

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, April 2, 1980 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **READING AND
RECEIVING PETITIONS**

[The Clerk Assistant read the following petition]

To the Honourable, the Legislative Assembly of Alberta, in Legislature assembled:

The petition of the undersigned of the Province of Alberta humbly shows:

That, upon the final expiration of The Temporary Rent Regulation Measures Act (1975, Chapter 84), your petitioners fear that rents charged to tenants in Alberta will rise at a precipitous and burdensome rate to levels which will cause real hardship.

Wherefore your petitioners humbly pray that Your Honourable Assembly may be pleased to give consideration to the re-institution of the provisions of and regulations attendant to The Temporary Rent Regulation Measures Act (1975, Chapter 84).

And as in duty bound your petitioners will ever pray.

CLERK ASSISTANT: Mr. Speaker, I certify that this petition is correct to be received.

MR. SPEAKER: I should just explain briefly that yesterday when I referred to the petition I erroneously referred to the possibility of debate. I wasn't aware at that time that the petition had been found in proper order to be read and received.

head: **INTRODUCTION OF BILLS**

Bill 27
The Social Care Facilities
Review Committee Act

MR. GOGO: Mr. Speaker, I beg leave to introduce Bill No. 27, The Social Care Facilities Review Committee Act.

The principle of this Bill is that The Social Care Facilities Review Committee Act will establish a committee which will be responsible for visiting and investigating complaints regarding a wide variety of institutions receiving government funding and providing social care to the citizens of this province. Further, Mr. Speaker, the committee will be empowered to enter any of these facilities at any reasonable hour.

[Leave granted; Bill 27 read a first time]

Bill 28
The Alberta Health Facilities
Review Committee Amendment Act, 1980

MRS. CHICHAK: Mr. Speaker, I beg leave to introduce Bill No. 28, The Alberta Health Facilities Review Committee Amendment Act, 1980.

The purpose of the amendments being brought forward under this Bill is to facilitate the Alberta facilities review committee to carry out in an orderly and expeditious manner its investigations with respect to complaints. The impact of these amendments will assist the committee with respect to the number of complaints that have come before it since the committee was given the jurisdiction to investigate complaints. If I may for the moment, Mr. Speaker, indicate the numbers to show the impact with respect to complaints themselves, in 1979 they were in the order of 45 and this year in the order of 12. And the number of visits of institutions that are included under this Bill . . .

MR. SPEAKER: With great respect to the hon. member, I think this is material which could appropriately be given to the Assembly when second reading takes place.

[Leave granted; Bill 28 read a first time]

MR. CRAWFORD: Mr. Speaker, I move that Bill 27, The Social Care Facilities Review Committee Act, and Bill No. 28, The Alberta Health Facilities Review Committee Amendment Act, 1980, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

Bill 219
The Tenancies of Mobile Home Sites Act

MR. ZAOZIRNY: Mr. Speaker, I beg leave to introduce Bill No. 219, The Tenancies of Mobile Home Sites Act. The purposes of this Bill are twofold: first, to recognize the intrinsic differences between the conventional landlord/tenant relationship and that which exists between a mobile-home owner and mobile-home park operator; secondly, to provide some reasonable measure of protection to mobile-home owners from arbitrary action on the part of mobile-home park operators.

[Leave granted; Bill 219 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. NOTLEY: Mr. Speaker, I request leave to file with the Legislature Library a copy of a resolution passed last night by some 350 residents of the Brownvale, Berwyn, and Grimshaw communities, requesting the hon. Minister of Hospitals and Medical Care to submit the question of the relocation of the Berwyn hospital to the board of trustees of the Berwyn Municipal Hospital district.

head: **INTRODUCTION OF SPECIAL GUESTS**

DR. CARTER: Mr. Speaker, it's my pleasure to introduce to you, and through you to members of the Assembly, a group of 45 persons, most of them senior citizens, from the riding of Calgary Millican. Within the group of

senior citizens, 17 are 75 years of age and over. Two of them, Eileen Adames and Flora Welsh, have been residents of this province for 75 years as well as having been born here. In addition, one other member of the party is celebrating her 82nd birthday with us today. If I may add a personal note, it is my pleasure to be able to see both my wife and my mother in the group as well, even though my wife is not a senior citizen.

MR. MILLER: Mr. Speaker, it gives me great pleasure to introduce to you, and through you to members of the Legislative Assembly, 10 students who are visiting us from Rosthern Junior College in Saskatchewan. They are accompanied by their teacher, Ted Janzen. We hope they enjoy their stay in sunny Alberta. They are seated in the members gallery, and I would ask that they stand and be recognized by the Assembly.

MRS. LeMESSURIER: Mr. Speaker, I wish to introduce to you and to members of the Assembly 17 students from the Alberta Vocational Centre in my constituency. They are seated in the public gallery and are accompanied by their teacher, Mrs. Lydia Novikov. I'd like them to rise and receive the warm welcome of the Assembly.

MRS. OSTERMAN: Mr. Speaker, it is with a great deal of pleasure that I introduce to you, and through you to members of the Assembly, a group of young ladies seated in the public gallery who are participants in the Alberta Girls' Parliament. These young ladies, ranging between the ages of 14 and 18, come from rural and urban centres right across this province, and from the Northwest Territories. I saw these young ladies in action last night and had the privilege of sitting beside their Speaker. Although their rules are somewhat different from ours, I'm sure they will learn a great deal from our Legislature this afternoon, and from you, Mr. Speaker.

I would like those young ladies, accompanied by Barb Andrew, who is the chairman of the Alberta Girls' Parliament, and Donna Cartledge, who is the parliamentary assistant, to rise and receive the welcome of the House.

MR. SPEAKER: Possibly the precedent established by the hon. Member for Three Hills of sitting beside the Speaker in the Girls' Parliament might also be adopted in this parliament. [laughter]

DR. BUCK: Mr. Speaker, I'd like to introduce to you, and through you to members of the Assembly, the head of the department of restorative dentistry at the Faculty of Dentistry in the University of Alberta. Dr. Walter Meyer and his two sons are in the public gallery. I'd like them to rise and receive the recognition of the Legislature.

head: ORAL QUESTION PERIOD

Auditor General's Report

MR. R. CLARK: Mr. Speaker, I'd like to direct the first question to the Provincial Treasurer. Perhaps it's appropriate that one does that so the Treasurer's voice will be in good form for this evening. Having in mind that the first report of Alberta's Auditor General came down two days ago, I'd like to ask the Provincial Treasurer what steps he will be taking to implement and deal with the recommendations of the Auditor General.

MR. HYNDMAN: Mr. Speaker, we feel that the report of the Auditor General was comprehensive and useful. The recommendations in it are important. All of them will be carefully considered. Over the months ahead we will assess the extent to which they will be implemented and will report later on.

MR. R. CLARK: Mr. Speaker, to the Provincial Treasurer. In light of the Auditor General's recommendation, is the government now prepared to reconsider its position on accountability as far as Crown corporations are concerned? I'm primarily concerned with PWA and the Alberta Energy Company.

MR. HYNDMAN: Mr. Speaker, in his report the Auditor General referred to the question of the exclusion from the consolidated statements of essentially the advanced education institutions of the province, the universities, and certain Crown hospitals. The question of inclusion of Crown-controlled corporations was decided on as a matter of policy by this Assembly in 1977, when it was decided — and it's now in the statute which gives the Auditor General jurisdiction — that corporations in which there is more than 50 per cent ownership would be audited by the Auditor General but those in which there is less than 50 per cent are not within the purview of the Auditor General. Of course the Alberta Energy corporation is one of the latter.

MR. R. CLARK: Mr. Speaker, I'd like to direct a supplementary question dealing with the Auditor General's report to the Minister of Housing and Public Works or the Minister of Government Services. It deals with the WATS line. Have steps been taken by now to control the situation outlined in the Auditor's report of use of the WATS line and telephone calls all across the country at, one would have to say, rather exotic hours?

MR. CHAMBERS: Yes, Mr. Speaker, the electronic equipment which, in effect, records the source of the call and the destination has been installed and should therefore eliminate the difficulty pointed out by the Auditor. I might add that the department found the Auditor's remarks very useful indeed.

MR. R. CLARK: Mr. Speaker, is the minister in a position to indicate when the equipment went in to take on that job, and can he indicate a ballpark figure as to the cost of the equipment?

MR. CHAMBERS: I would be pleased to check and provide that information, Mr. Speaker. I believe the initial stage of the Centrex system went in some time ago, perhaps late '78. Again I stand to be corrected because I'm quoting from memory, but I believe the final pieces of the equipment are going into place just about now, and the new system involving the new technology will be fully operational.

MR. R. CLARK: Mr. Speaker, a further supplementary question to the minister. Did the minister say the equipment is now operational, or is it being put into place now and will be operational sometime in the future?

MR. CHAMBERS: Mr. Speaker, subject to checking, I believe the first stage was the Centrex system, which has been operational for some time. But I think the final stages of equipment are operational as of about this

month. I'll be pleased to check on that and on the cost and report back to the hon. member.

MR. R. CLARK: Mr. Speaker, I'd like to direct a question to the Minister responsible for Native Affairs. Have discussions taken place between the minister and the Minister of Social Services and Community Health in regard to acquiring back from the federal government the \$482,000 intended for Native Counselling Services in the province?

DR. McCRIMMON: Mr. Speaker, I have not made representation on that. Perhaps my colleague the Minister of Social Services and Community Health could answer.

MR. BOGLE: Mr. Speaker, in 1975 a contract was entered into between the Department of Social Services and Community Health and Native Counselling Services. It came to the attention of the Assistant Deputy Minister of Finance in early 1978 that the contracts our department had with Native Counselling Services might be cost sharable. A claim was submitted to the federal Department of Justice in March 1978, covering the fiscal years between 1975 and 1977-78. That claim was rejected the following month, Mr. Speaker. Apparently there had been a misunderstanding on the part of the federal Department of Justice, and our claim was confused with a previous contract which had been approved and was in place between Native Counselling Services and the Solicitor General's Department. The Solicitor General's contract was for native adults; our contract was with regard to native children. The claim has been resubmitted to the federal Department of Justice, Mr. Speaker, and we are hopeful we will be able to cost share the programs entered into some five years ago.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Social Services and Community Health. Is the minister in a position to inform the Assembly why it took some time for the Assistant Deputy Minister to conclude that this program could, in fact, be cost shared? What subsequent steps has the government taken to find out where things went wrong as indicated in the Auditor General's report?

MR. BOGLE: Mr. Speaker, the contract entered into some five years ago between the Department of Social Services and Community Health and Native Counselling Services was unique in Canada. In fact, I believe that to this day, although two other contracts are being implemented, we still have by far the best record of working with a private organization in terms of the support pertaining to the courts that can be given to native families for their children.

The matter came about from information provided by the Solicitor General's Department, as it was a program designed in Alberta to meet the needs of Albertans that was not thought to be cost sharable at that time. When the information was provided by the Solicitor General's Department that they were in fact cost sharing a program — and that kind of interaction takes place between our various government departments — then an attempt was made to cost share it. The claim was rejected. We have subsequently resubmitted the claim, Mr. Speaker, with the breakdown of the information to ensure the federal Department of Justice clearly understands the different roles played in Alberta by the Solicitor General's De-

partment and the Department of Social Services and Community Health.

MR. NOTLEY: Mr. Speaker, a supplementary question to either the hon. Minister of Social Services and Community Health or the Minister of Federal and Intergovernmental Affairs. Have any special instructions gone out to the deputy ministers to ensure that all programs which are cost sharable are in fact being cost shared with the federal government? I ask that specifically of the Minister of Social Services and Community Health because of the issue raised in the Auditor General's report, but also on a general basis to the Minister of Federal and Intergovernmental Affairs.

