Minister of Consumer and Corporate Affairs. The annual report of the supervisor of consumer credit indicates that the number of personal bankruptcies in Alberta increased by some 40 per cent from '77 to '78. Given this statistic, what action do the minister and his department plan to take?

MR. KOZIAK: Mr. Speaker, I was pleased to file the report of the supervisor of consumer credit a few days ago in this Assembly. The report indicates that the amount of consumer credit on a per capita basis is higher in this province than in other provinces in Canada, which reflects the buoyant nature of the economy, the expectations that ...

MR. SPEAKER: I hesitate to interrupt the hon. minister, but as I recall, the question related to whether any steps were being taken in respect of bankruptcies in Alberta.

MR. KOZIAK: Mr. Speaker, the bankruptcy question is very closely related to the amount of debt outstanding. I was dealing with that aspect and, in doing so, indicating that although bankruptcies are increasing they're of course at a lower level than in the rest of the country, which again reflects the nature of the ...

MR. SPEAKER: I regret to interrupt the hon. minister again. As I recall — and of course the hon. minister is free to answer or not, as he pleases — the question was with regard to the steps the government might be taking with respect to bankruptcies.

MR. KOZIAK: Mr. Speaker, with respect to bankruptcies in the pure sense, I'm sure the hon. member is aware that under the British North America Act that

responsibility is with the federal government and not with the provincial government.

However, when we're talking about bankruptcies, we're also talking about the individuals involved, and I thought I would deal with that aspect of it. I should point out of course that the whole area of bankruptcies is included in the credit area. Hon. members are aware of the very successful Before You Go Under program initiated by the Department of Consumer and Corporate Affairs, which has won awards in advertising and has brought to the attention of Albertans in general the need to be careful in their purchases on credit, their use of credit.

MR. R. CLARK: Mr. Speaker, to the Minister of Tourism and Small Business. Has the pattern of increasing bankruptcies extended to small businesses in the province, and does the minister's department plan any additional consultative services to Alberta small business in that area this year?

MR. ADAIR: Mr. Speaker, if I might just respond. Since 1971, when some 4,600 new businesses were registered in the province, and then moving along to 1978, when 19,225 were in fact registered, there have been some failures. There's no question about that. But in '78 Alberta registered five failures, up from four the year before, and that was far below the number ...

MR. SPEAKER: I regret interrupting the hon. minister, but it's a little difficult to relate the answer to the question.

MR. R. CLARK: Perhaps I might put a supplementary question this way, having an appreciation that the minister would like the opportunity to express that information. Can the minister indicate to the Assembly if his department will have any specific new programs in place this year to help in the area of financial advice to small businesses?

MR. ADAIR: Mr. Speaker, in short, yes.

MR. R. CLARK: Mr. Speaker, a shorter supplementary. What are they?

MR. ADAIR: That just gave me time to get the document in front of me, Mr. Speaker. With regard to the counselling service available for businesses, we are extending the service to, I believe, nine additional communities. They are activated by a request from the communities themselves, basically through the chambers and the businesses. So there is in that area day to day counselling and small business management, which provides in that capability the opportunity to sit down with a particular business on a one-to-one basis to discuss any area of either marketing, bookkeeping, or loan application, looking for more funds, financing, and the likes of that. Those services have been available and will be expanded to an additional number of communities.

MR. R. CLARK: Mr. Speaker, I'd like to direct a supplementary question to the Minister of Housing and Public Works. It flows from the report the Minister of Consumer and Corporate Affairs tabled in the House earlier this week. What effect has the escalating personal bankruptcy rate had on the number of mortgage

foreclosures, especially foreclosures under the jurisdiction of the Alberta Home Mortgage Corporation?

MR. CHAMBERS: Mr. Speaker, actually there are very few foreclosures under the Home Mortgage Corporation. I had occasion to look at that the other day. In the history of the corporation I think only three have actually gone the full route. At any given time there are a number of defaults. I'm not sure of the exact number, but it could be as high as 125 to 150. But generally a default doesn't mean a foreclosure. Within two or three months the people, once served notice or advised, pay. I think at the present time, over the years, there are actually only three foreclosures as such.

MR. R. CLARK: Mr. Speaker, just one last supplementary question to the Minister of Housing and Public Works. Having recently reviewed the statistics in that area, is the minister in a position to indicate to the Assembly whether the number of mortgages in default at this time can be compared to a year or two years ago?

I raise the question in attempting to get some indication as to whether that default number is remaining a constant percentage of the mortgages the corporation has out. Is that default number going down, as we all hope it would be, or is it escalating somewhat?

MR. CHAMBERS: Mr. Speaker, I think I'm accurate in saying that it's holding fairly constant. In fact the default rate this year is down slightly from last year.

MR. GOGO: Mr. Speaker, a supplementary to the Minister of Consumer and Corporate Affairs. In view of the facts released in the recently tabled document that the rate of personal bankruptcies in Alberta is at least one-third lower per capita than the balance of Canada, undoubtedly due to the awareness program, could the minister assure the House that the Before You Go Under program on television, sponsored by his department, will continue in the coming year?

MR. KOZIAK: Yes, Mr. Speaker, as the hon. member indicates in his question, the rate of bankruptcies in this province is in fact lower than elsewhere in Canada, and substantially so. The Before You Go Under program will continue during this budget year.

MR. LYSONS: Mr. Speaker, I'd like to direct a supplementary question to the Minister of Consumer and Corporate Affairs and ask if it's probable that a lot of bankruptcies are among new residents coming into Alberta.

MR. KOZIAK: Mr. Speaker, I don't have exact statistics on that, but the supervisor of consumer credit seems to feel that about 20 per cent of the bankruptcy cases in this province are among new residents, people who bring their financial difficulties with them when they move into the province.

Energy Development

MR. R. SPEAKER: Mr. Speaker, my question is to the Premier. It's with regard to the present Tokyo conference. The Prime Minister indicated that at the present time Canada is faced with declining oil production,

specifically in Alberta, until the mid-1980s. I want to ask the Premier if that quote which was made by the Prime Minister and concerned the Prime Minister will accelerate our tar sands development in Alberta. Will there be some new pattern in the next year with regard to tar sands development?

MR. LOUGHEED: Mr. Speaker, I'd refer that question to the Minister of Energy and Natural Resources.

MR. LEITCH: Mr. Speaker, of course we are interested in development in the oil sands and have clearly indicated that for a number of years. As all members of the Assembly would be aware, there is significant development there and significant proposals for additional development are now under consideration. As to whether we might change the rate of development or take some action to alter the current situation, it's too early to predict that at this time.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Energy and Natural Resources. The Prime Minister also indicated that by 1990 Canada would be self-sufficient with regard to oil and gas. What steps would Alberta be taking to ensure that that forecast does occur, and does the government agree with that particular forecast?

MR. LEITCH: Mr. Speaker, first of all that's a target, and a target expressed by the Prime Minister. I find it rather unusual that the hon. member asks what we're going to do to implement that target, [interjections] But certainly we would be prepared to have discussions with the federal government regarding development. I'd certainly be very interested in reviewing with the federal Minister of Energy, Mines and Resources his proposals for meeting that target.

Stony Plain Hospital Board

MR. PURDY: Mr. Speaker, I'd like to ask the Minister of Hospitals and Medical Care a question, having raised the question regarding the Stony Plain hospital board a number of times in the House in the last couple of years. Has the minister any information regarding the formation of a new board?

MR. RUSSELL: Yes, I have, Mr. Speaker. I'm happy to say that I guess right now the new board is being sworn in. I think there is a good feeling that the difficult problems of that board in the jurisdictions it served are behind us.

MR. PURDY: A supplementary, Mr. Speaker. Will Mr. Johnston, the one-man board right now, be left in place in an advisory capacity to the new board?

MR. RUSSELL: Certainly there will have to be some transition period, and the trustee who has been appointed will be available for that period. I'm happy, though, that the elected members of the various municipal jurisdictions involved in the board are anxious to get on with the business.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. He indicated that the new board is being sworn in about now. Could the minister indicate to the Assembly whether that new board will have

authority over the Devon hospital, as attempted by the minister's predecessor?

MR. RUSSELL: No, they don't, Mr. Speaker.

DR. PAPROSKI: Mr. Speaker, I wonder if the minister would clarify how many are elected and how many are appointed. Are they all elected?

MR. RUSSELL: Mr. Speaker, they've been appointed by ministerial order, but the nominations came from the municipalities in the hospital district. All the nominees are elected councillors of their various jurisdictions.

MR. PURDY: Mr. Speaker, a supplementary question to the minister. Will the minister be considering a board to be elected at large in 1980 or will we be looking at appointed elected representatives after the 1980 municipal elections?

MR. RUSSELL: I think the understanding is that this board would expire in 1980, and either the members could be reappointed by their councils or the councils may decide they want separate elections.

Surface Rights

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. In light of the increase in applications for right of entry under The Surface Rights Act in 1978, and due to the number of applications outstanding — I understand around 1,100 applications weren't dealt with — is it the intention of the government to add members to the Surface Rights Board?

MR. SCHMIDT: Mr. Speaker, in light of the study just completed and of course tabled in the House some 10 days ago, the one recommendation in regard to the workload of the Surface Rights Board which we intend to move on quickly is the suggestion that two new members become part of the board to work as independent negotiators with both industry and applicants. We feel that would relieve some pressure and reduce the number of applications before the board. So we will be moving on that fairly quickly.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Has the minister given consideration to establishing a separate branch to deal with power lines?

MR. SCHMIDT: Mr. Speaker, the other recommendations, including of course the question by the hon. member, will be the total review and study of both the recommendations and some of the problems that have been forecast.

Discrimination in Insurance Rates

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Labour. It's to follow up questions posed on June 8 concerning the setting of automobile insurance rates in the province.

Has any review been made by the government of the letter of June 15 from the Human Rights Commission challenging statements made by the insurance indus-

try concerning the question of rate discrimination on the basis of sex?

MR. YOUNG: Mr. Speaker, a review has been commenced, at least in my own department with certain officials. It's not complete, however. I believe the hon. Minister of Consumer and Corporate Affairs may also have directed some attention to the matter.

MR. KOZIAK: Yes, if I might follow up on that, Mr. Speaker. In their report, which I tabled earlier in the session, the Automobile Insurance Board indicated they're considering this matter. They have provided us with some interim information in the report I filed, and I expect the final report later this year.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Labour. Is the government considering any formal accommodation of the request contained on page 3 of the letter from the Human Rights Commission that they would like an opportunity to meet with members to advance their views with respect to the implications of Bills 1 and 2 for the current practices of the industry?