MR. BOGLE: Mr. Speaker, from time to time we develop new programs to meet the needs of Albertans. A prime example that comes to my mind is the assured income for the severely handicapped. The majority of that program is not cost sharable. We know that from information provided by the federal government. We are endeavoring, through the various financial divisions of the departments . . . My colleague the Provincial Treasurer may wish to comment on this as his department takes a lead role. We are ensuring that information is shared between departments. But it must be clear that we design programs to meet the needs of Albertans. If they're cost sharable, we cost share them. But we do not design programs on the basis of their cost sharability.

MR. JOHNSTON: Mr. Speaker, I might just supplement the hon. minister's comment. I believe the recommendation of the Auditor General was positive. From his efforts and observations of our systems, if we can make corrections to it, as outlined by the Treasurer, we should. I've had a chance to discuss with our officials ways to ensure that these cost-shared programs are properly controlled. We're in the process of doing that in concert with the other departments.

Nurses' Salaries

MR. R. CLARK: Mr. Speaker, I'd like to direct the second question to the Minister of Labour. It's really a follow-up to the questions that were posed to the minister yesterday. Now that the United Nurses of Alberta have announced a date for a vote on whether or not they will strike and keeping in mind that the minority report recommended a 27 per cent increase and the majority report a 22 per cent increase, my question to the minister is: what involvement will the minister now have in the course of attempting to bring the Hospital Association and the United Nurses together, conceding frankly that some considerable progress has been made since the report came out?

MR. YOUNG: Mr. Speaker, I have had several meetings with senior officials of the department. We have explored the possibility of mediation. That appears to be an avenue which will be used at the appropriate time in this dispute. Both parties have indicated a willingness to endeavor to do that. However, at present I would say the parties are consulting to some degree now with their many constituents at the hospital level.

MR. R. CLARK: Mr. Speaker, to the hon. minister. Is the minister prepared to give a commitment to the Assembly today that in the course of the discussions

which will go on during the Easter period, leading up to April 14 if the vote is to strike, the minister himself will become personally involved in the discussions in an attempt to avert a walkout by nurses in the province, if that does become an eventuality?

MR. YOUNG: Mr. Speaker, I think it is not my responsibility as Minister of Labour, nor is it expected of me, to become the instant expert in a negotiating capacity. However, it is my responsibility to be aware of and familiar with the nature of the problems and the parties in the dispute, and to make sure that every avenue of negotiation and mediation is explored through the department. Accordingly, I am maintaining that position. But I don't think being elected to this Assembly necessarily constitutes me as the foremost negotiator in the province of Alberta.

MR. R. CLARK: Mr. Speaker, I would agree with that assessment, but would pose this supplementary question to the minister. Being Minister of Labour, being the senior individual responsible for labor peace and harmony in the province, provides the minister with a unique responsibility and obligation as far as this particular area is concerned.

I would once again put a supplementary question to the minister, Mr. Speaker. It is simply this: is the minister prepared to become personally involved in these negotiations?

MR. YOUNG: Mr. Speaker, I've already indicated that I recognized I had a unique and special responsibility, and that in fact I was carrying that out. However, I must restate the position: different forms of intercession are required and may be useful in this particular dispute. The bargaining committees apparently still have a considerable amount of work to do and are prepared to do it. They've indicated to senior staff of the department that they're prepared to do that with the auspices and assistance of the senior staff. Until that is exhausted, and until I am satisfied that that's exhausted, I'm not convinced as a matter of fact that it would be appropriate for the minister to become involved in an immediate, direct sense at the bargaining table, if that's what the hon. leader is asking.

DR. PAPROSKI: A supplementary, Mr. Speaker, if I may. Regarding this very serious nurses' dispute, I wonder if the minister would indicate whether the nurses as a group will be voting hospital by hospital? Or will all those involved be voting as a group across the province?

MR. YOUNG: Mr. Speaker, the hon. Member for Edmonton Kingsway raises a question about the nature of, I presume, the strike vote that will be taken. As a matter of fact, each hospital board and the nurses employed by that hospital board will be making their own decisions with respect to their own particular situation. In other words, it is conceivable that the opinions of different groups of nurses and different hospital boards could be at variance.

DR. PAPROSKI: Mr. Speaker, one more supplementary on that item. Would the minister indicate, if he has the information, the number of hospitals that may be involved or, if he doesn't have that information, at least give us an indication whether there is a time limit when the vote must be taken?

MR. YOUNG: Yes, Mr. Speaker. Indeed there is a limitation in time. The requirement is for the positions of the parties, on the award of the conciliation board, to be completed and reported to the Department of Labour by April 15. With respect to a decision on whether to take a strike vote or a lockout vote, that is at the option of the parties. Of course if they fail to do either one, obviously there would not be a legal strike or a legal lockout.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Labour. Bearing in mind the majority conciliation report of 12 and 10 per cent as well as the minority report, has the government of Alberta come to the conclusion at this point in time that, in fact, the guidelines announced for public employees in Alberta cannot be applied to the nursing profession?

MR. YOUNG: Mr. Speaker, it's pretty evident from this dispute and from a few others that the guidelines were guidelines, and that the individual facts of a given situation have to be evaluated. There are many different facets of that. For instance, as a good starting point there has to be regard for the wages paid in other provinces, all other provinces, all other employers. As well as the guidelines, there has to be regard for cost of living with respect to nurses. Those are elements which the parties in the dispute have taken into account and which the conciliation board very obviously took into account.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Hospitals and Medical Care. Will there be any assurance to the Alberta Hospital Association that, in fact, funding will be made available to make it possible to settle on whatever agreement is worked out, hopefully without a strike, without having to cut back on the number of staff or services within existing hospitals?

MR. RUSSELL: Mr. Speaker, I think the hon. member recognizes the difficulty there would be in guaranteeing to the Alberta Hospital Association or any of its individual members some sort of fixed guaranteed component to cover salaries. As you know we do fund on a global basis with respect to what we perceive are projected expenditures and volume of business. Both those factors are reviewed at appropriate times. I said earlier in the House that I think we've responded to any real situation that arises from any individual hospital.

Hospital Sites

MR. NOTLEY: Thank you, Mr. Speaker. I'd like to direct this question to the hon. Minister of Hospitals and Medical Care and ask whether he took into consideration a specific Section 6 of the Hospitals Act which requires the minister to consult formally with local governments in a particular municipal hospital district. Why were there no formal consultations before the announcement of the relocation of the Berwyn hospital was made?

MR. RUSSELL: Well, Mr. Speaker, of course I'm aware of the section of the Act the hon. member is referring to, specifically with respect to site location. I think there was pretty good consultation with hospital boards throughout Alberta with respect to developing a master plan for construction throughout the province. The boards were invited to submit their first choice, their second choice, and third choice. We attempted to prioritize those and put

them together into, we believe, an excellent provincial package.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. I think the minister may have misunderstood my question; just a word of explanation. I'm dealing with Section 6(1) of the Act that deals specifically with the question of local municipal councils within a municipal hospital district, as opposed to the boards *per se*. My question, Mr. Speaker, is: what considerations led the government to make the announcement without seeking the prior approval by resolution of the municipal councils in the area?

MR. RUSSELL: Mr. Speaker, a number of factors are involved in that. I referred to the difficulty of trying to establish an overall provincial program of development, rationalized on some basis that makes sense within entire geographic areas. Certainly, when we've made our intentions known, we're willing to wait with respect to the desire and/or ability of specific municipalities to contribute towards or reach agreement on a specific site location.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister for clarification. Is the minister now saying that it will be the government's intent to comply fully with Section 6 of the Act and ask each of the municipalities in the Berwyn hospital district for its recommendation and/or approval with respect to the site location, notwithstanding the announcement already made?

MR. RUSSELL: Well, Mr. Speaker, of course it would be our intention to comply with our own legislation. On a policy basis, we've announced what our building commitment and projections will be, and we've indicated that we're prepared to build a new hospital in the town of Grimshaw to serve the needs of that district hospital board. The contributing municipalities can take as long as they need to consult or reach agreement on the provision of the site, but the hospital is destined for Grimshaw.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister not prepared at this point in time to advise the Assembly that should the participating municipalities recommend other than the Grimshaw site, the door in fact is closed and the government would not consider the specific recommendations of municipalities as per Section 6 of the Act?

MR. SPEAKER: Order please. I think the hon. member's hypothetical question is in need of a more effective disguise.

MR. NOTLEY: Mr. Speaker, perhaps I can more effectively disguise the question by asking whether or not the government's contingency plans, after the following of Section 6, include accepting whatever recommendations are made by the participating municipalities, as per Section 6 of the Act?

MR. RUSSELL: Mr. Speaker, if the hon. member is asking the question, will we listen to the arguments and always go along with the expressed desire of a particular local hospital board, of course that guarantee is impossible to give. In designing this program, which is 100 per cent funded by the provincial government, we do have the responsibility to take some major decisions and indicate

directions. I've indicated to the board that we're prepared to build a fine, new, substantial facility in Grimshaw.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to supply the Assembly with any information to date as to the estimated land costs in the town of Grimshaw where land will have to be purchased, as opposed to the land which is already owned by the board in the village of Berwyn?

MR. RUSSELL: No, I don't have that information, Mr. Speaker.

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

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

MR. NOTLEY: To the hon. minister. In reviewing the two sites for the location of the new hospital, was any specific consideration given by the government to the proximity of Autumn Lodge to the present facility and the convenience that provides for senior citizens living in the Autumn Lodge in being able to visit loved ones who are sick in the hospital?

MR. RUSSELL: Certainly, Mr. Speaker, and I want to emphasize that the distance we're talking about between the two sites is less than half the distance across the city of Edmonton.

75th Anniversary

MRS. CRIPPS: Mr. Speaker, my question is to the Minister of Education regarding the 75th Anniversary. I'd like to know what school programs are proposed for the 75th Anniversary, either through Education or through the 75th Anniversary Commission.

MR. KING: Mr. Speaker, the only program of the 75th Anniversary Commission that relates directly to children will involve the minting and presentation of a medallion which will be distributed to every school child in the province this fall, some time after September 1. The medallion is only now being designed; it will be minted during the spring for presentation in the fall.

A number of other programs of Alberta Education are not directly related to the activities of the 75th Anniversary Commission. A plaque has been prepared and will be mounted on each school that is open during this year to recognize the fact that it was open for use by school children during the 75th Anniversary year. Kits have been prepared for ECS programs and for each of the grades of our basic education system, grades 1 to 12, curriculum kits that suggest, to teachers particularly and to school children as well, programs they can develop in the classroom to recognize and to celebrate the 75th Anniversary. Those would be class plays, for example.

ACCESS is developing three programs to remember significant occasions in the life of the province during the past 75 years. If I remember correctly, two are for radio and one is for television. I said significant occasions; they will also recognize significant individuals who have lived in the province.

We are going to prepare and publish a compendium of biographies of famous Albertans and distribute that to

schools through the province.

Finally, we are going to sponsor a contest for school children to produce works in the fine arts: literature, art, and music. That will be open to every child in the province. The work will be recognized provincially in some way. We are not engaging in any exchanges related directly to the 75th Anniversary celebration.

Those programs are already public knowledge and are available to interested students and school administrators throughout the province. There is one other, Mr. Speaker, which I cannot yet make a commitment to because it requires the concurrence of my hon. colleagues in Executive Council. I hope to achieve that very shortly, but public announcement will depend upon the outcome of cabinet consideration.

Thank you, Mr. Speaker.