MR. YOUNG: Mr. Speaker, the commission as such has not defined any further what it desires, other than the correspondence it has submitted. The chairman of the commission, Dr. Wyman, has indicated to me that he wishes to present some other material. I'm not certain how and what he wishes as a consequence or follow-up to what he's expressed in his letter. I had assumed that I would have a direct approach on that; to date I have not.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Minister of Labour. Will it be the minister's intention to meet with his counterpart in B.C. to review the proposals in the letter from the commission, that in the province of British Columbia legislation will be introduced to eliminate discrimination in the rate-setting procedures of that province's insurance scheme?

MR. YOUNG: Mr. Speaker, it's my intention to get as complete information as I can, not only from the province of British Columbia but from right across Canada, in terms of what exists, what the intention may be, and how various provinces are addressing this particular issue. I don't know that at the moment I would want to commit to a meeting just on that matter. But if the opportunity affords, that would be one way I could get the information. As time gives me that opportunity, I'll try to take it.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister.

MR. SPEAKER: Followed by a supplementary by the hon. Leader of the Opposition and then the hon. Member for Edmonton Norwood.

MR. NOTLEY: In view of the assertions of the commission, at this stage is the government, either through the Department of Labour or the Department of Consumer and Corporate Affairs, considering the commission of any further studies beyond those already compiled and referred to in the Automobile Insurance

Board report filed in the House several weeks ago? Would there be any additional studies of rate-setting practices, in light of the assertions contained in the report?

MR. YOUNG: Mr. Speaker, perhaps I should take this opportunity to express my view that the matter is a very complex one. In fact, I would expect there would have to be some additional studies. Over the last months we have been in the process of trying to collect information on what the status is, because it has been a moving issue in the sense that there have been developments in other areas.

I would call to mind to the members of the Assembly, Mr. Speaker, that the board of inquiry established following the recommendation of the Alberta Human Rights Commission, while it made the finding that it did, also stated that the evidence brought before it was not sufficient to enable an adequate evaluation to be made of the impact on the insurance industry, nor were the terms of reference of the board of inquiry sufficient to constitute the board as the appropriate forum for the hearing of such evidence. So the board of inquiry, while making the finding that it did, suggested that the issue was most complex and needed much more thorough research than it was able to provide.

As hon. members know, Mr. Speaker, the Automobile Insurance Board of the province came out with a different point of view. Given the different opinions in the industry, I would think that there would have to be a fairly substantial review of the situation.

MR. R. CLARK: Mr. Speaker, I'd like to direct, a supplementary question to the Premier. It flows from the last sentence in the letter from the chairman and members of the Human Rights Commission to all MLAs: the last sentence requests "the opportunity to present its conclusions in greater detail to the members of the government group who are studying" this issue.

My question to the Premier is: has a formal opportunity been arranged for the Human Rights Commission to make a presentation to the government group studying this issue?

MR. LOUGHEED: Mr. Speaker, I'd have to refer that question to the Minister of Labour.

MR. YOUNG: Mr. Speaker, as I responded to the hon. Member for Spirit River-Fairview, it has not. I have not received any elaboration from the chairman of the commission as to what opportunity he would like, what circumstances, what time frame, and what kind of material. Until I do receive that ... I may say, Mr. Speaker, he did not raise it with me as something of urgency on his part when I had discussions with him on other matters earlier this week.

I repeat, he has indicated to me that he wishes to discuss a number of items. We have not had the opportunity for that discussion, because as I brought to the attention of the House, some weeks ago I believe, I was leaving it to the initiative of the commission, inasmuch as the commission had indicated they wanted to resubmit some material in light of additional experience they had. So I leave it there, and I wait for their initiative on this matter as well.

MRS. CHICHAK: Mr. Speaker, a supplementary to the Minister of Consumer and Corporate Affairs. I would like to ask the minister whether he has had any discussion with the insurance industry based on the rate classifications now in place which take into consideration driver safety records, not only sex or age — whether that in itself might be considered discriminatory.

MR. KOZIAK: Mr. Speaker, I have had discussions with the Insurance Bureau of Canada and its representatives in connection with the matter of rate classifications involving sex, marital status, and age, and whether there would be possibilities for the elimination of such classifications. I have received representations from the Insurance Bureau of Canada and its members, and from the Canadian Life Insurance Association as well, that the elimination of those categories would make it extremely difficult for them to provide insurance, on the principle that the premium must bear some relation to the risk involved.

MR. R. CLARK: I'd like to direct a further supplementary to the Minister of Labour, if I might, following his answer to the last supplementary question I posed. After the chairman of the Human Rights Commission — for the first time I can recall in the existence of the commission — has taken the step of sending a letter to all members of the Assembly in which he and the commission ask for an opportunity to meet with the government group studying the issue, why has the minister not taken the initiative in raising the matter with the chairman and establishing a meeting that the whole commission has in fact asked for?

MR. SPEAKER: With great respect, it appears to the Chair that this question has been answered perhaps twice, although this time it is buttressed by a somewhat stronger preamble.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Labour. In view of the unusual move by the Human Rights Commission and that the board of inquiry is now some seven or eight months past, can the minister outline to the House whether the government has arrived at a clear-cut timetable for making a decision either to amend The Individual's Rights Protection Act or to force the insurance industry to comply with its provisions?

MR. YOUNG: Mr. Speaker, I don't think I would wish to commit to a clear-cut timetable. Obviously a decision on this matter should be made if we wish to quiet the controversy which seems to be engaged at the present time between the viewpoint expressed by the commission and that of some in the automobile insurance industry. But I've tried to indicate how complex this matter is, and I've done so this morning by having reference to a portion of the report of the board of inquiry, which itself, following an initiative of the Human Rights Commission, expressed how complex it was and that it would take some study. I've also indicated that I have not been pressed on the matter by the commission in terms of a follow-up to the letter of June 1, which I think is the one the hon. Leader of the Opposition has referred to.

I've indicated further that we are collecting information. Mr. Speaker, I'm now repeating answers I've given previously. In case they weren't understood, we

are collecting information. The hon. Minister of Consumer and Corporate Affairs is also involved, dealing with the insurance industry. I think it's going to take us some time to collect the information so that we know what direction and what kind of study is necessary in order to try to sort out the different issues involved.

MR. SPEAKER: Might this be the last supplementary on this topic.

MR. NOTLEY: Is the minister in a position to advise whether the government has given any consideration to a formal process of review, as opposed to a department review, either through a task force of people outside the caucus or a government caucus committee, so that Albertans will be able to expect some reconciliation of these two points of view?

MR. YOUNG: Mr. Speaker, at this stage of the identification of the issues and the wide parameters to the problem, that is clearly one of the options. But until we know exactly the facts I'd like to know on the matter, I wouldn't want to commit that that's an option we're likely to proceed with. It's one.

Energy Conservation

MR. LITTLE: Thank you, Mr. Speaker. May I address my question to the hon. Premier. In view of the worldwide concern about energy shortages and the need for conservation, has the Premier of Alberta given any consideration to programs or other means to encourage conservation of energy among Albertans?

MR. LOUGHEED: Mr. Speaker, I believe I responded to that question in part a few days ago in the House, by noting what I think is an obvious reality in Alberta, that there is no way we are going to see the citizens of this province respond to conservation programs that are not national, when the very large bulk of energy production emanates from this province. We will look at energy conservation programs initiated by the federal government and assess their appropriate application here in Alberta.

However, through the Minister of Energy and Natural Resources we are considering various energy conservation programs of our own from time to time. In fact we have a number of them. One which has been mentioned in this House is the very effective program the Department of Government Services has undertaken with regard to reducing energy conservation within Alberta's public buildings. Perhaps the Minister of Energy and Natural Resources is planning some other moves with regard to this matter and wants to supplement my answer.

MR. LEITCH: Not at any great length, Mr. Speaker, other than to confirm that we are reviewing possible energy conservation policies.

MR. LITTLE: A supplementary, Mr. Speaker, also to the hon. Premier. The United States government has recently commissioned a study on the use of bicycles both for conservation and health purposes. It appeared to me the Premier was in a very proper position to offer some opinion on the use of bicycles.

MR. LOUGHEED: Mr. Speaker, I wouldn't offer an opinion, but I would respond by challenging the hon. member. If he wants to take the view that we should both come back and forth from work on bicycles for a couple of weeks, I'll meet him on that.

MR. PAHL: Thank you, Mr. Speaker. This supplementary is for either the Minister of Energy and Natural Resources or the Premier. In view of the fact that the adoption of a 55 mile per hour or 90 kilometre per hour speed limit is in the majority in the rest of Canada, would that be one policy which might be very close to adoption with respect to this government?

MR. LOUGHEED: Mr. Speaker, I would have to hold the answer to that and perhaps refer it to the Minister of Transportation, who's not in his place today. I believe Albertans have shown a very clear awareness of the need to conserve and not waste energy, despite the abundance of energy in this province. We have a multitude of cases throughout the province where there is a recognition of that. I think it's an impressive record by Albertans generally. The energy supply is here, yet in our judgment there isn't an extensive wastage of energy resources in the province. The people of Alberta should be complimented accordingly.

Government Decentralization

MR. D. ANDERSON: Mr. Speaker, my question as well is to the hon. Premier. Can the Premier indicate whether it is still the policy of the government of Alberta, where practical and reasonable, to locate government offices in places other than the city of Edmonton?

MR. LOUGHEED: Mr. Speaker, of course the representation by the hon. Member for Calgary Currie is duly noted. At the same time one has to recognize that the stated policy of the government in terms of decentralization of government operations has to do with the balanced economic growth of the province. Although there may be appropriate cases for recognizing that in terms of the city of Calgary, when last I checked the statistics I saw that Calgary was doing relatively well in terms of economic growth.

MR. D. ANDERSON: Mr. Speaker, a supplementary question to the Minister of Consumer and Corporate Affairs. Taking into account that very positive growth in the city of Calgary, and a report tabled in this House last year titled Report on the Location of the Securities Commission, wherein the chairman of that commission recommended that the minister approve the development of a detailed plan to move the commission's offices to Calgary, can the minister indicate on what date we can expect those offices to arrive in the city of Calgary?

MR. KOZIAK: Before all the supplementaries are posed by members from Edmonton, I'd like to indicate that in response to that report we have increased the staff of the Securities Commission in the office in Calgary, to the point as a matter of fact where I think the commission will have to relocate within Calgary because they are being crowded in the facilities they are in. The chairman of the Securities Commission is found in the Calgary office on a regular basis. I understand that —

if not now, very shortly — the commission as a whole will be meeting alternately in Edmonton and Calgary.

Apart from those moves, I don't see the main office of the commission moving from the city of Edmonton, Mr. Speaker.