MRS. CRIPPS: A supplementary, Mr. Speaker. Is it proposed to have the medallions distributed in conjunction with a province-wide ceremony in the various schools?

MR. KING: Mr. Speaker, the suggestion of the hon. member had not been considered, but I think it's an excellent suggestion that merits consideration. We in the Department of Education would certainly be prepared to do that.

I have also received a note, Mr. Speaker. I didn't describe the encyclopedia project as being a project of the Department of Education for school children, because of course it's not a project of the department. It is, nevertheless, a very substantial project of the 75th Anniversary Commission which will be of benefit ultimately to the children of this province . . .

DR. BUCK: On the 80th Anniversary, Mr. Speaker.

MR. KING: . . . and, indeed, the children in every province across the country.

MRS. CRIPPS: A supplementary, Mr. Speaker. Would the contest you suggested in literature include documents and local histories or biographies of early settlers, say in the high school area?

MR. KING: I would expect so, Mr. Speaker. When you are organizing programs for school children that are designed to encourage the development of talent, whether in writing, art, or music, I think you want to have the parameters of the program described as broadly as possible to encourage as much participation as possible. I would certainly think the parameters we develop for these programs would enable children to participate who expressed any of the interest which has just been described by the hon. member.

Postsecondary Institutions

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Advanced Education and Manpower. It deals with a statement that the Tory backbencher from Edmonton Glengarry threatened the University of Alberta to clean up its act. Mr. Speaker, I'd like to ask the Minister of Advanced Education and Manpower if it's government policy that the University of Alberta had better clean up its act before it gets further financing?

MR. HORSMAN: Mr. Speaker, the University of Alberta is funded as generously or more generously than any other similar institution in Canada. As far as I've been able to observe, they run a pretty good show.

MR. COOK: Mr. Speaker, on a point of order. I thought the last question was out of order because the hon. member was asking for confirmation of a newspaper report. For the hon. member's information, I have thoughtfully xeroxed *Beauchesne* for question period. I would be pleased to provide this for him, and he could perhaps have it etched on his desk.

MR. SPEAKER: Order please. As I understood the question of the hon. Member for Clover Bar, he was not asking for confirmation of a newspaper report but was asking whether a statement to the effect that a certain act required laundering was government policy.

DR. BUCK: Mr. Speaker, a supplementary question to the hon. Minister of Advanced Education and Manpower. For the information of the hon. Member for Edmonton Glengarry, I was not quoting from a statement in a newspaper. I had a meeting with the president of the University of Alberta Students' Union.

Mr. Speaker, my question is to the Minister of Advanced Education and Manpower. Is it government policy or is just the view of one of the government backbenchers that the University of Alberta is a fourth-rate institution with fourth-rate professors?

MR. HORSMAN: Mr. Speaker, I hardly know how to answer a question of that nature since government policy towards universities in this province is well known. There is a Universities Act. Ample funding is provided to that institution through our budgetary process, and the boards of governors are charged with the responsibility of providing education in co-operation with the other components of those institutions. I can't take responsibility for all statements or all views of every member of the Assembly.

DR. BUCK: Mr. Speaker, a supplementary question to the Minister of Advanced Education and Manpower. Can the minister indicate to this Legislature what guidelines there are in the minister's department to protect the autonomy of our universities in this province?

MR. SPEAKER: With great respect, if the answer that is required or called for is as extensive as I suspect it might be, I think it should be sought outside the question period. I would suggest that if the hon. member has some specific item of information concerning that policy which he wants information about, perhaps he could narrow the scope of the question so that it would be suitable for the question period.

DR. BUCK: Mr. Speaker, to the hon. Minister of Advanced Education and Manpower. As far as I can tell, in speaking to the Students' Union president, the statement was made that funding will not be increased unless the university cleans up its act. Mr. Speaker, will the hon. minister indicate if tenure is not reviewed that funding will not be increased — is this one of the critical decisions the government will have to make?

MR. HORSMAN: Mr. Speaker, the subject of tenure and the relationship between the boards of governors at

the institutions governed by The Universities Act and The Colleges Act clearly has to be negotiated between the boards of governors and faculty associations. That is not a matter in which this government is actively involved. Certainly the subject of funding of institutions is clearly known and is done on a block basis, not on a faculty-by-faculty basis. Indeed, tonight budgetary allocations will be announced to this Assembly with respect to the maintenance of an excellent postsecondary system of education in Alberta.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. The minister indicated that the department is not actively involved in tenure considerations. Has the government of Alberta at any time, either through the minister or any representatives of the government, indicated concern to any board of a university in this province with respect to the operation of the tenure system in Alberta universities?

MR. HORSMAN: Mr. Speaker, the subject of tenure has been discussed, of course, between members of the Department of Advanced Education and Manpower and boards of governors. But it is quite clear that there is no policy whatsoever in place in this province that would involve the department or the government in the negotiations which take place, quite rightfully, between boards of governors and the faculty and staff associations at the institutions.

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

DR. BUCK: A final supplementary to the minister. Mr. Speaker, does the minister have any studies in place to indicate what the hon. member charged, that there were not first-rank professors who would receive tenure. Could the minister indicate what studies have been going on to indicate what level of tenure and what qualifications are required for tenure?

MR. HORSMAN: Mr. Speaker, I am not responsible for the views of every disgruntled student . . .

MR. NOTLEY: Even in the House.

MR. R. CLARK: Even if he's an MLA.

MR. HORSMAN: . . . at the universities or colleges in this province.

Trade Mission to Mexico

MRS. EMBURY: Mr. Speaker, my question is directed to the Minister of State for Economic Development — International Trade, regarding his recent trade mission to Mexico. Could the minister indicate to the Assembly what benefits will be derived by Alberta businessmen?

MR. SCHMID: Mr. Speaker, first of all, there will be a long-term benefit of establishing trade relations with Mexico which, we understand, is one of the most progressive and, I would say, explosive nations in oil and natural gas exploration.

I should say that recently I received letters from companies participating in the mission, that they have negotiated or are negotiating contracts in engineering consulting, corrosion control, processing equipment, and

rig manufacturing. We expect it to be several million dollars. I will confirm to the House when these negotiations have been completed, because otherwise I would probably tip the hand of negotiations to other companies, which would not be fair.

MRS. EMBURY: A supplementary question, Mr. Speaker. Could the minister please indicate why the government is involved in these trade missions, instead of just the business community organizing these trips?

MR. SCHMID: Mr. Speaker, most oil producing nations in fact do have control of the purchasing of petroleum industry equipment, and they do prefer dealing government to government. On that basis, we are going along to be the door-opener and the catalyst. Naturally, of course, the actual negotiations are being left to the private sector of Alberta, which has done an excellent job.

DR. PAPROSKI: A supplementary, Mr. Speaker. I wonder if the minister would indicate to the House whether the federal government is involved in those trade missions in association with the Alberta government.

MR. SCHMID: Very much so, Mr. Speaker. In fact through the Department of Federal and Intergovernmental Affairs we do contact embassies in the respective countries we travel to, and they have been excellent in their co-operation in setting up appointments for us. In fact our experience has been such that they have expressed their appreciation to Alberta in general for coming on these missions, because it opens to them as well the doors to meetings with ministers and higher officials which had not opened before.

DR. PAPROSKI: A supplementary, Mr. Speaker. I wonder if the minister would indicate, in a very specific way, whether the federal government sends people with the hon. minister at the time of the mission.

MR. SCHMID: No, Mr. Speaker, because they have their trade commissioners and trade officials in the respective countries, whom we then contact when we arrive.

MR. MUSGREAVE: A further supplementary, Mr. Speaker. I wonder if the hon. member could advise the House if the Mexican government is going to change from the traditional method of operation on a foreign basis, whereby they always control the companies that engage in foreign work. Are they going to change this attitude and make their future arrangements more flexible?

MR. SCHMID: Mr. Speaker, first of all, maybe I should inform the House that we were told that presently only 25 Canadian companies are registered to do business in Mexico, and of those 25 only two are from Alberta. They have told us that they are quite prepared to accept a Canadian company to do business in Mexico, having their office only here in Canada and then submitting tenders to Mexico. However, they also informed us that it would be more profitable and expedient for Canadian manufacturers and providers of equipment or consulting engineering services to have an agent in Mexico who then could be contacted by the Mexican government in case any tenders were called or any information required.

MR. MUSGREAVE: A further supplementary, Mr. Speaker. I would like the hon. minister to advise whether the Mexican government is going to allow more flexibility in its future contracts so the control does not rest with the Mexican government.

MR. SCHMID: Mr. Speaker, the control of any purchases through Pemex will always lie indirectly with the Mexican government, because Pemex is an arm of the Mexican government. Without question, they will control the amount of purchases as well as the countries from which the purchases are made.

Drilling Rig Accidents

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister responsible for Workers' Health, Safety and Compensation. In light of 19 deaths and 500 accidents on oil rigs in the first nine months of 1979, what action is the minister going to take on the recommendations of the Sage Institute study?

MR. DIACHUK: Mr. Speaker, the division of occupational health and safety has now commenced implementing a program that joint worksite committees will be organized at each drilling site and each company. There is good co-operation from the industry on it, and we have some early success in the formation of these joint worksite committees to be able to police and implement safety procedures.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Could the minister indicate how many inspectors are working for the department now on oil rigs, and approximately how many oil rigs they're responsible for?

MR. DIACHUK: Mr. Speaker, to the best of my knowledge, two inspectors are assigned. As to the exact number of oil rigs presently, I'd have to take that as notice.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Could the minister indicate how frequently the inspectors inspect an oil rig? And what is the procedure to see that their inspections are followed up, to ensure that they comply with the regulations?

MR. DIACHUK: The inspections are done on an irregular basis. No warning notice is given. However, other field people in the area are often called in when there is a request for an emergent inspection or any injury or fatality. At times the two inspectors who are specialists in the oil field are not available, other personnel in the division will add the additional inspection force.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether any plans are in place now to increase the inspection staff from the present number of two to a number adequate to do the job?

MR. DIACHUK: There are no plans at present. But I always welcome suggestions, and how these could be worked out and funded.

MR. PAHL: Mr. Speaker, a supplementary question to the minister. Could the minister advise the House as to what benefit an inspection would be in the case where it's human error or an inadequate-experience sort of fatality?

MR. DIACHUK: Mr. Speaker, it's difficult to answer that question, as some of the inspectors encounter. In the oil industry particularly, some of the drilling rigs move as often as twice a week. That is why the co-operation of employees and employers is being sought to work out an effective approach with joint worksite committees to be able to do their own monitoring. These committees will report regularly to the division on every occasion that a rig is set up. In the service industry particularly, this would happen more often. These reports would then give to the division an indication of safety programs and to employers an awareness of where they could improve their safety record. Other than that, this is the hope the division has to achieve in the next year.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly what follow-up the government has been able to undertake from the Sage report dealing with substantially improved training for people working in the oil industry?

MR. DIACHUK: Mr. Speaker, at present this is under review between the Department of Advanced Education and Manpower and my officials.

MR. NOTLEY: Mr. Speaker, a supplementary . . .

MR. SPEAKER: Might this be the final supplementary on this important topic.

MR. NOTLEY: In view of the importance of the question, is the minister in a position to give the Assembly some undertaking as to when we might have a report from either hon. gentleman with respect to the recommendations of the Sage committee and how the two departments, between the two of them, have been able to deliberate and come up with concrete policies as a consequence of the recommendations?

MR. DIACHUK: Mr. Speaker, everything is being attempted with all haste. The present training centre is under my colleague the Minister of Advanced Education and Manpower; he may wish to supplement that answer.