MR. D. ANDERSON: Mr. Speaker, a supplementary to the hon. minister. The report indicated that it wasn't practical to have management staff in both places and that the majority of the work, in particular with respect to the Stock Exchange and problems associated with the commission, took place in Calgary. Is the minister indicating that he's not willing to give further consideration to the recommendations of this report; therefore that decentralization is not being taken into consideration in this particular case?

MR. KOZIAK: Mr. Speaker, we considered Grande Cache as an alternative but concluded that the responsibilities of the commission extended not only to securities but also to mortgage brokers, franchises, pre-arranged funerals, and The Cemeteries Act, and that the needs of Albertans would best be served by improvement of the capability of the commission staff to handle the needs in Calgary through expansion of staff there, additional meetings of the commission in Calgary, and additional presence of the commission chairman in Calgary, but with the retention of the main office in Edmonton.

MR. SPEAKER: Might this be the last supplementary on this topic.

MR. D. ANDERSON: Just for clarification, Mr. Speaker. My hearing may be bad. But I'm not sure if the minister indicated if he definitely will not further consider the recommendations of this report, which took into account all the areas he outlined but suggested the move of the main office to Calgary.

MR. KOZIAK: Mr. Speaker, "definite" has its own meaning in political terms, and "time" has its own meaning. [interjections] At this time, the commission's office will remain in Edmonton. From time to time we may have to look at whether the provision of staff to the city of Calgary has to be expanded. That will be looked at on an ongoing basis.

MR. R. CLARK: Mr. Speaker, I'd like to ask a supplementary question. Is the minister in a position to indicate at what stage plans are for opening an office of the Registrar of Companies in Calgary?

MR. KOZIAK: Mr. Speaker, I'm glad the Leader of the Opposition has raised this, because since assuming this responsibility I have received a number of representations on the volume of work the companies branch is doing and the source of that work. At the moment I'm seriously considering how we should approach — either providing additional staff to the companies branch or additional capability — being able to handle the volume that flows from the buoyant nature of the economy in this province. That is one consideration I have before me.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. Is the government committed to

the opening of an office of the Registrar of Companies in Calgary?

MR. KOZIAK: Mr. Speaker, at this point in time I can't say we're committed to anything. [interjection] The hon. Leader of the Opposition seems to lack understanding in certain areas, and I guess I have to be very specific so that understanding gets through. With respect to the companies branch, I have a number of proposals before me as to how we can improve the service to Albertans and speed up the operation of the companies branch. I'm considering those very carefully now. Over the next number of days, after the session has adjourned to the fall, I hope to be able to move to provide better service in the very near future.

Calgary Single Men's Hostel

DR. CARTER: Mr. Speaker, my question is to the Minister of Social Services and Community Health. Is the minister considering alternative sites and uses for the Calgary single men's hostel?

MR. BOGLE: Mr. Speaker, I have had an opportunity to visit the Calgary single men's hostel. From a structural point of view the building is very sound, and indeed satisfactory. Concern has been expressed by various groups within the city of Calgary as to the location of the facility.

One concern the department and this government has had with regard to single men's hostels in general is whether the original intent was being misused; in other words, whether people were staying in them longer than they should. To that avail a policy was developed whereby the stay in a hostel has been limited to two weeks. If after that period employment is found within the community, an additional two weeks may be extended by the director of the hostel. The result of this new policy is that there has been a marked turnaround in the usage of the hostels in the cities of Calgary and Edmonton.

I would want further clarification from various groups within the downtown area of the city of Calgary as to whether this new policy has in fact rectified their concerns before making any further statements on the future of that particular facility.

Telephone and Utility Rates

MRS. FYFE: I would like to direct the question to the Associate Minister of Telephones. I wonder if the minister could advise if there has been any change in the Alberta Government Telephone policies relating to business telephone rates charged in senior citizens' drop-in centres and other senior citizens' institutions or facilities?

DR. WEBBER: No, Mr. Speaker. However, representation has been made by hon. members on this matter, and I am currently reviewing it.

MR. HYLAND: Mr. Speaker, a supplementary to the Acting Minister of Utilities and Telephones, whoever it may be. I would like to ask the minister if, when giving consideration to changing the telephone rates to residential rather than business rates, they would make representation to the power companies to do likewise.

DR. WEBBER: I'll take that as notice, Mr. Speaker, for my colleague the Minister of Utilities and Telephones.

MRS. FYFE: A supplementary, Mr. Speaker. The policy is being reviewed; do we have any indication as to when there may be a change in the policy?

DR. WEBBER: Not at this time, Mr. Speaker.

DR. BUCK: Mr. Speaker, a supplementary question to the Associate Minister of Telephones. Has the minister had an opportunity to review the situation where once private lines are disconnected and a new person takes over the house, business, or whatever, there is an additional fee charged just as if it were an installation of a new number, when really it is just an electrical transfer?

DR. WEBBER: Mr. Speaker, I'm having difficulties relating that question to the nursing home situation. However, I'll take the question as notice and review it.

MR. CHAMBERS: Mr. Speaker, I wonder if I could respond to the question asked yesterday by the Member for Edmonton Norwood, which I don't think I answered properly.

MR. SPEAKER: We've run beyond the time for the question period, but if the Assembly agrees perhaps we might deal with this topic briefly.

HON. MEMBERS: Agreed.

Pioneers' Repair Program

MR. CHAMBERS: Mr. Speaker, I thought the Member for Edmonton Norwood was asking me where members could direct senior citizens to pick up application forms for the pioneer repair program. I think the Member for Edmonton Norwood was actually asking me a different and very important question, whether application forms were available here and whether they could be obtained prior to the long weekend, because I indicated in the release that they would not be available in the financial institutions until next week.

I am pleased to report that I have obtained a large number of these forms in my office. Because of the barrage of calls I'm getting in my office, I think members also will probably get quite a number. Therefore I would like to advise the Member for Edmonton Norwood and members of this Assembly that I have quite a number of these forms along with brochures available in my office. If any member wishes to pick them up prior to the long weekend, I would be pleased to provide them.

MR. CRAWFORD: Mr. Speaker, just before going on with the next order, I wonder if I might have leave like to my hon. colleague to give an answer to the hon. Member for Bow Valley.

HON. MEMBERS: Agreed.

Metric Conversion

MR. CRAWFORD: This question the hon. member asked a number of days ago, Mr. Speaker, got us into the interesting area of acres and hectares. I've checked the practice with the Land Titles Office, and the situa-

tion is that the metric conversion program applies to parcels 10 acres or less. The conversion will be made to hectares only for parcels of that size. However, the conversion is made as documents with respect to those parcels are presented for registration. On all parcels of more than 10 acres, both systems of measurement will continue to be shown.

MR. CRAWFORD: Mr. Speaker, His Honour the Honourable the Lieutenant-Governor will now attend upon the Assembly.

[Mr. Speaker left the Chair]

head: ROYAL ASSENT

SERGEANT-AT-ARMS: Order! His Honour the Lieutenant-Governor.

[His Honour the Lieutenant-Governor took his place upon the Throne]

HIS HONOUR: Please be seated.

MR. SPEAKER: May it please Your Honour, the Legislative Assembly has, at its present sitting, passed certain Bills to which, and in the name of the Legislative Assembly, I respectfully request Your Honour's assent.

CLERK: Your Honour, the following are the Bills to which Your Honour's assent is prayed:

Bill 6	The Fuel Oil Administration Amendment Act, 1979
Bill 13	The Workers' Compensation Amendment Act, 1979
Bill 21	The Municipal Debt Reduction Act
Bill 25	The Landlord and Tenant Act, 1979

[The Lieutenant-Governor indicated his assent]

CLERK: In Her Majesty's name, His Honour the Honourable the Lieutenant-Governor doth assent to these Bills.

SERGEANT-AT-ARMS: Order!

[The Lieutenant-Governor left the House]

ORDERS OF THE DAY

head: GOVERNMENT MOTIONS (Committee of Supply)

[Mr. Appleby in the Chair]

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

**Department of
Housing and Public Works**

MR. CHAIRMAN: Would the minister like to make some opening comments?

MR. CHAMBERS: Yes, Mr. Chairman, if I may. In the past three years the province of Alberta has experienced what could be termed an unprecedented level of residential and institutional construction activity. I thought it might be appropriate to highlight some of this past activity and perhaps what effect the government has had on private sector activity, then proceed to indicate some new directions and proposed activity for the '79-80 fiscal year.

Since 1975 the province has experienced a significant increase in demand for housing in both the rental and ownership areas. The private market and the provincial government have responded in a manner I think is unparalleled in the history of the province, and in Canada for that matter. Housing starts, which are an indicator of construction activity in the residential market, have risen to extremely high levels. In the three-year period from 1976 to 1978, the province had 124,771 housing starts, nearly the same number as in the previous six-year period from 1970 to '75, and approximately equal to the starts in the nine-year period from 1961 to 1969, meaning that the level of production in the past three years has been three times greater than any comparable level of production in the '60s.

In 1979 it's estimated that the number of starts will be some 15 to 20 per cent lower than in 1978. It's perhaps a little early in the year to be too definitive about that projection. But we're estimating on the order of 38,000 to 40,000 starts. If that is achieved, it will maintain the average of the past three years, which I've indicated is very high, although it would be somewhat lower than last year, when we achieved something over 48,000 housing starts in the province.

The effect of this high level of production has succeeded in doing two very important things. First, the average price of new houses has been tempered to a large extent in recent years; so that affordability is improving for young families. The second major effect of the extremely great activity in house construction has been in the rental picture. In 1976 to 1977, while a large amount of apartment construction was under way, vacancy rates in Edmonton and Calgary were only about 0.1 per cent. If you look at it another way, there were only about 10 available or vacant units for every 10,000 units on the market, which is obviously a very low vacancy rate.

But with apartment completions averaging some 12,000 units from '76 through '78, and another 13,000 units under construction now, the vacancy situation has changed to such a large extent that there are now 300 to 500 vacant suites for every 10,000 rental units on the market in the major centres of the province. This is a 3 to 5 per cent vacancy rate. That's usually considered to be a normal rental market and a desirable percentage.

A serious question that must be considered, Mr. Chairman, is what effect government housing programs have had on supply and affordability. In terms of supply, the Department of Housing and Public Works, the Alberta Housing Corporation, and the Alberta Home Mortgage Corporation have accounted for

between 13 and 25 per cent of the total starts in Alberta in the past three years. Since this supply is directed to serve the most needy segment of the population, I think it must be assumed that this government, through its housing programs, has met a need and is improving the lot of nearly one-fifth of the population of the province in the housing market in any given year. The additional supply of government-induced housing has tempered the cost of accommodation for nearly all citizens in the province.