Petroleum Marketing Commission

MR. R. CLARK: Mr. Speaker, I would like to direct a question to the Minister of Energy and Natural Resources. Have any initiatives been taken since April 1 by the Alberta Petroleum Marketing Commission with regard to the use of Alberta crude oil outside the province of Alberta?

MR. LEITCH: Mr. Speaker, I don't know that it would be accurate to say initiatives have been taken with respect to the use of oil outside Alberta by the Petroleum Marketing Commission. There have been some changes in the marketing procedures, but we have not endeavored and do not intend to endeavor to control movement or use of oil outside Alberta.

ORDERS OF THE DAY

head: CONSIDERATION OF HIS HONOUR THE LIEUTENANT-GOVERNORS SPEECH

Moved by Dr. Reid:

That an humble address be presented to His Honour the Honourable the Lieutenant-Governor of Alberta as follows:

To His Honour the Honourable Frank Lynch-Staunton, Lieutenant-Governor of the province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Adjourned debate March 31: Mr. Payne]

MR. PAYNE: Mr. Speaker, I would like to resume my reply to the Speech from the Throne by turning to the subject of national unity and recalling to members' attention the very eloquent way in which the Member for Calgary Buffalo dealt with the subject of national unity in his reply to the throne speech. I believe it would be a serious oversight if I didn't comment on that question, for it should be apparent to all members present and indeed to all Albertans that the strains being imposed on Confederation in 1980 contain far more serious implications than strains that have been placed on our Confederation at any time in our nation's history.

The Quebec National Assembly debate on the proposed sovereignty association referendum has attracted considerable recent media attention. I feel that that media attention has, in turn, usefully served to reawaken public concern over the question of national unity. Having said that, Mr. Speaker, I would like to suggest that although I and my constituents share that concern, I am constrained to observe, sir, that there is a far greater threat to our national unity than that posed by the upcoming referendum on the question of sovereignty association; that is, the new federal government's approach to the very serious questions of crude oil supply and pricing, as well as the new government's attitudes toward provincial resource ownership which will shape their approach to the questions of crude oil supply and pricing.

Mr. Speaker, I presume to speak for the constituents of Calgary Fish Creek, and indeed for Albertans everywhere, when I say that despite this serious threat to national unity, I draw considerable reassurance from the qualities and resolve of the hon. Premier and his colleagues directly involved in these interjurisdictional negotiations. These are qualities that I suggest could not be more relevant or timely to this province's needs.

Mr. Speaker, it's difficult for me as a member of this Assembly to evaluate the federal government's energy proposals, for these are obviously very much in the early stages of development. My own assessment of those proposals is really based on their admittedly sketchy campaign platform and subsequent remarks made by the Prime Minister and several of his cabinet ministers. But given that qualification, I feel their general policy direction is apparent, and it fills me with apprehension. I thought it might be useful to summarize those policy directions as I assess them for the benefit of my colleagues in the House today, and I do so with a six-point summary. One, increased Canadianization of the oil industry. Two, an increased federal share of future crude oil

price increases. Three, reduced import compensation subsidy to eastern Canadian consumers. Four, the east coast offshore resources to be treated as federal resources. Five, an increased role for the Crown corporation Petro-Canada. And six, a blended, made in Canada, oil price, which means a blending of conventional and non-conventional wellhead prices to set a single consumer price.

To those six policy directions that I have detected, Mr. Speaker, I would like to add several other options that have been less vaguely defined but nevertheless appear to have been considered. These would include future possible export taxes on natural gas; increased excise taxes, although not immediately being contemplated; an excess profits tax; and finally, annual wellhead price increases under \$4 a barrel in 1980 and 1981.

If that assessment of federal policy intentions is correct, I have many deep-seated concerns arising from those policy directions. I would like to articulate or summarize those concerns with five questions that I would like to suggest the hon. Premier and those of his colleagues involved in these most serious negotiations bear uppermost as they address those negotiating positions.

Question number one: in what specific ways will the federal government want to divide wellhead price increases ahead? Two, on the question of so-called blended pricing, will the federal government suppress increases to conventional oil prices and, if so, by what means and to what extent? Three, will Albertans be asked to accept net benefits that are less than those incorporated in the arrangements that were almost concluded with the former federal government? Four, will the federal government make any move that will diminish the resource jurisdiction of the provinces? My fifth question derives from the federal energy minister's recent announcement — I believe it was made last Friday — that Syncrude and Suncor oil sands plants will no longer be guaranteed the world price for their output. Such a unilateral announcement before these important energy negotiations have even commenced seems irrational at best, and intentionally vindictive and destructive at worst.

Mr. Speaker, there are some quite well-intentioned people in the province — indeed, there are some in my own constituency — who, perhaps because they are unaware of the magnitude of the \$15 billion revenue loss that has resulted from this province's past sale of our hydrocarbon resources at less than world price, or perhaps because they are unaware of how rapidly our non-renewable resources are depleting, have argued that perhaps this is the time for Alberta's leaders to be more flexible than they have been in the past in the interests of national unity and intergovernmental or interjurisdictional stability.

I'd like to suggest, Mr. Speaker, that this is a deceptive appeal. Of course we in Alberta want national unity. Of course we want interjurisdictional stability. But if the price of that goal, Mr. Speaker, is a sell-out of our children's economic heritage, if the price of that goal is the utter abandonment of a constitutional principle that is this nation's greatest source of strength, then I am forced to indicate today to the Premier and to his colleagues that flexibility in these negotiations could be a formula for failure, and that firmness should be the dominant negotiating criterion in the face of any move that would diminish the resource jurisdiction of the provinces.

In summary, Mr. Speaker, I would like to emphasize, as trite as it may sound, that the 1980s will be the most

crucial decade in Alberta's history. The members of this Assembly, through their leadership opportunity in this House, are destined to play a vital role in the decisions, the plans, and the legislation that will in large measure determine the kind of Alberta we shall have in the decade ahead. I urge members of this Assembly on both sides of the House to recommit themselves to legislative excellence and to the kind of Alberta that I think our pioneers dreamed of, the kind of Alberta all of us want for those who follow us.

Thank you.

MRS. EMBURY: Mr. Speaker, it is my privilege to rise and speak today as we near the end of the debate on the Speech from the Throne. The year 1980 is significant because it marks the beginning of a new decade and because it is the 75th Anniversary of our province.

On behalf of the constituency of Calgary North West, I am pleased to welcome our Lieutenant-Governor and extend our best wishes to him and to the members of his family. It is timely, since my original congratulatory message to you, Mr. Speaker, to say with pride that we are indeed fortunate to have a Speaker of the Assembly who exercises fairness, impartiality, humor, and guidance to us all. It is well known, Mr. Speaker, that you have the respect not only of the members of this Assembly but indeed across our country. I am pleased to extend congratulations to the hon. member from Jasper-Hinton and the hon. Member for Edmonton Mill Woods as the mover and seconder of the Speech from the Throne. Last, but in no way least, I wish to extend best wishes to the hon. Member for Barrhead and say how pleased we are to have him in the Assembly.

Looking over the past year, I am proud to be part of a government that, through legislation, carried out all the promises of the last election. The 29 cabinet ministers are to be commended for their diligence in learning their ministries, for keeping in touch with issues, and for the time they have taken to meet with many individuals and representatives of many groups in this province. It is also evident that the MLAs have worked very hard — many of us for the first time, but with a great deal of assistance and support from cabinet ministers and MLAs who have served in previous sessions — by attending to constituency concerns, assuming committee responsibilities, learning the issues and concerns of people, and learning about the different departments of our government. The members of this government are indeed concerned individuals, and work very hard to serve Albertans in a responsible manner.

Last November, as one of three provincial representatives, I was privileged to be in Montreal when Calgary, along with Vancouver, bid for the 1988 Olympics. It was very exciting, and the Calgary Olympic committee under Mr. Frank King deserves a lot of credit for the excellent representation, which culminated, as you know, in the awarding of the bid to Calgary. This was only one of many steps in the process to achieve the ultimate bid. I wish to commend the Calgary committee for the vast amount of work it has undertaken. As most members of the Assembly know, at the present time \$5 associate memberships in the association are available to support the endeavors. Before too long I hope to see everyone wearing one of the pins.

As caucus committee chairman for health and social services, I wish to report that we had a very busy year reviewing current issues and receiving delegations representing a wide variety of associations. Among these were

the council of church leaders, the Alberta Hospital Association, the Council for International Co-operation, the Alberta Association of Registered Nurses, the Alberta Association for the Mentally Retarded, the Alberta Status of Women Action Committee, the Alberta library association, the Alberta health units association, the Alberta branch of the Canadian Legion, the Alberta Library Trustees Association, the Alberta Chiropractic Association, the Alberta Committee of Action Groups of the Disabled, and the Alberta association of chartered physical therapists. It was extremely beneficial to meet the dedicated volunteers of all these associations, to listen to their concerns and receive their ideas and input on courses of action. This will be extremely beneficial to all of us in our future deliberations.

One of the members of the opposition in this Assembly called for the resignation of the Minister of Social Services and Community Health. I — and I am certain I speak on behalf of the members of my committee; in fact, I know I speak on behalf of all members of this Assembly — take very strong exception to that suggestion. We strongly support the minister in his dedication and deep concern for the welfare of all Albertans. As the Member for Calgary Millican pointed out, our government has stated time and time again — in fact, in this very Speech from the Throne — that we are indeed sensitive to the needs, and will continue to take initiatives to provide practical programs and new opportunities. The members of the opposition are not the only members who have licence to be concerned or to care, particularly when mistakes or unfortunate events occur. We have stated that we have a strong commitment to provide support and assistance in all cases where the circumstances of the individual call for the help of his or her fellow citizens.

Each year brings new challenges and new directions. This is evident from the priorities set out in the Speech from the Throne. How fortunate we are to live in a province that not only sets priorities, but has the wealth to carry them out.

The Member for Edmonton Mill Woods mentioned one significant factor for all of us over this past year as MLAs: to gain a greater appreciation of our province as a whole, and of how decisions affecting one part of the province affect all areas in the province. This is well illustrated by the Minister of Hospitals and Medical Care, regarding the \$1.25 billion for hospital programs that include new hospitals, renovations, and expansion of existing hospitals. It will indeed be very welcome news to the constituents of Calgary North West. Granted, they are for the most part very healthy individuals, but there is always the concern in a rapidly growing centre such as Calgary that demands will outstrip supply.

Along with the total commitment of \$1.25 billion, the principles were clearly enunciated: where possible, hospital facilities will be maintained in local communities and not regionalized; there will be assistance to local boards to ease administrative burdens; and studies financed by the provincial government will be initiated in metropolitan areas — like Calgary, by the Calgary area hospital planning council — to develop a blueprint for ongoing hospital development.

Contrary to the Member for Spirit River-Fairview, who views these principles as an erosion of local autonomy, I see them as support to the local area, both financially and in mutual co-ordination and co-operation. Further to the criticism of the opposition that we do not have long-range planning, this is only one of many examples that not only encourage long-range planning

but also that it will occur at the local level — and who best can indicate the specific needs of each area?

The significant hospital programs in planning or actual construction until December 1979 for Calgary alone total \$176,933,000. These include construction of the Alberta children's hospital, renovations at the Calgary General Hospital, a 500-bed addition to the Rockyview hospital, and the construction of the Southern Alberta Cancer Centre and Specialty Services adjacent to the Foothills Provincial General Hospital. Further to that, Mr. Speaker, are \$1.4 million for further construction of the Alberta children's hospital, over \$2.6 million for renovations at the Calgary Cross Bow Auxiliary Hospital, \$10.6 million for major renovations at the Calgary General Hospital, \$308,000 for the Salvation Army Grace Hospital, \$1.6 million for the Calgary Holy Cross Hospital, and two 400 [bed] metropolitan satellite hospitals at a cost of \$50 million each. It is breath-taking to anticipate these magnificent structures in Calgary alone.

Private enterprise is also contributing to the health care needs. One example is in my constituency: in a new professional executive building close to a large shopping centre, a private emergency clinic has opened. This is available 24 hours a day, seven days a week.

The opposition has stated the Minister of Hospitals and Medical Care is indifferent to the issue of staffing hospitals. Frankly, I submit that the criticism is raised to detract from the great commitment in our hospital program, and that the minister is not indifferent, but in his calm, efficient manner is indifferent only to the unfounded criticisms of the opposition.

The issue of nursing has been raised on several occasions, and I would like to make a few comments. The profession of nursing is indeed in a transition period, demonstrating a constant growth to meet the challenging needs in our health care delivery system. What are some of these factors? Number one, I think the educational programs are extremely diverse. In Alberta alone we have nurses graduating from three-year hospital programs, two-year college programs, four-year baccalaureate programs. Further, the University of Alberta has a master's degree program in nursing. I'm very pleased to announce at this time that there has been internal approval at the University of Calgary for a new master's degree program in nursing.

[Mr. Purdy in the Chair]

A few years ago our government commissioned a task force to look into nursing issues. This task force recommended that future nurses should have a minimum educational requirement of a baccalaureate degree. This is certainly not to undermine the practising nurses of today, but to recognize the constant demands of new knowledge and medical technology. Nursing is an applied science. We utilize knowledge not only from the physical and social sciences; today, most nurses need management and leadership skills to function as a member of the health team.

While we have nurses working at the bedside, many are also in the area of community health, carrying out preventive and rehabilitative programs. Many of our educators now require at least a master's degree, if not doctoral preparation, and research is becoming an extremely important part of nursing. We are in the process of developing our own body of knowledge, and for this we need to have available to nurses research money that will allow the studies to be taken in methods of improving our

patient care.

Some people may consider it unfortunate, or maybe fortunate, but one of the other factors for nursing today is that we have not attracted men into the nursing profession in any great number. As many people will say, not many men would be willing to undertake the type of work, the long hours, and the constant demands, for the salaries nurses are receiving. I submit to this Assembly that there are many, many nurses working in our hospitals and community health agencies across this province who are indeed dedicated nurses.

DR. PAPROSKI: Hear, hear.

MRS. EMBURY: In summary, I wish to reinforce three points with regard to nursing. First, as I just stated, nurses are indeed very dedicated, and are caught up in a very personal dilemma because of our professional background. It is part of our profession to be dedicated and to want to meet and serve people to return to their optimum level of health. It makes it very difficult when there have to be demands for adequate compensation. Nursing research is a vital component of nursing today.

Lastly, I would like to commend the professional association, the Alberta Association of Registered Nurses, for commissioning a study on long-term planning in their profession. Part of this study, released just recently, does indicate there can be a severe shortage in nursing in the 1980s. I was a member of the provincial council of the association when we commissioned that study and, as I said, I think the association should be commended for undertaking this study to make their long-term plans. I'm sure the government will be supportive of this endeavor, and together we will be able to look at health needs in the future.

My constituents will be very pleased to see the sensitivity regarding the added money for housing programs, in both the family home purchase program and the core housing incentive program. There is a total of \$500 million from the Alberta savings trust fund. As there is extremely rapid growth in Calgary North West, many people in my area will, hopefully, be able to benefit from these programs. Along with the great expansion of condominiums and apartments, in my more settled communities, Ranchland community has expanded greatly in all areas, and I now share with the hon. Member for Calgary Foothills a totally new area in the northwest part of my constituency called Edgemont.

Along with this, there's an exciting new concept now beyond the planning stage: the Crowchild employment centre. This is a 160-acre site which will bring approximately 3 million square feet of retail and commercial space onto the Calgary market. It should provide jobs for between 4,000 and 6,000 people. This total concept will include a shopping centre, a commercial park, secondary retail development, a hotel, health and recreation facilities, a social/medical centre, a restaurant centre, an auto sales display area, and service/office/commercial facilities tied to light rail transit.

Legislation will be introduced this spring to implement the first stage of the new Alberta business incentive tax system. This program was announced last year, and I know many members of my constituency will want to have input to the business tax incentives.

People of Calgary North West will also be very appreciative of the amount of money being spent on roads and highways outside the city. The people of Calgary North West are always delighted to travel in the country and

enjoy recreation and leisure activities.

Along with the emphasis on manpower training, I was pleased to note under the Department of Advanced Education and Manpower that there will be an emphasis on our universities. As stated:

The universities represent a valuable asset which must be capable of making a significant contribution to increasing research activities. [The] government recognizes and supports the vital role of the universities, which leads to improvements in cultural, ethical, and social aspects in the lives of our citizens.

Since my constituency is adjacent to the University of Calgary, I know there are many professors who live in my constituency. I appreciate the fact that these people are very dedicated and work very hard in educating our young people. They will be pleased to see this emphasis in the Speech from the Throne.

[Mr. Speaker in the Chair]

Mr. Speaker, in closing I would like to reflect very briefly on the past. I know Albertans will be very pleased to enjoy the 75th Anniversary celebrations. Indeed, we in this province owe a debt of gratitude not only to our many citizens who were born in this province, but to those who came from many different countries to settle here. It is because of them we can enjoy the benefits we have today. Reflecting on the past and the tribute we must make to these citizens brings us very quickly to some major concerns we have to face this year.

I know the citizens of Calgary North West already are and will continue to be very concerned about the Canadian unity issue and about our energy negotiations. In 1978 the Alberta government produced a position paper called *Harmony in Diversity: A New Federalism for Canada*. I think this paper is still relevant today. While there is uncertainty in the future, hopefully all of us as Albertans will have our own beliefs strengthened as we discuss this issue.

MR. THOMPSON: Mr. Speaker, I would like to take this opportunity to bring greetings to you, sir, from the people of the Cardston constituency. I would also like to congratulate the Lieutenant-Governor on his appointment. He's a personal friend. He continues the tradition of extraordinary men who have held that position. I would also congratulate the members for Edson and Edmonton Mill Woods for the important roles they played in the throne speech debate. I would like to thank the Minister of Hospitals and Medical Care on behalf of the people of Raymond for the special reason they have to celebrate the 75th Anniversary: their new hospital.

I think I'll speak today basically on grain marketing. I would like to commend the Member for Calgary Buffalo for his review of the statutory grain rates, and say how impressed I was with the detail and accuracy of that review. Statutory grain rates are one area I'd like to talk on. The fact is that if, and I underline "if", we can find some way to compensate the railroads for hauling grain — and whether it's done by subsidy to the farmer or to the railways is immaterial — the fact remains that the Burlington Northern Railroad runs 35 miles south of the Alberta border. It would give Alberta farmers an additional way of transporting grain to the west coast. This would help in several ways. If we have something happen like the accident at the Second Narrows Bridge in B.C., it would give us another way to get grain to the coast. But of course there are interested people, namely the railroads

and the grain companies, who wouldn't really like to see this happen. I just give to members here today: if there is a way we could bring up the cost of transporting grain, that is one avenue that could be a possibility for Alberta farmers.

I would like to talk to some degree on the Wheat Board. There's some dissatisfaction by some Alberta grain farmers — not all of them — with the way the Canadian Wheat Board operates. They feel, with some justification, that the Wheat Board tailors its policies to suit the needs of the province of Saskatchewan. And rightly so, because the bulk of agricultural grain is raised in that prairie province. But the Saskatchewan farmers operate in a different way from the Alberta farmers. First, they concentrate on raising Canadian red spring wheat. Second, they have a greater percentage of their land in summer fallow than do the farmers in Alberta; most of them work on a half and half basis. Because of that, low quotas do not affect them in quite the same way as they affect Alberta farmers. This is why there is a certain dissatisfaction with the Wheat Board by the grain farmers in Alberta. Alberta farmers are far more diversified than the ones in Saskatchewan. We raise a lot of barley, a considerable amount of winter wheat, and quite a bit of white spring wheat. The Wheat Board really does not give those types of grain the kind of importance that it gives to red spring wheat.

Therefore I feel we do have to bring to the attention of the Wheat Board the fact that there needs to be some change in attitude. Basically all we're asking for is a change in attitude. We've had some bad news from them lately. One of the things the advisory committee is asking them to do is to take control of off-board grain, which from my point of view would be a real disaster to the farmers of Alberta because it is a safety valve we use.

In Alberta we produce more per acre. We have less summer fallow. We use more fertilizer, which costs us more per acre to produce grain. Per bushel it costs us less; per acre it costs us more. When we tie in everything on an acre basis, it really works against the people in Alberta. So I would hope that in the future we will try — and I'm sure we will — to get across to the Wheat Board that we need to leave the off-board grain in the position it's at now; in fact, open it up a little more. As far as the transportation end is concerned, there's no doubt in my mind that a good move was made six months ago when Dr. Horner was given his position. I also believe that if this is reversed, it will really make a difference in grain marketing in our province.

There's only one other thing I want to say. Page 16 of the throne speech underlines that we are going to the concept we have used in the past: to try to give the native people in Alberta the same advantages as other people. I agree with it fully. If the minister were in his place, I would volunteer to give him any aid in this area he feels he needs from the Cardston member.

Thank you for your attention, Mr. Speaker.

MR. FJORDBOTTEN: Mr. Speaker, it is indeed an honor for me to rise in my place today and participate in this throne speech debate. I'd like to congratulate the hon. Member for Edson and the hon. Member for Edmonton Mill Woods for their excellent participation in the throne speech debate in moving and seconding its adoption. I would also be remiss, Mr. Speaker, if I didn't use this opportunity to congratulate you for the fine way you handle debate in this House. Last February I visited the House of Commons in London, and even though that

was an exciting and meaningful experience, the decorum of this House — I'm just pleased that I'm here. It's also good today that we should congratulate the Lieutenant-Governor. He is truly a great gentleman, and I wish him continued health and happiness through the coming year.

As I stand here today, I'm very much aware of the responsibility that's been placed in me by the people of Macleod, especially when you consider the history of Macleod in the make-up of our province and the role that constituency has played in our province. The 75th Anniversary is indeed an exciting event. Back in 1884 a young man of great promise came to Fort Macleod, a lawyer named F. W. G. Haultain. In 1887 he was one of four elected to the Northwest Territories Advisory Council. By the time the new assembly had its first session there were 22 members, but Frederick Haultain shone as the outstanding member. In the election of 1891, 26 men were sent to the Assembly, and nine of the 26 were from Alberta.

There was considerable shuffling, but Haultain was set up as leader and thereby became Premier of the Northwest Territories. He fought hard to see that the provinces were granted ownership of their natural resources, but he failed. His failure continued to upset provincial hearts until some 25 years later, when the federal government gave in and vested them in the provinces. After these men fought so hard for the ownership of those resources, we have the responsibility, in fact the duty, to see that those rights are retained by our province.

There are many others who played a significant role over their period of history. Louise C. McKinney was one of the four women who won the right for women to be appointed to the Senate. Another man from the area was C. S. Noble, from Nobleford. He's been called the father of strip farming. He introduced the use of proper equipment that played a significant role in seeing that our farmland didn't all blow away.

Mr. Speaker, the Speech from the Throne delivered some 75 years ago to the first representative Assembly in this province paid appropriate tributes to the enterprise of our forefathers, the hard-working citizens of their day. It's appropriate today in this throne speech debate that we do the same.