In order to continue to add to and improve housing stock for the future, the '79-80 budget of the department and the corporations reflects five major new initiatives which should achieve this aim. First, the family home purchase program, which as members know was effective March 30, 1979, will provide low-interest mortgages for some 19,000 families over the next five years at effective interest rates as low as 4 per cent. Financing will be provided by the Alberta Home Mortgage Corporation and will give builders, prospective home buyers, and do-it-yourselfers the opportunity to build or buy a unit costing up to \$62,000.

The revolving land servicing fund, also operated by the Alberta Home Mortgage Corporation, will provide \$50 million in the fiscal year '79-80 to municipalities and developers for the construction of major trunk systems. This funding will relieve municipalities and developers of a considerable debt burden, besides adding to a larger supply of building lots.

Thirdly, the Alberta pioneers' repair program, administered by the Department of Housing and Public Works, will provide up to 55,000 senior citizen homeowners with a grant of up to \$2,000 for home repair. As I indicated yesterday, this program commences July 1, and will significantly extend the economic life of the housing stock and assist seniors in the repair of their homes. Therefore, it will allow them to remain as long as possible in their homes and the neighborhoods in which they've lived for most of their lives.

Fourthly, the community services program, which has succeeded the neighborhood improvement program and the water and sewer program — the water and sewer program being provided through the Department of Environment — will supply grants to municipalities totalling some \$33 million in the next two years. The full range of community improvement endeavors will help to upgrade old neighborhoods, including the provision of recreational and social facilities.

Finally, the rural home assistance program, which works in conjunction with the rural and native housing and the emergency home programs, will be expanded to provide about 70 new log and stick frame homes in the '79-80 budget year. The self-help aspects of this program have resulted in many proud homeowners in over 16 Metis colonies and isolated communities throughout the province.

In addition to the aforementioned new programs, Mr. Chairman, the department, the Alberta Housing Corporation, and the Alberta Home Mortgage Corporation will remain major stimuli to the private sector's level of construction, through programs which include the senior citizen lodge and self-contained programs, the community housing program, the transitional housing program, the core housing incentive program, the modest apartment program, the rural and native housing and emergency home programs, and the home adaptation program which, as members

recall, was recently extended to handicapped renters as well as home-owners who are wheelchair users.

The highlights of half of the department are certainly paralleled by the activity which will occur on the Public Works side. The actual capital budget for '79-80 totals some \$184 million, a 35.4 per cent increase from the '78-79 budget commitment. About one-third of this budget, some \$66 million, represents the capital budget of the Department of Housing and Public Works.

In keeping with the government's policy of decentralization and regionalization of government facilities to provide better and more accessible service to the citizens in every corner of the province, an extensive program of construction of provincial buildings has been implemented. Since 1972, some 29 provincial buildings have been completed, with an additional seven under construction. The present design and planning components of Alberta Public Works have a further 30 provincial buildings under active consideration.

Besides this large capital construction commitment for the Department of Housing and Public Works, of course, Public Works is also responsible for the capital budgets of other departments. Perhaps the most significant activity takes place for the Attorney General's Department, with the construction of court facilities. Currently 28 court facilities are completed or under construction, with a further 23 planned to start in this fiscal year.

In terms of postsecondary education, facilities for both apprenticeship and technology programs have been provided by Public Works on behalf of the Department of Advanced Education and Manpower. Since 1976, facilities have been built at Keyano College, the Northern Alberta Institute of Technology, and the Southern Alberta Institute of Technology. These will serve some 3,650 students. An additional 1,430 students will be provided with facilities already under construction. In this area the '79-80 budget commitment will be nearly \$34 million.

By the late fall the Department of Environment will have received the new Alberta environmental centre at Vegreville. The entire complex, totalling some \$24 million, will be substantially complete this budget year.

The department has worked for a number of years to complete the Pine Ridge Forest Nursery, sponsored by the Department of Energy and Natural Resources and located near the town of Smoky Lake. It's operational now, and will employ some 100 local residents. The plant will produce 20 million seedlings annually.

By way of the Heritage Savings Trust Fund, the department also has major construction responsibility in two major recreational projects: Kananaskis Country and Fish Creek Provincial Park in Calgary. However, both projects fall under the auspices of the Department of Recreation and Parks.

Finally, in the next few months the Department of the Solicitor General will be in a position to utilize the new Edmonton Remand Centre. This \$13.6 million ultramodern facility will accommodate a population of 350 who require custody prior to or during trial procedures. Pressure for space at Fort Saskatchewan will be relieved to a great extent by the completion of this Remand Centre.

Total construction dollars spent in the province in 1978 exceed \$6.5 billion. Of this, \$1.75 billion was

expended on residential and another \$1 billion on institutional and government construction. Mr. Chairman, I think it's fair to say the Department of Housing and Public Works, the Alberta Housing Corporation, and the Alberta Home Mortgage Corporation have played a significant role in this awesome level of activity.

MR. R. CLARK: Mr. Chairman, I would like to pursue a number of areas. Suffice for me to say that I don't plan to spend a great deal of time on the rural and native housing program, because we've already indicated to the committee we want to look at that in Public Accounts this fall. By saying that and by telling the minister now that it's our intention to attempt to get the committee to go north this fall and look at the housing programs at Valleyview, Jossard, McLennan, Atikameg, and Canyon Creek, I hope by this fall things will be in very good shape.

Mr. Minister, and I say this to you very straightforwardly, I know you were at Jossard last summer with your officials, and literally nothing has happened at Jossard to fix up some of those houses the minister himself saw. I simply can't understand how the minister could have gone there and seen some of the workmanship and the mortgage documents and so on, and still those things haven't been straightened out. It's beyond me. But we'll save those questions for Public Accounts this fall.

Mr. Minister, there's one specific area, though, that I'd like to ask you to elaborate on. Your predecessor, the hon. Mr. Yurko, outlined plans in 1977 for refurbishing the Legislature grounds, what some people in the media at least called the Taj Mahal. I noticed just recently that the government has called tenders and is making tender documents available not only in Alberta but in Toronto and Montreal. If my recollection of the tender application is accurate, the government must be looking at close to a \$10 million project, because I think the deposits were close to \$2 million.

So, Mr. Minister, to start the discussion this morning, I'd be very interested in hearing in some detail what plans the government has for the government centre. I note also that some of the work has already started. The minister's office announced some while ago that it was \$14 million this year. How long is this going to take? What's the total cost? I'd be very interested in hearing from the minister some explanation of the end purpose of this venture.

MR. CHAMBERS: Mr. Chairman, before getting to the government centre project, I recognize that the discussion on rural and native housing will occur this fall. I would like to say with regard to Jossard, though, that it's true, I was up there. I looked at it and saw a number of items that needed to be repaired. Some doors were off or hanging by one hinge, and many different items needed to be repaired. The corporation did go through all the units. I forget the amount, but I think the contract was something in the order of \$25,000 in repairs that were done. I would point out that those units were built at cost. The cost at that time was appreciably less than building a new unit today. Therefore, I still think they're pretty good value for the dollar.

I indicated earlier that mortgage documents... Sure, it's a slow and, I'm sure, a frustrating process for many because of the involvement of two levels of government, the Central Mortgage and Housing

Corporation, the Housing Corporation, and the Alberta Home Mortgage Corporation. Of course the rural and native program, introduced in 1974, was new nationally. I think the processing of documents, if you like, is being speeded up and is working better. Like any new program, particularly of national scope, it has growing pains. But the fortunate thing is that people pay only 25 per cent of income for 25 years, and that all their payments from the start that might be termed rental go toward the price of their house if and when they choose to purchase. I do think that system is starting to work much better. We are now, and hopefully will be over the coming months, processing many more of those mortgages.

Mr. Chairman, I will now leave that and go on to the Legislature grounds. The \$14 million we're asking for in this budget covers site development and related work, which is \$941,000. As members will appreciate, the water and sewer systems and facilities around the structure are very old. So of course there's planning, the rebuilding of certain drainage, water, and sewer lines, and earth moving and replacement.

The second item would be obsolete systems that need to be replaced in renovation of the Natural Resources and Administration buildings. These are proceeding well. On the Administration Building the demolition contract is essentially complete, and the renovation contract is ready to go to tender. The expected completion date for renovation of the Admin. Building is 1980. The renovation of the Natural Resources Building is essentially 15 per cent complete. Again, it's scheduled for completion in June 1980.

What I prefer to call a deck over 97 Avenue from 107 to 109 Street is a key part of the plan, Mr. Chairman. It's interesting to look back at the original architectural, conceptual drawings done shortly after this building was constructed. Our forefathers visualized the sort of thing we're doing now: an open concept all the way to Jasper Avenue, I think, the sort of open approach one might see in Washington D.C., for example. I haven't seen the Taj Majal, but people keep suggesting this name to me. If members really insist, I'll go over and take a look at it.

MR. R. CLARK: Perhaps I'd best go along with you.

MRS. OSTERMAN: After Airdrie I'll go.

MR. CHAMBERS: Anyway, the deck over 97 Avenue will allow a flat-landscaping approach, which I think will be the real focal point in terms of beautification of the Assembly. One will be able to go to 98 Avenue and farther and look down over a landscaped area with reflective pools. I think it will be very attractive.

The fourth item would be the underground, 200-car south parkade, adjacent to the east side of this building. That will eliminate the surface parking, which I think members would agree is not a very attractive feature of our capital building. Quite frankly I think the parking detracts from the landscaping. Also, in January of next year I think parking our cars underground will be much more comfortable than parking them up where they are. I think that parkade will be a very worth-while and attractive addition to the project.

Fifthly, the 98 Avenue east-west pedestrian access will be a covered pedway connecting with the anticipated rapid transit terminal on 109 Street going over to 107 Street, at which point there will ultimately be a bus

depot. In terms of public facilities, there will be a major bus shelter, and a north-south pedestrian access on 108 Street.

These are essentially the seven items in the \$14 million I'm asking the Legislature to approve for this project.

I would just like to conclude, Mr. Chairman, by pointing out that this is the start of Capital City Park. It is the capital of our province. We're accomplishing something that was visualized by our ancestors when this building was first built. I think all Albertans are really proud of this beautiful building. With the right landscaping and carrying out the projects that actually were conceived or dreamed of by our ancestors, all Albertans are going to be extremely proud of the appearance of the site when we complete the project.

MR. R. CLARK: Mr. Chairman, to the minister. I won't comment on the views of our ancestors, how many people have expressed concern to me about parking out front, how many people have had problems getting from the Administration Building to the Legislature Building and back during the dead of winter, and so on. I'd simply say, Mr. Minister: are we told that the items the minister has outlined will cost \$14 million? Is that the total cost? And what is the time line? Are we looking at one, two, three . . . When I look at our speed on the renovations of the Administration Building and the Natural Resources Building, I'm sure this isn't going to be done that quickly. What's the target date for finishing? Mr. Minister, I want to be very clear: are we talking about \$14 million for this whole project?