Macleod did play a major role in history. In fact, the second newspaper published in the province of Alberta, and it is still publishing today, was *The Macleod Gazette*. Alberta's first drugstore was in Macleod. It's been said that even humor started in Fort Macleod. I'd like to read a couple of the hotel rules from that day: (1) Spiked boots and spurs must be removed before retiring at night. (2) Towels changed weekly. Insect powder for sale at the bar. (3) To attract the attention of waiters and bellboys, shoot a hole through the door panel; two shots for icewater and three shots for a deck of cards. (4) All guests are requested to rise at 6 a.m. This is imperative, as the sheets are needed for tablecloths.

MR. HYLAND: It's still the same. [laughter]

MR. FJORDBOTEN: The hon. Member for Cypress says it's still the same.

As we remember our past and look at today, we should realize something important. Do you know that back in 1901 the population of Alberta was about 73,000 people? Last year approximately 75,000 new jobs were created in Alberta. That's as many new jobs in one year as the total population of 1901. As I look at the 1980 Speech from the Throne, we can indeed say that manpower training

has been given a high priority. Meeting the challenges of economic activity in this province is reflected in that number of new jobs. I think it's important to share with you that about 20 per cent of the apprentices in Canada — that's the latest figure I've heard — are here in Alberta. I think that's pretty astounding when you consider we have only 8 per cent of Canada's population.

I was a little surprised that the hon. Member for Little Bow suggested it's ridiculous to have a minister of workers' compensation. I'd like to say that I had the pleasure to serve on the select committee on workers' compensation. We had many days of meetings. I'm not sure how many; the hon. Member for Edson told me it was about 37. Those meetings included public hearings across this province and a trip to Europe to look at their safety systems. As you all know, a select committee is made up of members from both sides of the House. The hon. Member for Clover Bar and the hon. Member for Spirit River-Fairview were also on that committee. We received many suggestions on protecting workers and on safety. With the number of new jobs in Alberta and the economic activity, Mr. Speaker, we as elected representatives all share responsibility to see that our safety and compensation system keeps pace with that economic activity.

I'd like to say something about hospitals. The announcement really shows that we are sensitive to the needs of people. The people of Claresholm are extremely pleased that they're getting a nursing home, something they've needed badly. The hospital in Fort Macleod was announced previously, and it's an exciting project.

I'm very pleased to see that highways and roads were mentioned in the throne speech, because no one expected to see the sheer amount of traffic we have on our roads today. We have 8,250 miles of primary highways and 8,500 miles of secondary highways. When you consider that roughly 22 per cent of the heavy-duty trucks sold in Canada last year were sold in Alberta — 22 per cent, realizing we have only 8 per cent of the population — when our roads are expected to carry that, I'm pleased to see that was addressed.

On agriculture: the future of agriculture is really in the hands of our beginning young farmers. I think the new beginning farmer program is one of most exciting things that has been brought up in the province. We want to see those young people stay in, become individually successful, and continue to produce vitally needed food for Alberta, Canada, and the world. You know, the average age of our farmers right now is 47. I'm not considering that's old. But I think we could get it significantly less. [interjections]

Our producers are really special, when you consider that businessmen can pass on their costs of doing business just by raising their prices a little, but our farmers are told what their inputs are, they're told what they can get for their products, and they really can't pass on the escalating costs. You know, they're efficient, and we enjoy that efficiency in food costs that speak loudly of that efficiency.

I'd like to say something about Farming for the Future, the agricultural research program. As the MLA on that council, I could speak for a long time about it. The throne speech stated that the Agricultural Research Council was set up in 1978 under the Minister of Agriculture. A decade ago Alberta wasn't the economic leader it is today, yet people weren't suffering. You know the reason? The reason is agriculture. Even at the worst times, Alberta's been able to keep its people fed.

As everyone knows, our worries really lie at the other

end of the scale, where large exports are needed for the income that will help us buy other goods and services. I would hope that the rumors I hear from the east regarding Prince Rupert won't come about, because the Prince Rupert terminal is vital for our exporting of grain.

Let's look back one more time. We know that disposing of our excess production has been one of the most important ongoing problems we've had to face in the last 60 years. The question I pose is: how did we get that excess production? The answer lies under the broad heading of research.

The pioneers who settled in Alberta came here and ploughed virgin land. Over the years trial and error, a basic method of research, led them to grow crops that proved to have the best potential for success. Alberta farmers have multiplied their production eightfold over the last 80 years. There are many reasons for that happening besides hard work: mechanization, new varieties, fertilizer, better chemicals, revolutionary management techniques, new drugs that have allowed better animal fertility, simple research into the feed ratios. All these advances have come through research and development. All these advances in agriculture have benefited everyone, everyone in this House, by cheaper, more nourishing food and a better standard of living. So, has the money from the heritage fund that's gone into Farming for the Future been well spent? I strongly suggest it has.

Economic development: no one could even imagine the excitement there is in economic development in this province. However, there are some soft areas, and I'd be negligent in my duties as a member representing Macleod if I didn't name a couple. In Claresholm, we had Safeway Shelter Systems building mobile homes, and the mobile-home industry right across North America went into a tail spin. One of the fatalities of that tail spin was Safeway Shelter Systems. Now we need something to replace it. Fort Macleod needs some industry. Picture Butte lost its sugar factory, and they need something to replace it. I can say one thing: working with the ministers in this government, the responsiveness that they've shown, I'm proud.

I want to talk a little about the Alberta Alcoholism and Drug Abuse Commission. I quote from the Speech from the Throne. It says they'll be taking:

... a new thrust in educational programming. We will introduce a comprehensive plan to ensure that Albertans are made aware of the dangers of alcoholism and drug abuse. Emphasis will be placed on alternate life styles which would prevent the development of [those] habits.

I have a lot of concern in that particular area. It's not a kick or anything. It's something that I think every responsible Albertan should look at, because we're bombarded on every side today by suggestions that we might have bad breath, dandruff, body odor, yellow teeth, or everything else. If you really don't follow the life styles in a lot of that advertising, then you're really not okay. We have beautiful people leading beautiful lives in an unreal, seductive example. People who don't have the money and don't have the personal self-control to live that kind of life desire it, desire to emulate it. They overspend and abuse credit, and you know what comes from that. Modern life is pressure filled. The added stress of having to live up to unreal but very desirable standards is really very high. It's presented by life style ads on TV, magazines, and radio. When you consider the social breakdown we have today, the rising divorces, suicides, and single parents — I don't want to raise red flags, but we've

got a problem in that area.

Does life style advertising of alcohol reflect in drinking habits, that really you're not a great cowboy unless you know how to drink? [interjections] I think that's a real concern. In 1979, 22,500 motorists had their licences suspended for drunk or impaired driving. I think the population of Grande Prairie is something around 20,000, so you have more people than in a city the size of Grande Prairie who lost their licences for impaired driving last year. I'm not reflecting on Grande Prairie; we can take any other city. But I think this is a severe social problem.

SOME HON. MEMBERS: Agreed.

MR. FJORDBOTTEN: I'd like to conclude by saying that a government that's honest, a government that's competent, with a clear sense of purpose and strong leadership, can work with the people of Alberta and indeed of Canada. In this Speech from the Throne, we can see that this government does have that concern. It does have concern for the individual; it does have a clear purpose. It has strong leadership and will meet the challenge.

Thank you.

MR. SPEAKER: May the hon. member conclude the debate?

HON. MEMBERS: Agreed.

DR. REID: Mr. Speaker, some 12 days ago I had the honor and distinction of moving that this House accept His Honour the Lieutenant-Governor's Speech from the Throne in this our 75th year. In the intervening 12 days, I have listened to many speeches by members on both sides of this House. If any Albertan has any doubts about their province, its government, this Assembly, then let them read the record of *Hansard* of the last 12 days of debate. They will learn, as I have, much of the history of this province. They will learn of its development, its pioneers, the people who built the province, and they will also learn about the concerns this government has for the future of the province. It's been a good debate. A lot of sentiment and emotion have been expressed, probably more than usual because of the particular year this is. There have been concerns about the people of the province, its future, its economy, and all the other facets.

It would give me great pleasure, Mr. Speaker, to move formally that this House accept the Speech from the Throne in this our 75th Diamond Jubilee year.

Thank you.

MR. SPEAKER: On the motion by the hon. Member for Edson, seconded by the hon. Member for Edmonton Mill Woods, for an humble address to be presented to His Honour, would all those in favor please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Those opposed, please say no.

[Motion carried]

head: GOVERNMENT MOTIONS

8. Moved by Mr. Lougheed:

Be it resolved that the address in reply to the Speech from

the Throne be engrossed and presented to His Honour the Honourable the Lieutenant-Governor by such members of the Assembly as are members of the Executive Council.

[Motion carried]

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

Bill 1
The University Hospital Foundation
Amendment Act, 1980

MR. LOUGHEED: Mr. Speaker, I move second reading of Bill No. 1, The University Hospital Foundation Amendment Act, 1980.

Essentially, as hon. members are aware, the University Hospital Foundation has been established since 1962 through the University hospital to seek and receive property by gift, bequest, and transfer, and to use this foundation and the funds for the foundation for the purpose of maintaining and advancing the position of the University of Alberta Hospital as a progressive treatment, teaching, and research institution for the general benefit of the people of Alberta.

This amendment reflects a number of aspects which I am prepared to deal with in committee, but primarily it takes into consideration that we now have within the University of Alberta Hospital the Walter C. MacKenzie Health Sciences Centre, and permits the foundation to reflect not just the University of Alberta Hospital as we've known it, but also the development of the Walter C. MacKenzie health sciences institute. That is the basic, major amendment in the Bill. There are a number of administrative and other provisions in the Bill. I move second reading.

[Motion carried; Bill 1 read a second time]

Bill 7
The Radiation Protection
Amendment Act, 1980

MR. DIACHUK: Mr. Speaker, I move second reading of Bill No. 7, The Radiation Protection Amendment Act, 1980.

As I indicated on introduction of the Bill, several minor changes have become useful to the division. One is an obsolete date, a reference to the enactment of the Bill being 1970. This is no longer useful. But the main portion of the Bill is to enlarge the advisory committee and not limit it to the four professional positions that have now been stipulated in the Act. We would continue with those same four professional positions, but permit an enlarged advisory committee of up to 12 members. This is a practice in other boards under different departments and even in my own portfolio.

At the same time, an amendment permits the appointment of other provincial employees, because there is an interest and a need to have input from people from public health and other departments to assist in the development of some of the programs The Radiation Protection Amendment Act, 1980, applies to.

[Motion carried; Bill 7 read a second time]

Bill 10
The Colleges Amendment Act, 1980

MR. HORSMAN: Mr. Speaker, in rising to debate second reading of this amendment to The Colleges Act, I wish to make some brief explanatory remarks with respect to the various amendments, the first of which will permit colleges to exchange land as well as deal with it in other ways, which I think is quite straightforward.

The next one, of course, provides that an agreement with respect to collective bargaining between a college board and the academic staff association would be binding not only on the board and the academic staff members in their individual capacities, but the academic staff association itself, which is a legal entity and will be required to be bound by that agreement.

With respect to the amendment to Section 50, I want to advise members of the Assembly that it will be necessary during the course of committee study to provide a further amendment to this Act that will clarify the situation. I have had a meeting today with the faculty association representative who quite properly brought to my attention the effect this amendment might have in the event that college boards wished to take certain actions with respect to determining the composition of the academic council.

To make it perfectly clear, an amendment to Bill 10 will be introduced so that there will be no decrease in the proportion of academic staff members on the academic council, which might have been possible had the amendment in Bill 10 proceeded as it is. So I want to give notice now, Mr. Speaker, of the intention to bring forward that amendment.