MR. CHAMBERS: That's a fair question, Mr. Chairman. We're asking for the \$14 million for what is to be accomplished in this coming fiscal year. That will cover the bulk of the seven items I've outlined. However, in future years we will be looking at refacing the Agriculture Building, additional parkade facilities, landscaping and related work, mechanical satellite, and additional facilities. For example, the renovation of the Agriculture Building wouldn't be completed until about 1984.

However, I would like to make clear that — if I get my way and all the work we visualize is completed — while the total cost will obviously be appreciably more than \$14 million, all we are asking for this year is approval for this. Hopefully next year I will be able to convince my colleagues and this Legislature that we should do some additional work. That will be up to the Legislature to approve. The \$14 million covers this next fiscal year.

MR. R. CLARK: Knowing that the minister is an engineer of some considerable expertness, Mr. Chairman, I don't know any engineers who get involved in a project, do the first year of it, and don't know what the total cost is going to be. Mr. Minister, both of us have been here long enough to know that once we start a project like this . . . We don't stop the refacing of the Agriculture Building when we've finished the east side, and not do the other three sides. We don't finish half the parkade, or only part of the reflecting ponds, or the deck halfway over 97 [Avenue]. All these things aren't going to be done within the next year, Mr. Minister, but I think it's very fair to ask the question using the minister's own terms. If the minis-

ter gets his way and the total project goes ahead, what price tag are we looking at?

MR. CHAMBERS: Yes, I would agree that is a fair question, Mr. Chairman. I'd like to make it perfectly clear. The total price tag, not just for the seven items I've quoted but the additional items I would bring forward in ensuing years and try to get approval for, would be something in the order of \$43 million.

MR. R. CLARK: Forty?

MR. CHAMBERS: Forty-three.

However, I would also like to make it perfectly clear that there are examples of projects that don't get approval year by year. I can think of a number, like the MacKinnon Ravine in Edmonton and the Spadina Expressway in Toronto. You know, projects can be terminated at the will of the legislators. To get approval for expenditures other than the \$14 million, I'll have to come back to this Legislature this time next year. Again, Mr. Chairman, what we're asking for this year is \$14 million.

MR. R. CLARK: None of us in this Assembly is so naive as not to know that the minister is going to get his \$14 million this year. The minister's people have already started the work, even before the Legislature has approved the \$14 million. So all members clearly understand, when we approve the \$14 million this year, if the minister gets his way in the end — and I would be prepared to bet the minister has a better than average chance of getting his way, or the Treasury Board would never have agreed to spend the first \$14 million — we're committing ourselves to about \$43 million. That's the way it is.

Let's not kid ourselves that we'll come back a year from now and say, well, we spent \$14 million but we're not going to go the rest of the way. We all know that this work will be partly done. And once a project like this starts, the likelihood of Alberta's Legislative Assembly grounds being left halfway over 97 [Avenue] in midair, with \$8 billion in the heritage fund and \$2 billion in surpluses, Mr. Minister, both you and I have to stretch our imaginations a great deal to imagine that we'd leave the deck halfway over 97 Avenue, or finish only a quarter of the Agriculture Building, or finish the reflecting ponds but not be able to afford the water for them, or have the bus shelter only partially finished. What we're really doing here is committing ourselves to \$43 million between now and 1984.

MR. CHAMBERS: Mr. Chairman, actually I take a good deal of comfort from the remarks of the Leader of the Opposition. When we get into this budget next year, I'm really going to be counting on his support for additional funding for more landscaping. I guess I'll leave it at that.

If the total project were approved beyond this year, the final project would be the facing on the Agriculture Building, that green building which I think most members would consider not particularly attractive, [interjections] It should be refaced. In our current projections the final date on that would be the fall of 1984.

MR. R. CLARK: Mr. Chairman, I'd like to make one last comment in this area. Mr. Minister, when I think

about what we're doing around the Legislature Building and compare the fact that this government hasn't built one new active treatment bed in the city of Edmonton since it came to office, frankly, I place a much higher priority on active treatment beds in the city of Edmonton than on refurbishing the Legislature grounds to the tune of \$43 million. Mr. Minister, I think Edmontonians and Albertans would be far prouder if there weren't long waiting lists in our hospitals, nursing homes, and auxiliary hospitals, rather than being able to pat ourselves on the back for having the most grandiose Legislature grounds of any place in North America.

MR. CHAMBERS: Mr. Chairman, obviously those representations should be made to other ministers. This is a provincial capital facing onto Capital City Park, and I really think this is what our forefathers visualized. I think it's going to be extremely attractive, admired by all, and I'm really confident that every citizen of Alberta is going to be extremely proud of the way our capital centre is going to look when we get this landscaping project done.

SOME HON. MEMBERS: Hear, hear.

MR. R. CLARK: Mr. Speaker, just one difference between our forefathers and this government: our forefathers looked after the hospitals first.

MR. CHAIRMAN: A number of members have indicated they want to enter into the discussion. I'll read the constituencies to you now so you'll know where you come in the line-up: Edmonton Whitemud, Spirit River-Fairview, Lac La Biche-McMurray, Edmonton Norwood, Vegreville, Calgary North West.

MR. KNAAK: If I may take the opportunity to go supplementary on this particular improvement to the Legislature grounds, I don't often quote Bill Thorsell from the *Journal*, but I certainly strongly agree with him on this point. He said, the Alberta government should not be embarrassed at all. It should be proud of the fact that the improvement of the grounds is being done; that this decision is being made. Even I, a strong opponent to rapid government growth, feel very strongly that it is important that the people of Alberta are proud of their Legislature, that the legislators themselves have a good feeling about the place where they come, and that it have a stature in relation to the kind of province we have. I strongly support this movement to upgrade our Legislature Building.

First of all I wish to compliment both the Minister of Housing and Public Works and the Minister of Municipal Affairs for working together in a joint program. Before being a legislator I always had a concern about programs that increased demand for housing without increasing the supply. In my view the result would normally be an increased demand generating an increase in price, which more or less undoes any benefit of a subsidy program or some other program designed to benefit those who can't afford a house at market price. In this case we have an increase in the starter home ownership program, and at the same time we have a program to facilitate the borrowing of funds by both municipalities and developers to provide servicing. I think that is additionally significant, in that they're combined.

The other thing I think has been well done is the fact that notwithstanding our very rapid growth, apartment building and construction have been facilitated through Alberta Home Mortgage. I hope and expect this will stabilize the increase in rents much more, and hopefully we'll see an end to the rapid escalation in rental rates.

The concern I had before becoming a legislator — and this is a change of topic, Mr. Chairman — was the federal government's involvement in areas that on a strict interpretation of sections 91 and 92 would be considered provincial responsibility. Medical care is an obvious one, where the federal government has retracted. We're into a tax transfer arrangement. The other is housing. Some constitutional experts feel that the federal government's involvement in the area of housing is really stretching their jurisdiction.

One of my concerns is the overlapping, the duplicating, and to some extent the federal government's directing provincial priorities from Ottawa. I appreciate that over the last two, three, or five years the Department of Federal and Intergovernmental Affairs and the Department of Housing and Public Works have worked together trying to streamline this particular area. I wonder, Mr. Chairman, whether the minister would be in a position — and I see he may have the help of the Minister of Federal and Intergovernmental Affairs — to clarify for the Assembly what progress has been made in the area of this overlapping of federal/provincial programs, and in preventing the federal government through CMHC from setting provincial priorities in areas which in my view are really provincial jurisdictions.

Rather than making a supplementary, maybe I could add one more question on a different area. CMHC provides mortgage insurance through the National Housing Act. That is a very low-risk business. Huge profits are made both by CMHC, through NHA mortgages, and I think by the private mortgage insurance companies as well. But in NHA-approved mortgages, the insurance doesn't go very high. Mr. Minister, has your department considered the possibility of going into the field and in fact displacing CMHC in Alberta, only to the extent that the NHA now insures private mortgages?

MR. CHAMBERS: Mr. Chairman, to answer the last question first: yes. The Alberta Home Mortgage Corporation is now an approved insurer. Therefore we are in the mortgage insurance business through the Home Mortgage Corporation.

As far as disentanglement, to use an expression that the Member for Edmonton Whitemud is referring to, the theme of a conference held here in January 1978 centred on trying to make some effort to disentangle and not overlap functions. It proceeded from there. This year we finally achieved a global funding agreement, as it's termed, where there is an appreciable degree of disentanglement between the two levels of government. To a large extent the Central Mortgage and Housing Corporation is getting out of capital funding in the provinces. However, it is participating through various schemes in subsidy and interest write-downs and so forth.

The new community services agreement was also concluded. The old community services agreement, the neighborhood improvement program, the sewer and water program, and other related programs that came

under the umbrella of that prior program, terminated in March 1978. A new program called the community services program was negotiated with all the provinces. I forget the exact date ours was signed; a month or two ago.

Therefore we will be directing our end toward two aspects: neighborhood improvement, and sewer and water. The activity, planning, and direction of the funding will be by the provincial government working with our municipalities. The federal government will no longer have its normal, direct involvement in the administration, inspections, and so forth, but will pay its share of the funding. I think global funding and the community services agreement have been significant improvements in terms of disentanglement and a pretty good approach.

MR. KNAACK: Mr. Chairman, a supplementary. I think a lot of progress has been made, as the minister explained. The Department of Federal and Intergovernmental Affairs, in co-operation with the Department of Housing and Public Works, must have done a very good job in accomplishing this task. I remember from days gone by there was very strong resistance by the federal government to this global funding formula.

MR. NOTLEY: Mr. Chairman, just three points. Mr. Minister, first of all with respect to the changes being made to the grounds, I'd be a little less than honest if I didn't say to the minister and the government that I think other priorities are somewhat more important. Quite frankly, I think we have very beautiful Legislature grounds at the moment. While the \$43 million over three years will no doubt . . . One can make the argument for some of the changes, although when you talk about changes to the Agriculture Building, quite frankly I don't think there's anything wrong with the way it looks at the moment.

In my view, what makes this total setting beautiful is the Legislature Building and the grounds to the south. With great respect, I wonder whether the proposed changes, pedways, a deck on 97 Avenue, are going to add anything of substance to what is already a very appropriate and beautiful Legislature setting. I suppose we can get into that. But I say quite frankly that when we look at this kind of public investment, I reject the views of some who say we have a tacky government area. I don't think we do. I think it is as attractive as any legislature setting in the country, and a good deal more attractive than most — for example, the setting for the House of Commons.