I want to say as well how much I appreciate the fact that the faculty association initiated the discussions on the subject with me. I feel very gratified indeed that, through reasonable discussion and after careful explanation, we were able to understand the point of view expressed by the faculty associations in the province.

Mr. Speaker, the other amendment really deals with how the government of Alberta will guarantee capital expenditures by private colleges. One of the main reasons for bringing forward this legislation at this time is to clarify that situation. Quite recently, Mr. Speaker, the government guaranteed the indebtedness of Concordia College, a private college operated in Edmonton, with respect to the replacement of a building which had been destroyed by fire. During the course of that guarantee, it was discovered that the system was a little complicated, to say the least, and we are now clarifying that through this amendment.

In concluding my remarks with respect to these amendments, Mr. Speaker, I think it is fair to say that a desire had been expressed on the part of college faculty associations to have further amendments to the collective bargaining procedures, which have been in effect since the Act was proclaimed some years ago. However, it is not yet possible to bring forward such amendments. Those matters are being carefully reviewed with my department and my colleague the hon. Minister of Labour.

MR. R. CLARK: Mr. Speaker, in rising to make two very brief comments on Bill No. 10, might I request that the minister in concluding debate . . . Mr. Minister, I took the remarks the minister made to say that the changes with regard to the academic association basically carried the judgment of the representatives of the various postsecondary institutions, the representations made to

the minister on the particular issue he referred to. I take it that possibly later we can expect some additional amendments dealing with the broader aspects of bargaining. I take it that is the stage the negotiations are in.

Secondly, I support the concept of guaranteeing loans for private colleges. But this may be an appropriate time, Mr. Minister, when we are talking of legislatively approving or broadening that principle, to ask the minister in concluding debate on second reading what kind of ball-park projections the department has with regard to calling on public funds for this kind of guarantee. Even though I say again that the guarantees are commendable, I think it's only fair that we have some indication of the size of commitment.

MR. SPEAKER: May the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, responding briefly to the comments of the hon. Leader of the Opposition, I should try to make it clear that further amendments to the Act with respect to collective bargaining are not likely to take place in this session.

With respect to the second point, the guarantee, the Concordia College guarantee was — the exact figure has escaped me at the moment, but I will be pleased to supply it to the hon. Member during committee study.

MR. R. CLARK: Mr. Speaker, may I ask the minister — not trying to start a new precedent here on second reading — with regard to the first portion of your remarks, Mr. Minister, you indicated there had been discussions between you, your officials, and the faculty associations across the province. What I would like to ascertain is — basically the faculty associations lent their support to the first changes in the Act. What I really want to know is: is this a matter where the department and faculty associations have moved collectively together? Or is it in fact a matter where after the representation was made to the department, the minister has decided to move on his own?

MR. HORSMAN: Mr. Speaker, I'm not exactly sure I understand the question, but I could say this: there have been a series of discussions with the faculty association with respect to the amendments. The one on which they expressed concern to me in my meeting today related to the amendment to Section 50. I have agreed to introduce amendments to deal with their concerns.

[Motion carried; Bill 10 read a second time]

Bill 16
The Reciprocal Enforcement of
Maintenance Orders Act, 1980

MRS. FYFE: I would like to move second reading of Bill 16, The Reciprocal Enforcement of Maintenance Orders Act, 1980.

In doing so, I would like to comment on some of the changes in this Bill that I think are significant. This Bill was basically developed to conform with changes agreed to by the uniformity commissioners of Canada at a meeting held last August. Therefore some essential differences I think are worthy of note. One is provision for mobility. There is no provision for mobility in the exist-

ing Act. Once a final order from another province is registered here for enforcement purposes, it cannot be forwarded directly to another province if the respondent moves. Section 18 of the proposed Act would overcome this problem by permitting the Alberta court, at the request of the claimant, the Attorney General, or the court that made the order, to forward documents to the person or court stated in that request. There is also provision for the claimant to move and still have the final Alberta orders enforced in Alberta without the necessity of a lawyer's services.

Another change in this proposed Act is that under the present Act there is no provision for variation of final orders. This has been a problem over the years, inasmuch as circumstances change for either or both parties, and there needs to be a mechanism to effect necessary changes. Section 7 of the proposed Act deals with variations of both provisional and final orders.

It is also not clear under the present Act which law is to apply, and judicial interpretations have varied across Canada. Section 6 in the proposed Act basically sets out that, if pleaded, the law of the reciprocating state applies; if not, the law of Alberta will apply.

The present Act contains no provision for a state or province to be subrogated to the rights of a person entitled to maintenance. When the state or province is providing social allowance to that person, The Social Development Act of the province of Alberta gives such a right to the province. But as many spouses may leave the province, this right is lost in many cases. The proposed Section 10 will extend this right on a reciprocal basis.

Speaking of reciprocal states, in the past there was a difficulty with respect to orders from the state of California, as they didn't correspond closely enough to our definition of a maintenance order. California generally forwarded complaints with no dollar amount which could be registered and enforced, and this is one of the reasons that reciprocity was not effected in other states in the United States. It is proposed that this difficulty will be removed with the inclusion of Section 12 of this Act.

There are a few other provisions in this Act, and a number of items are set out for clarification. But I think those are the main provisions of The Reciprocal Enforcement of Maintenance Orders Act, 1980.

[Motion carried; Bill 16 read a second time]

Bill 18
The Hospitals and Medical Care Statutes
Amendment Act, 1980

MR. RUSSELL: Mr. Speaker, I move second reading of Bill 18, The Hospitals and Medical Care Statutes Amendment Act, 1980.

The purpose of this Bill is singlefold. It deals with two Acts relating to provincial hospitals, The Provincial General Hospitals Act and The Cancer Treatment and Prevention Act. It contains one amendment for each Act; that is, to remove the existing limitation on pay for board members, now set at \$20 a day. We want to do this to bring it in line with the conditions in The Alberta Hospitals Act and let boards set their rates accordingly.

[Motion carried; Bill 18 read a second time]

Bill 21
The Department of Culture Act

MRS. LeMESSURIER: Mr. Speaker, I move second reading of Bill 21, The Department of Culture Act.

The purpose of this Bill is to establish the Department of Culture. Since the break-up in 1975 of the Department of Culture, Youth and Recreation, there has been an entity known as Alberta Culture, presided over by a minister known as the Minister responsible for Culture. Provisions were added to The Cultural Development Act to enable Alberta Culture to operate independently, and provision was made by order in council for the minister to be a minister with portfolio and to exercise various powers normally exercised only by ministers with responsibilities for departments provided for under The Public Service Act.

This Bill will carry out the necessary legislative amendment to establish Alberta Culture as the Department of Culture. It will repeal Part 1 of The Cultural Development Act and amend its name to The Cultural Foundations Act, to continue those cultural foundations previously established under Part 2 of The Cultural Development Act. It will give the minister additional powers to enter into agreements which are needed with a variety of jurisdictions in Canada and elsewhere; for example, regional library studies in Saskatchewan, exchanges with the Pacific Northwest Bibliographic Centre in Seattle. And it will establish cultural exchange programs and implement the international assistance program.

Therefore I move second reading of Bill No. 21.

MR. R. CLARK: Mr. Speaker, it was my hope that this Bill would not come up this afternoon, but since it has . . . In its crudest form this Bill is an attempt to run again the Bill presented last fall when the government chose not to move with the legislation.

I have no objection at all to the decision to establish a department known as Alberta Culture. That's no problem. But, Mr. Speaker, we have before us the Auditor General's report. When one looks at some of its recommendations, it talks about strengthening the financial control in a number of government departments. The Auditor General's report alludes to the special Auditor's report in 1975, I believe, with the large number of problems we had in the department at that particular time. What we are in fact being asked to do here is give this department and this minister far wider spending powers at the very time that the Auditor General is telling us in his report that the government should be tightening up its financial control in a variety of departments.

Mr. Speaker, some hon. members may think that I'm overstating the case. [interjections] I would ask hon. members to look at a section of the Bill before us, page 5, the part dealing with a revolving fund. Let's assume for the moment that this legislation had been in place a year ago. Had this legislation been in place, the Legislature or the people of Alberta would not have known what was going on as far as the Dr. Roloff Beny collection was concerned. The minister would not have had to go for a special warrant. We simply would have this revolving fund, and this revolving fund would have made it possible, with the changes being proposed here, for the government to have acquired the Roloff Beny collection without the special warrant having been issued at all. Members of the Assembly and the public at large in this province would have found out about that some months later.

Mr. Speaker, I would say to the minister and to the Government House Leader that this legislation is no more appropriate now than it was last fall when the government brought in legislation. At that time the government's pitch to the members of the Assembly was that they had to have this legislation in place so the department could do all sorts of things that it apparently hadn't been able to do in the past. One of the suggestions at that time was that we had to have this legislation in place so that we could hire Mr. Dowling to head the 75th Anniversary Commission. I won't get involved in that particular question at this time. Suffice for me to say that the suggestions made today by the minister that these amendments would allow us to facilitate some of the needs of regional libraries across the province — I have yet to hear from a regional library board or from some of the people involved in the provincial library association asking for these kinds of amendments. They've been asking me for more money, but not for amendments that are specifically included in this particular piece of legislation.

Mr. Speaker, in principle, what we are doing in this Bill is simply giving far too much *carte blanche* authority to the minister and to the department, a department that is responsible for the administration of Alberta's 75th Anniversary, which has not distinguished itself there by any stretch of imagination, a department that some months ago was in the process of trying to acquire the Roloff Beny collection and has since backed off. The revolving fund included in here would enable the minister to buy, I think, 19 Roloff Beny collections.

Mr. Speaker, when you keep in mind the record of performance by this department in the last year, when you keep in mind the comments made just this week by Alberta's new Auditor General about strengthening financial controls on the department, there is just no way that, on principle, I or my colleagues can support this legislation on second reading.

MRS. LeMESSURIER: Mr. Speaker, I would like to respond please.

MR. SPEAKER: Possibly the hon. minister could do that in concluding the debate.

MR. NOTLEY: Mr. Speaker, I'd like to make a couple of observations with respect to the Bill before us this afternoon. Last fall I appreciated the decision of the government to hold over the Bill; I think that was a wise move. Unfortunately, I think I still have a couple of concerns. Certainly one of them does relate to the question of the revolving fund. When the hon. minister closes debate, I would hope she would outline very clearly to this Assembly how she envisages the operation of this fund, and in fact the controls which we as legislators can expect to continue, should we pass the legislation. It does seem to me, Mr. Speaker, as I read this section, that we are giving the minister — and I apologize for having to deal with a section; I know this is normally the route we take in committee study. Nevertheless, Mr. Speaker, this particular section is rather germane to the principle as a whole, because if we are extending power to the minister that is not sufficiently controlled by this Legislature, then that is a matter that should concern us all.

Now, Mr. Speaker, I read the section dealing with the revolving fund, and quite frankly the minister has enormous power under the terms of this provision. While I know that hon. members in this House don't like to be reminded of the Beny question — one can be kind and

refer to it as the Beny question; one could refer to it as something else too, but we'll be charitable at this time — it does appear to me that the minister could in fact have proceeded with that purchase using the revolving fund, and we would not have gone through the process of the debate which was stimulated in this House because a special warrant was passed. When members of the House learned that that special warrant was passed, they raised it in the House and discussed it last fall.

Mr. Speaker, without spending a lot of time, the fact of the matter is that we have to evaluate carefully the concerns expressed by the provincial Auditor General. I remember the controversy that took place five years ago over the Auditor's report on the office of special programs. But the bottom line of his report was basically that it is the responsibility of the Legislature to make sure that powers are spelled out clearly, and that where regulations are to be made, they must be made by Lieutenant Governor in Council.