I really find it a little difficult to see why we have to commit that kind of investment, a very substantial amount of additional funds, albeit it can be cut off at any time. I think the minister cited examples of projects that were begun and stopped. But we are still talking about \$43 million, not an inconsiderable sum.

I would like to go from there to deal with two other issues. In a sense one is a related issue; that is, an investment in Government House South in Calgary from the heritage trust fund. Perhaps the minister in his estimates could give us some outline of where things now stand with respect to the renovation of the courthouse in Calgary. I believe we had a debate in the House at one time, so I hardly need to go over what some of us may think about the investment of funds in Government House South. But I would like to know exactly where its plans now stand, and the present

estimated cost of the renovations.

Finally, Mr. Minister, the most important point I wanted to raise, and one that troubles me, is this business of increasing the share of income paid by senior citizens in self-contained units from 25 to 30 per cent. I realize seniors are eligible for the increase in the renters' rebate, and that will help. I don't know the situation throughout the province, but I know that in certain areas it is difficult to get people in rural districts into the self-contained units on the basis of 30 per cent. Senior citizens, particularly those who have sold a farm or assets and are earning bank interest, find they have a sufficiently high income that when you apply the 30 per cent, it really becomes very debatable whether they should be paying \$300, \$400, or \$500 a month to stay in some of these units. I realize the minister can say, yes, but the objective is to accommodate need, and you have people with lower incomes. I accept that, but I wonder if that is genuinely true in rural Alberta.

It seems to me a lot of people in rural Alberta might otherwise be using these accommodations. They have sold the farm and have certain assets, they have at least a certain income from the sale of those assets, and it just doesn't make sense to pay that kind of money to stay in the self-contained units. It seems to me that moving from 25 to 30 per cent — at least I know in several instances — has made us have empty units.

I can see the argument in areas of the city where you have low-income senior citizens, and obviously you want to get those people into self-contained units. But in the rural districts, so many retired people whom you want to get into the self-contained units do have assets. In my judgment, the income from those assets very often can mount up to a high enough rental rate that they simply say, if we're going to pay that much for a self-contained unit, we can rent a house in town for half as much.

I put it to you, Mr. Minister, where do things now stand on this whole 30 per cent question? We have 25 per cent in other areas of low-income housing. Are you totally committed to the 30 per cent, or can there be some flexibility on that figure, particularly in areas where we don't have full utilization at the present time?

MR. CHAMBERS: Mr. Chairman, with regard to the Legislature grounds, I think we have a fairly different point of view. However, I would like to suggest to the hon. member, in fact to any member who hasn't seen the architectural model of the landscaping project, that it is over at the Public Works office and you are certainly welcome to go and look at it. It's quite a large model, and I think it's probably easier to go over there and look at it than to truck it over here. I think if members look at that model and think about it . . . I'm really confident that the Member for Spirit River-Fairview and all members, when we get this project completed a few years from now, are going to look at it and say, gee, that was really a good thing to have done, this is our capital, we're proud of it, it's a beautiful province. I think every person in this province is going to be proud of the appearance of this Assembly when it's complete.

As to Government House South, I can't give the member any answer on that. There isn't any funding in this budget for Government House South. Some funding was in the heritage fund budget a year or so ago for planning, and it's still going on. That's the sort of building we want to look at carefully, because it

is a beautiful building in terms of basic structure and heritage, and obviously requires careful consideration before proceeding with any haste.

The Member for Spirit River-Fairview did raise a very good question with regard to 30 per cent of income: should there be a maximum? I would like to outline that consideration for the members, because we have debated that at the board level of the corporation at some length. The question really is this. We know our senior citizens' self-contained units are heavily subsidized; the subsidies run roughly \$200 a month per unit and are increasing as costs go up. By the way, the decision a couple of years back to go from the sliding scale to a flat 30 per cent of income was really based on a number of reasons. Mainly, for equity and fairness in terms of the gross debt/service ratio people generally pay, 30 per cent is a pretty common number. In fact, young people are often paying more, perhaps 35 per cent. The 30 per cent obviously presented equity in terms of the escalation in rents generally, and was deemed to be a fair portion of income to pay for rent, when one considers that in these self-contained units the only extra cost would be the telephone,

However, I haven't had all that much representation, but some. Certainly some of the housing authorities feel that that is perhaps high. I indicated to them if they can make a case that it is too high, we will relook at it, because we obviously want to achieve a number that is fair and equitable.

For seniors, though, the \$500 rental tax credit as compared to other provinces — for members, I don't need to go into the fact that in Alberta the senior driving his car gets much cheaper gasoline, doesn't pay sales tax, and has many other advantages — really has the effect of reducing the senior's basic rent to about 18 per cent of income. So I would suggest that senior citizens are paying less than in any other province in Canada. But we are rethinking that and looking at it. I certainly have an open mind on that subject.

I was going to say the other question is philosophical, but that isn't quite the right word. But it's a question that should be thought about. I haven't come across that many circumstances, but a few people have said: look, money is no problem. We're retired. We like what you're building in terms of self-contained. We want to live with our friends. But obviously we don't want to pay huge rents based on the straight 30 per cent with no ceiling. It's an important consideration that senior citizens are able to live with their friends.

However, on the other side of the issue, postulate that we build a self-contained apartment in a community. We'll say, okay, we have two or three vacancies today. Therefore, we'll let in these people who wouldn't qualify, whose income would mean that on a 30 per cent scale they'd be paying very high rents. Then the next year, as another few couples reach retirement age, we're faced with new structures, built with a heavy subsidy of public dollars, because people who can well afford to pay market rent have been allowed to occupy those units.

So it's a difficult question. We have debated that at the board level. Because of the fact that we hadn't identified many cases like that, and because obviously our first priority has to be in terms of the people with lowest income, we decided we'd continue as is for now, but we would relook at the subject at a board meeting probably this coming fall.

MR. CHAIRMAN: The hon. member for Fort McMurray.

MR. WEISS: Thank you, Mr. Chairman. I would like to make a correction: it is Lac La Biche-McMurray, although I appreciate the intent.

My question is directed to the minister with regard to provincial housing programs. Perhaps the minister would refer to the mobile-home lending program. I'm very concerned, Mr. Minister, that in our area and most areas in Alberta, your program is not adequately suited to meet the needs of most people. I would request that you seriously consider an adaptation or review of the program.

I'd like to refer you to the purpose, which you say is:

To provide financial assistance to low and middle income families for the purchase of mobile homes and to provide loans to builders and dealers who wish to acquire and place new units on permanent foundations on lots for sale to qualified purchasers.

Mr. Minister, very few lots are available on which you can put a permanent foundation in order to locate the home. We would state that the mobile industry is no longer mobile as it was known many years ago, and that the homes are more permanent. While they're not on permanent foundations, once the wheels have been removed and they're put on structures, we do say they're not mobile homes, but homes and permanent residences for those persons. We would seriously ask you to review that policy to make financing available to the many hundreds of people to whom it would apply.

Thank you.

MR. CHAMBERS: I appreciate the representation from the Member for Lac La Biche-McMurray. I agree with him that the mobile home, particularly as it is built today, does offer an extremely good form of alternative housing — long-term, adequate, and desired by many people.

I think the member was referring to page 22 of the Provincial Housing Programs booklet, the mobile-home park development program, where the Home Mortgage Corporation has of course been actively involved in financing mobile-home parks across the province for rental accommodation. In terms of ownership, the major Airdrie project is an example where lots have been made available, and mobile units — whether they be single-wide, double-wide, or modular — are essentially being used on a very extensive scale.

But I appreciate that representation. I agree that the so-called mobile home, whether it be single-wide or modular, does offer very desirable and effective alternative housing.

MR. WEISS: A supplementary, Mr. Chairman, I was particularly referring to where the development is being placed on Alberta Housing Corporation properties, where the property is not available for purchase, and it is very inconvenient and very hard to obtain financing. The program would be much more suitable if the financing were made available to those types of people.

MR. CHAIRMAN: The hon. Member for Edmonton Norwood.

MRS. CHICHAK: Yes, Mr. Chairman, I did want to make several comments. I would like to begin by referring to the matter of the Legislature grounds. We're going to go around on that merry-go-round again. I recall — I may be inaccurate, but I think my recollection is pretty clear — that back in 1972-73 we had some debates in this Legislature in which the members of the opposition, and particularly the then hon. Member for Calgary Mountain View, were very, very vocal about this government taking some action to preserve the Legislature grounds and surrounding lands so that we're not overshadowed by all kinds of high-rises or parking lots.

It seems to me we're hearing a totally different view today. I don't know what's happened in the interim, whether they don't have the influence of the member who was in the official opposition of that day. But I recollect that when the design was put forward for the redevelopment and improvement of the area surrounding the Legislature, aesthetically and in facility, I thought that that was to some extent meeting the desires of the citizens not only of Edmonton but of Alberta, particularly with the vocal kind of expression of concern, and the demand that we proceed with this redevelopment.

Today we are hearing the members of the opposition telling us; how dare you spend \$14 million? How dare you commit us to spend not only \$14 million but even more? You know, today we're not standing here at the same wage level and rate level on all the expenditures and requirements as in 1972-73. Somehow the opposition seems to forget to be consistent in their view. If they have changed their position, let them state that they have reconsidered and changed it, not simply go holus-bolus. Really, Mr. Chairman, I'm amazed at today's performance of the opposition members.

The other points I wanted to cover, Mr. Minister, were with regard to the senior citizens' programs, the home improvement programs and the provisions now available. I particularly welcome, and I know the senior citizens of Alberta welcome, the new Alberta pioneers' home repair program, which the hon. minister announced yesterday.

I'd like to raise a couple of questions, one particularly directed to this program; that is, I believe I recall correctly that when we put in place the senior citizens' home improvement program about three years ago, with \$1,000 grant in the first phase, the minister of the day made arrangements or put in place the mechanism of forwarding application forms to senior citizens who were receiving the Alberta assured income supplement, utilizing that list, I think, to provide convenience and ease for those senior citizens to benefit from the program, if they were indeed home-owners and could qualify. They automatically received notice or received the forms to be able to complete them and send them in to the appropriate area of the department. I believe that was the format or mechanism used.

I wonder whether the minister under this new program has considered at least assisting those senior citizens receiving the Alberta assured income supplement, where we have the list, whether he intends to send application forms to them so that they might complete and apply for the assistance grant under this program with greater ease.

The other area I want to raise is: might the hon. minister consider — if not in the current allocation of funding that hopefully will be passed today in his

estimates, perhaps in the planning of his estimates for the ensuing year, which will no doubt be take place during the summer months — mortgages or loans to senior citizens for improvement of their homes, where the amount required is over what the pioneers' home repair program can meet.

I've had several representations from citizens who are on the assured income supplement, and therefore cannot qualify through lending institutions or for any of the programs available through CMHC, to get a loan in the vicinity of \$5,000, \$6,000, or \$7,000, something they feel is manageable for them to pay off over the years. They're not asking for an additional grant as such, just to be able to borrow. They cannot borrow from lending institutions because they are on the assured income supplement. The lending institutions just say, we're really not able to lend to you because of your age level — they're senior citizens — and we don't feel that secure about your income level.

I think it would be a great help if we considered making available loans with a realistic ceiling. We could protect the program by having mortgages or documentation filed against the property, so that in the event the property became an estate and was sold at the realistic value, we could recover these funds into our housing program. It would be of great help.

I've had some very serious representations, from one of my constituents in particular who ran into the very real dilemma of having to put in substantial repairs to their basement immediately, which this would not cover. They couldn't wait even in part for this program, because of water leakage and those kinds of problems. They could not borrow from lending institutions or the banks because of age. I think one of the spouses was 68; the other was 65 or 66. They felt age level was against them. When I contacted Central Mortgage and Housing Corporation, they indicated that their community improvement program would apply only if the family resided within a community selected for that kind of improvement. Unfortunately, they were just a few blocks out of that area and had real difficulty in resolving their problem. I wonder if the minister would like to comment with respect to those matters.

MR. CHAMBERS: Mr. Chairman, on the second subject, I think the hon. member was referring to the federal RRAP, in conjunction with the neighborhood improvement program, where there was a loan, and a grant forgivable in part. I'm happy to have that sort of representation. I think the board is always open-minded in terms of consideration, and welcomes advice in areas where there appears to be need.

The question with regard to whether we're going to mail out this application form to people on assured income, that was done — that's correct, hon. member — with the initial senior citizen home improvement program. It was done because it was a new program, and of course we had to get some identification and knowledge of it out there. Even though we have no way of knowing how many of the 70,000 people who receive assured income are home-owners — perhaps there was a lot of coverage where people obviously weren't home-owners — it was felt at that time that it was necessary to get the program known.

I don't think there is a case for that today, because the program is very well known indeed, with the tremendous take-up we've had on the senior citizen home

improvement program and the anticipated take-up with the pioneers' repair program. Because of that, and the fact that I don't think a mail-out to the 70,000 would be a really effective form of advertising as compared to other forms, we hadn't contemplated doing that.

MRS. CHICHAK: Just one brief supplementary, Mr. Chairman. Is the minister then considering advising senior citizens through newspapers that applications are now ready and where they might apply? Or is he simply relying on the news release made available to the Assembly a day ago?

MR. CHAMBERS: That's a good question from the Member for Edmonton Norwood, Mr. Chairman. We are planning an extensive advertising program to make sure every senior citizen is aware of it. However, I think an effective part of the advertising program is going to be the members in this Assembly talking to each senior citizen in our constituencies. But yes, we will be advertising.

MRS. CHICHAK: Just one more supplementary, Mr. Chairman. The hon. minister may have given the information. I may have missed it. I really didn't think he had.

With respect to the neighborhood improvement grants under the new programs now coming into effect, did the minister indicate — I didn't spot it in the estimates — the proportion or amount being allocated to this program for the ensuing year? Has that been determined yet, and have the areas been determined, insofar as information is available to the minister?

MR. CHAMBERS: I can give that detail, Mr. Chairman. I'll have to dig it out here.

MR. CHAIRMAN: Perhaps the minister would like to answer that later. We could have another question or comment now.

MR. CHAMBERS: Okay. I do have that information in detail, and I will find it as we go through the votes.

MR. CHAIRMAN: We still have six people who have indicated they want to participate. Could you be as brief as possible, and perhaps the answers could be equally brief.

MRS. EMBURY: I will be brief, but I felt that since I represent the southern city, I should comment . . .

MR. JOHNSTON: One southern city.

MRS. EMBURY: I was going to say the largest southern city, which would have clarified my point of view.

I want to make a couple of comments on the Legislature grounds project, but first I would like to speak in support of two programs of the Alberta Housing Corporation and the Alberta Home Mortgage Corporation: the Alberta pioneers' repair program, because this will be of great benefit to many of my constituents, and the Alberta family home purchase program. I'm pleased to see that the maximum price has been increased to \$52,000, with an added point that the maximum price may be increased to \$62,000 in high

land-cost urban areas, because this concern had come forth from many of my new constituents.

I think the improvements to the Legislature grounds are a very interesting issue. When I came up here, I certainly was of the mind that it is a very attractive building, and the grounds are indeed very beautiful. I was very pleased to become part of it. That's particularly so if you're on the south end of the building; however, when you look north you can't help but raise many questions. I came into the issue at this time to say that I'm very pleased to see that many of my questions will be answered in regard to, where people should park instead of along the driveways, and about the busy street on the north side of the Legislature Building. So I'd like to say that I'm sure the people of Calgary North West would support this project.

Since the hon. minister has told us that the model is available for us to go and see, I think I can have my questions answered at that time.

MR. PAHL: Mr. Chairman, I'll be brief. I just wanted to comment in the good news, bad news vein. Coming from Edmonton Mill Woods, we certainly know the magnitude of the housing component of the minister's budget. On the good news side, I really can't say enough about the very positive effect of the homeowner programs of the department, the family home purchase program and the co-operative housing action program. Although I think that for the purposes of some of our members, representing areas such as Edmonton Whitemud, we should perhaps call it the monopsonistic housing action program, so that we get away from that wrong label. But really it's a great program because it has the effect of helping people help themselves. The pride and sense of accomplishment of people in our community who have participated in this program are really first-rate. In terms of cost benefits I would think that has to be one of the most effective endeavors that any government has undertaken.

On the bad news side, Mr. Chairman — I won't ask for responses on this; I'll simply make the comment — the community housing program needs some help in terms of the way it's implemented. I'm sure it works very well in smaller centres where the number of units to be managed by a local housing authority is relatively small and manageable. That's one situation. But in the city of Edmonton we have something like 4,000 units of community housing managed by one housing authority. I think we're missing the bet in terms of having a closer relationship to the community or neighborhood in the management of these programs. I express the hope that in the future development of these programs, we can look not only at the quality of the community housing we're building but at making their management a little closer to the neighborhood.

Thank you.

MR. CHAMBERS: Mr. Chairman, I was going to respond to the Member for Edmonton Norwood, but perhaps I'll wait until she gets back. I would like to say that I appreciate the remarks from the Member for Calgary North West and the Member for Edmonton Mill Woods.

The co-operative housing action program, CHAP, is one I'm especially pleased with. The take-up and interest are just fantastic — over 50 communities, and

we're looking at upwards of 900 this year. As members know, it involves a training program where people voluntarily get together and arrange to take courses at NAIT or SAIT or wherever. They're getting very good and affordable housing.

Last fall I had occasion to visit some of the projects completed by individuals in the hon. member's constituency. The quality of the workmanship is just superb. It makes one feel good to see the tremendous work these people have done, the enjoyment they have had in doing it, and how much they've learned and achieved. I've talked to people who've said they didn't think they could do it. Then they decided to take the plunge and take the courses, which are fairly brief but adequate, I think. Then they got together, pooled their ideas, supported each other in their endeavors, and ended up with a very fine product. I've had people tell me that as a result of doing this they've developed a tremendous amount of confidence. It's been of great social benefit to them as well. I think it's an excellent program that is well accepted by the people of Alberta.

MR. CHAIRMAN: To the minister, the hon. Member for Edmonton Norwood is now here if you wish to reply to that question.

MR. CHAMBERS: Yes, Mr. Chairman, the present community services program is a two-year program. The federal contribution is \$10.65 million for the first year and \$17.7 million for the second year. By the way, they work on a calendar year, not a fiscal year. The way we've apportioned that, the neighborhood improvement program will get \$4 million in the first year and \$5 million in the second year; the sewer and water, \$6.65 million in the first year, and \$12.7 million in the second year.

If I could switch to Vote 5, the elements. While the old neighborhood improvement program terminated in March 1978, ongoing projects are still being funded. The province's commitment there is \$2,225,000, and for community services, \$4 million. That will be covered under Vote 5.

DR. REID: Mr. Chairman, it's already been addressed at some length, but I was going to speak about the Legislature Building grounds. This is not just a matter of landscaping; it's an alternative for parking and things. We either go up in the air or under the ground. If our forefathers could spend as much money on this building out of the limited provincial resources of those days — incidentally, every visitor to the building comments on its quality and architecture — I don't think it's an excessive amount out of the present-day budget of the province to avoid having a parking structure like the Hudson's Bay parkade right next door to this building. I would hardly approve of the idea.

Thank you.

MR. BORSTAD: Mr. Chairman, to the minister. I would like to express some concerns about the rent increase to 30 per cent from 25 per cent of income for senior citizens. I would also like to mention that in some areas of the province we have a good portion of vacant senior citizens' homes and self-contained units, and in other areas we have long waiting lists. I just wonder what policy is used to establish the new lodges and self-contained units, so that we're sure they're in

the right location and we don't end up with them partially empty.

Another couple of questions. I've had calls from single people in the age group of probably 30 years. They wonder why they can't come under Alberta Home Mortgage Corporation for lending. Also, I wonder if you still have a policy to lend money for land banking for the municipalities.

MR. CHAMBERS: Mr. Chairman, yes we do, both for residential and for industrial land-banking purposes.

The policy with regard to singles is often asked about. I guess the answer is that to this point in time, we have felt that the priority — we have to establish priorities — should surely be with families, that single people generally are in a much better position to find affordable accommodation than people with families. So it's a question of priority, and to this point in time that's the judgment.

As regards vacancies in accommodation, of course from time to time that is a problem. With summer students we normally do surveys in communities throughout the province to identify a need for self-contained apartments. We conduct various surveys in lodge accommodation. I think the member would agree it's not an exact science.

The self-contained program is easier to handle, if you like, than the lodge program. Because of the nature of the accommodation, we can build and are building self-contained projects with as few as four apartments and up to hundreds, a broad spectrum. Because it is self-contained, it is possible to do that economically. The beauty is that we are now going into smaller and smaller communities and are able to build these smaller projects, perhaps four, six, or eight self-contained apartments. We therefore provide accommodation for our senior citizens in the area in which they have spent their lives. That's extremely important to them, and I'm very happy we're able to do that. I think that's excellent.

However, the lodge accommodation is a little different, in that the lodges of course are not self-contained apartments, as members know, but provide a hotel type of service, if you like, for people who are physically able to look after themselves as opposed to nursing home care, but who require meals and that sort of hotel-like accommodation. Because of the fact that in lodges, kitchen facilities and various other amenities are required, there are some economies of scale. Past studies have indicated that lodges are most economic in terms of 65 or 44 beds. Again, surveys are an inexact science, and vacancies are cyclic. There may be vacancies at one time, then they gradually fill up. In northern lodges, for example, people prefer to go back to the farm for the summer. Therefore the vacancy rate is higher in summer than in winter.

However, that does create a problem when we decide to allocate funding for a lodge, because we help lodges in a significant way by paying half the deficit over two mills. Still, it is a burden on the foundations and the communities if these lodges are not operated efficiently. If they're not full, they're going to cost more to operate. So it is a matter of concern, and there are judgment factors involved.

In the main, across the province they're operating at a fairly high ratio of capacity. But there are examples where we have a fair number of vacancies.

MR. BORSTAD: Just one comment. In the city of Grande Prairie right now, singles are paying up to \$300 in damage deposits. The vacancy rate is almost nil. They can't find a place to live. I realize we should be supplying accommodation for couples, but I think we should also be looking at other people. I think they have a great need too.

MR. CHAMBERS: I'm not sure whether the hon. member is speaking about government-sponsored or private accommodation. The Landlord and Tenant Act provides, effective July 1, one month's rent in those cases. That applies to Crown properties as well as to private properties. Hopefully that will answer the question.

MR. CHAIRMAN: Two more have indicated they want to make some comments. I would again suggest that perhaps they could be as brief as possible, and that the replies might be equally brief. Edmonton Kingsway is next.

DR. PAPROSKI: Thank you, Mr. Chairman. I'd like to congratulate the minister for the many programs he has brought forward. I'm sure he's received those congratulations this morning.

My specific question is with regard to the couple where one is a senior citizen. One spouse passes on, and the widow or widower is not a senior citizen. Would the minister indicate to the committee whether they would qualify for this program under the Alberta pioneers' repair program? Similarly, if they qualify for the program now and both are alive, if one dies during the application, will they qualify?

I make this representation to the minister, Mr. Chairman, because it was a very common item I heard throughout the campaign, not only in reference to this particular senior citizen program, where only one of the spouses has to be a senior citizen, but in reference to other programs. I would hope all ministers dealing with these types of programs, where there is a requirement of only one senior citizen in the family and dependents receive benefits — if nothing is being done now, maybe an evaluation should be carried out to ensure that there is a period where benefits to dependents are cut off gradually rather than abruptly. I'd like to hear comments from the minister on that item.

MR. CHAMBERS: Yes, Mr. Chairman. In the senior citizen home improvement program, called SCHIP in the past, it is true that one of the spouses, being the required age of 65, applied for and got the grant. Then if that spouse died and his or her spouse was under 65, we permitted the grant to carry on, if you like. It would be my intention to do so if similar circumstances should occur under the new pioneers' program.

However, I think this is what the hon. member was getting at. There could be a situation where a spouse, say a widow or widower, under 65 had obtained those benefits because of being allowed to carry on with the remainder of the grant, if you like, following the death of the spouse. Say they were 60, for example, or under the mandatory age. Then they would not be able to qualify for the new pioneers' program until they reached 65. The regulations don't permit that. In thinking about it, it probably wouldn't be very fair, would it? How would they differ from another person

applying for the new program who isn't of the required age? So, no, they wouldn't be able to apply until they reached the correct age.

However, where they've applied for and gotten the grant, are proceeding with the repairs, and one spouse dies, that's a different situation. I might add that in the original senior citizen home improvement program, which of course terminates at the end of this month as the new program takes over, they still have four years to draw their funds and complete their projects. In the case of the new pioneer program, they will have five years from July 1 to carry out their renovations and complete the program.

DR. PAPROSKI: If they have four years and the senior citizen's spouse died and they had applied or were going to put in their application, they would qualify. Is that what the minister is saying?

MR. CHAMBERS: The reading of the question by the Member for Edmonton Kingsway was right. Yes, we've operated the program so that the couple — one of whom is the mandatory age the other is younger — applies for and gets the grant. The money is put in the bank or financial institution, and they draw on it as work is carried out. We felt it would not be right to terminate their account or program when the older spouse died. So we've said yes and allowed the other spouse to complete the renovations.

DR. PAPROSKI: It's so important for all the widows to listen to exactly what you are saying. If you would have qualified because you had a senior citizen in the family, and he died before an application was put in under the old or present program, would the minister then say that you should in fact receive benefits under the program?

MR. CHAMBERS: Mr. Chairman, I hope I understand the question. No, to make an application, one must be of the mandatory age of 65 in order to qualify. Does that answer you? You can't get it if you're not the right age.

DR. PAPROSKI: I'll get clarification later in a more definitive manner.

Thank you, Mr. Chairman.

DR. BUCK: Mr. Chairman, I'd like to ask the hon. minister a question. We received information that in the minister's budget last year several million dollars were appropriated but not used, because the projects either were terminated or something happened. Can the minister indicate if that is a fact or just a rumor from the minister's department?

MR. CHAMBERS: No, Mr. Chairman, I'm not aware of any significant projects in that category, if I'm reading the hon. member correctly. Of course as the member knows, the corporations are funded through the Heritage Savings Trust Fund. The Housing Corporation has operated in the past on a carry-forward budget which is different from the type of budget we have in general revenue and other government departments. Thousands of projects are going on. Sometimes a project may be deferred because of a difficulty in acquiring land or some other reason, but that would be deferred rather than cancelled. I think those would

tend to equalize, because maybe a project from a previous year might be deferred and picked up again. But I'm aware of nothing abnormal.

DR. BUCK: A different question to the minister, Mr. Chairman. Is the minister in a position to indicate now that we're going into a fairly extensive program of self-contained units? Are we catching up with the number of senior citizens' homes we require in the province?

MR. CHAMBERS: Mr. Chairman, as the hon. member will see, we still have a continuing large budgetary commitment for senior citizens' accommodation, particularly in the self-contained area. These units are very popular. While one would assume we'll reach a point where we'll be caught up, at this point the demand continues to be strong. They are very popular, and of course more and more people want to move into them as they reach 65.

On the other hand, I think we have reached a considerable degree of catch-up in community housing, to the point where last year — and this may be what the hon. member was really referring to — we deliberately didn't build the budgeted amount of community housing, because as the year went on it became evident we had reached a catch-up position. Vacancies were starting to occur; therefore we held back on further construction.

Again this year we're budgeting for more community housing, because you go through periods of catch-up, vacancies, increased demand again, then greater need. I think that's probably the area the hon. member was referring to. That occurred, and a decision was made to slack off on construction in that particular area, because of vacancy rates.

DR. BUCK: Mr. Chairman, that leads me to my next question. We have these peaks and valleys, especially in the area of senior citizens' housing and homes. Can the minister indicate what policy we have in place for Alberta residents' parents from other provinces?

I can give the hon. minister an example. There was a recently built senior citizens' home a couple of hundred miles from the city of Edmonton, and for a long time it had a surplus. Two couples whose sons and daughters lived here had come from out of province, but because of the vacancy, we took these people in. As the building filled up, we ended up with a waiting list of Alberta residents who couldn't get into the senior citizens' home, because the people from out of province were in it.

I would like to know if this is occurring more than the minister would like. Is it indeed a problem, or did there just happen to be a problem in this one senior citizens' home?

MR. CHAMBERS: Mr. Chairman, I have never had any representation in that area before. I'd be happy to check into it and get back to the hon. member, if that's sufficient.

DR. BUCK: Mr. Chairman, at the same time, can the minister indicate the policy right now for out-of-province people who apply for residency in a senior citizens' home?

MRS. CHICHAK: Mr. Chairman, I'll try to be very brief on this matter. I've had some very serious representations from some citizens in the senior citizens' self-contained units with respect to their design, particularly in living in them comfortably through the summer months. The problem is that the units are constructed so that the air cooling system really doesn't provide any control over the heat in the units, particularly those facing south or west, to the extent that a good number of the citizens are suffering serious health effects.

They made representations to the Housing Corporation to provide some sort of canopies over the windows to control the sun's heat. Apparently the consideration being made is that Venetian blinds would be put on the windows. This really doesn't keep the heat away from the entrance to the room. I wonder if the minister would consider alteration in design of the new units, perhaps a more serious consideration of how to make the changes necessary to the existing ones, something more adequate than simply providing Venetian blinds.

MR. CHAMBERS: Mr. Chairman, we're always sincerely pleased to have representation from members and from residents on any way we can improve accommodations. Members of the Housing Corporation are in the gallery, and I'm sure they have heard the Member for Edmonton Norwood and will take that advice into consideration.

In response to the Member for Clover Bar, I really think the fair answer is that priorities are according to need. In other words, as long as the needs are there we try to keep accommodating them. For example, where vacancies have existed in senior citizens' self-contained, in certain circumstances we have allowed people under the age of 65 to come in, because they're going to be 65 next year and the vacancy is there. So there's a human factor involved.

The priorities are assigned on the basis of need. The management group, of course, does the selecting. The need factors taken into account would be their income, their assets, the condition of their present accommodation, the present rate they're paying, and the availability of necessary services. So it's a priority assignment by the local management group.

DR. BUCK: Mr. Chairman, to the hon. minister. There are no established guidelines as to how long you must be a resident of Alberta before accommodation is available. Is this true?

MR. CHAMBERS: That's right, Mr. Chairman. It's assigned depending on the quantity of accommodation we have, and the need as assessed by the local management group.

[Mr. Crawford and Dr. Buck rose]

DR. BUCK: The same question — very briefly, Mr. House Leader — applies to non-Canadians then, long-

time residents of Alberta. If their family comes over — and it happens frequently now with the increased travel that the son or daughter may be here and they're the only overseas relatives the family has. They come and they're still not Canadian citizens. They would be eligible, I presume?

MR. CHAMBERS: No, I believe there's a one-year residency requirement, Mr. Chairman.

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports progress thereon, and requests leave to sit again.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, just before going on to the business proposed for the next day, I want to ask leave of the Assembly in respect to Bill Pr. 3, The Edmonton Convention Centre Authority Act, for the purpose of some amendments. The Private Bills Committee would have to review the matter again before providing an amended report to the Assembly in order that second reading could proceed. The unanimous leave I seek is to allow it to revert to the Private Bills Committee.

MR. SPEAKER: Has the hon. minister the requested leave?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, on Tuesday afternoon, in the hour designated for government business, we would propose to continue with the estimates of the Department of Housing and Public Works, and to continue with estimates for that portion of the day and for the evening. After Housing and Public Works, I would propose Recreation and Parks, Treasury, and Solicitor General if there is time.

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

HON. MEMBERS: Agreed.

[At 12:55 p.m., pursuant to Standing Order 5, the House adjourned to Tuesday at 2:30 p.m.]