Now I recognize, and hon. members opposite will be quick to point out, that that is true in this particular Bill. But it is not necessarily true, Mr. Speaker, with respect to the revolving fund. It seems to me that what we have here is, if you like, a bit of a Trojan horse being hauled in. While much of the Bill is not objectionable, is an improvement over what we saw last fall, the fact of the matter is that we are giving the minister a good deal of power. I was a bit disappointed, frankly. I would have thought that the minister, knowing perfectly well that we would seize upon this particular provision because it stands out very clearly, would have taken some time on introducing the Bill to deal with it extensively, to attempt to allay whatever concerns we have on the matter.

Unfortunately, Mr. Speaker, instead we get a number of comments about the need to create the department. No one argues that point; no one argued that point last fall. And we get extraneous side issues such as the question of library funding, which again no one quarrels with. As a matter of fact, we hope the Provincial Treasurer does a little better tonight in the budget with respect to library grants than this government has been doing over the last number of years.

But that really doesn't alter the fact, Mr. Speaker, that we are dealing with a Bill that is setting out certain obligations and at the same time very substantial powers to the minister. The test of any government, when it comes to the Legislative Assembly, is not: here we have a great program; let's be gung-ho; let's all get behind it and not ask any questions. The test of any minister who wants substantial power is to be able to demonstrate clearly to this House why that power is required. With great respect, Mr. Speaker, we have not heard that from the minister this afternoon.

MR. JOHNSTON: Mr. Speaker, I just want to speak to the principle of The Department of Culture Act, the Bill suggested by the hon. minister.

I take some disagreement with the outline provided by the Leader of the Opposition and the Member for Spirit River-Fairview who, I believe, have conducted us down not a Trojan horse trail, but a red herring trail. In fact, they have tried to cloud the real intention of this Bill, which is to provide for ministerial accountability in a proper fashion.

We have in this Bill a clear outline of the responsibilities the minister will take. I think that's the responsibility this Legislative Assembly expects from a minister. We have made some strange allusions to a revolving fund,

but what the members fail to point out, of course, is that the fund is carefully subscribed with clear guidelines as to how it should be invested and how it shall be used.

I only wanted to bring to the attention of the Assembly that the arguments in 1975 with respect to the way in which funds in the department of Culture were handled are in fact not applicable today. In the meantime, Mr. Speaker, we have major changes in the financial control in this department — and all members of the House are well aware of them — in particular, a new Financial Administration Act, a substantially improved controller-ship of this province, and The Auditor General Act. That in itself, Mr. Speaker, is the kind of control which this fund will have. And with the responsibility of a minister, this in fact is the kind of legislation we need in this province.

AN HON. MEMBER: Hear, hear.

DR. BUCK: Mr. Speaker, I'd just like to make one or two comments on the Bill before us. I don't know if the minister or the government has gotten braver, or what's happened since last fall, but basically . . .

MR. NOTLEY: Not braver: more brazen.

DR. BUCK: I guess not braver; more brazen would probably be apropos.

Mr. Speaker, the Bill that is coming in is practically identical to the Bill last fall. If it was withdrawn last fall, can the minister indicate why the minister has the audacity to re-present it this spring?

Mr. Speaker, the areas that concern me in speaking on the Bill — the major thrust we are concerned with is the powers. This government and this ministry have not had a very clean reputation, shall we say. So I think that if we're giving the minister more power than the department presently has, we're just digging ourselves in a little deeper.

With your indulgence, Mr. Speaker, we're talking about the wide-ranging powers that are being given to the minister in Section 7:

The Minister may on behalf of the Government of Alberta enter into agreements with the Government of Canada, the government of a province of Canada, the government of a foreign jurisdiction, an agency of any of those governments . . .

Well, Mr. Speaker, will the minister indicate why we need such wide-ranging powers?

As was mentioned by the Leader of the Opposition, with the revolving grant . . .

MR. CRAWFORD: Every department has those powers.

MR. JOHNSTON: Have a look at your own Acts.

DR. BUCK: Well maybe, Mr. Speaker, with the history of this department, this is probably the greatest reason why this department, Mr. leader of the government, doesn't need that kind of power.

MR. NOTLEY: Agreed, agreed.

DR. BUCK: I mean, maybe that's why the former Minister responsible for Culture left that department, because the money wasn't bulging out of his pockets any more. This is what we're trying to do. This is what we're trying

to do: to make sure the minister doesn't have pockets full of money . . .

MR. NOTLEY: He gave it all away.

DR. BUCK: . . . bulging out of her pockets. [interjections] Mr. Speaker, the history of this department is just not that good when it comes to administering public funds.

So, Mr. Speaker, I don't think that members of the government caucus have had an opportunity, and I'm looking forward to the government backbenchers indicating to us why this Act should go through with the wide-ranging powers that it has. I'm sure the government backbenchers have been fully advised of what this Bill really contains, because if they have been advised of what it contains, I would certainly like to hear from them, Mr. Government House Leader. [interjection]

MR. SPEAKER: Are you ready for the question? May the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

MRS. LeMESSURIER: Mr. Speaker, I'd just like to point out to the hon. opposition that when it comes to the revolving fund, we are specifically dealing with the two Jubilee Auditoriums and the bookstore at the Provincial Museum. That is exactly what the revolving fund is indicating.

MR. R. CLARK: It does not say that in the legislation.

MRS. LeMESSURIER: I'm adding what the revolving fund is specifically for.

MR. NOTLEY: Put it in the legislation, Mary.

MR. R. CLARK: Put it in the legislation.

AN HON. MEMBER: Oh, come on, Bob.

MR. NOTLEY: Let's be clear about it.

MRS. LeMESSURIER: Therefore, I move second reading.

[Mr. Speaker declared the motion carried. Several members rose calling for a division. The division bell was rung]

[Three minutes having elapsed, the House divided]

For the motion:

Adair	Horsman	Paproski
Anderson, C.	Hyland	Payne
Anderson, D.	Isley	Pengelly
Batiuk	Johnston	Planche
Bogle	King	Purdy
Borstad	Kowalski	Reid
Bradley	Koziak	Russell
Campbell	Kroeger	Schmid
Carter	Kushner	Shaben
Chambers	Leitch	Sindlinger
Chichak	LeMessurier	Stevens
Clark, L.	Little	Stewart
Cook	Lysons	Stromberg
Cookson	Mack	Thompson

Crawford	Magee	Topolnisky
Cripps	McCrae	Trynchy
Diachuk	McCrimmon	Webber
Embury	Miller	Weiss
Fjordbotten	Moore	Wolstenholme
Fyfe	Musgreave	Woo
Gogo	Oman	Young
Harle	Osterman	Zaozirny
Hiebert	Pahl	

Against the motion:

Buck	Mandeville	Notley
Clark, R.		

Totals:	Ayes - 68	Noes - 4
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[Bill 21 read a second time]

Bill 19

The Off-highway Vehicle Amendment Act, 1980

MR. HARLE: Mr. Speaker, I move second reading of Bill No. 19, The Off-highway Vehicle Amendment Act, 1980.

It's the intention of this Bill to place in The Off-highway Vehicle Act provisions which are identical to those which presently exist in The Motor Vehicle Administration Act. This will give peace officers the power to seize off-highway vehicles, as presently permitted of vehicles under The Motor Vehicle Administration Act, for the commitment of certain offences dealing with registration of the off-highway vehicle, insurance requirements, operating the off-highway vehicle on a highway, and for the reporting sections and provisions regarding careless driving. It is also the intention to make the liability of the owner of an off-highway vehicle the same as presently exists under The Motor Vehicle Administration Act for contravention of the Act, for contravention of by-laws and regulations which have been passed under Section 13 of the Act, and for violation of regulations passed under the regulation-making power provided in Section 23. However, it does provide that an owner charged under that liability section would not be liable to imprisonment, where the owner of the vehicle was not driving the off-highway vehicle at the time the offence was committed.

MR. R. CLARK: Mr. Speaker, in speaking to second reading of this particular Bill, I'd like to pose a question to the minister. There has been repeated representation to the government that there should be specific legislation for snow machines, for lack of a better term. I know representation has been made to the Minister of Transportation and to the Solicitor General's Department. The question I'd like to pose, and I'd appreciate the minister answering this at the conclusion of debate on second reading: is it the intention of the government to see this legislation meeting that need which has been placed before the government? Or does the government still have under active consideration the proposition, which has been put to them some time in the past, of legislation that would deal specifically with, if I might use the broad term, snow machines?

[Motion carried; Bill 19 read a second time]

MR. R. CLARK: Mr. Speaker, I wonder if I might . . .

MR. SPEAKER: Oh, possibly I was wrong in assuming the minister intended to deal with that in committee.

MR. R. CLARK: Mr. Speaker, that nodding up and down of the head by the minister means yes, does it?

MR. HARLE: Mr. Speaker, on a point of order. I took it as a question that's more appropriately placed in the question period, I think. I could respond later, when the matter comes up for debate at committee stage. It's difficult to respond to a question when there is no necessity for further debate and, therefore, a speech in closing the debate.

MR. SPEAKER: My recollection is that in this brief period of irregularity I omitted to ask for the vote of those members who might be opposed on the motion for second reading.

Would all those who are opposed to the motion for second reading of Bill 19 so indicate; in other words, would they say "no" if they wish to. The motion is carried.

MR. R. CLARK: What one wanted to find out is, was it unanimous? As far as we're concerned, on second reading it's unanimous to go ahead with this piece of legislation.

MR. CRAWFORD: Mr. Speaker, as to tomorrow's business, I think I indicated previously, but would indicate again, that it's not intended to sit tomorrow evening.

[The House recessed at 5:20 p.m. and resumed at 8 p.m.]

MR. HYNDMAN: Mr. Speaker, I have received certain messages from His Honour the Honourable the Lieutenant-Governor, which I now transmit to you.

SERGEANT-AT-ARMS: Order!

MR. SPEAKER: His Honour the Honourable the Lieutenant-Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 1980, and recommends the same to the Legislative Assembly.

His Honour the Honourable the Lieutenant-Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 1981, and recommends the same to the Legislative Assembly.

Please be seated.

head: **GOVERNMENT MOTIONS**

(continued)

MR. HYNDMAN: Mr. Speaker, I move that the messages of His Honour the Honourable the Lieutenant-Governor, the Estimates, and all matters connected therewith be referred to the Committee of Supply.

[Motion carried]

MR. HYNDMAN: Mr. Speaker, I hereby table a copy of the said Estimates.

Mr. Speaker, I move that this Assembly approve in general the fiscal policies of the government. [applause]

head: **BUDGET ADDRESS**

AFTER 75 YEARS - LOOKING AHEAD

MR. HYNDMAN: It is my privilege to present tonight, Mr. Speaker, Alberta's budget in our province's 75th Anniversary year.

On May 7, 1906, Provincial Treasurer Alexander Rutherford, in presenting Alberta's first budget, said this:

We live, Mr. Speaker, in one of the grandest Provinces in this Canadian Confederation. We believe there is a great future before our Province, and that it will be a still grander Province in the very near future. . . . We hope that our fond expectations will be realized. We are a hopeful people. We have no pessimists in Alberta, — a pessimist could not succeed. We are optimistic, and always look on the brighter side of affairs. . . .

Mr. Speaker, I'm sure that Alberta's first Provincial Treasurer would be delighted if he could view today our great province. His optimism was well founded. He would not be surprised at Alberta's leadership role in Canada in 1980.

Our 75th Anniversary invites comparisons between Alberta's inaugural budget address and our financial situation today. Three-quarters of the total revenue estimates for 1906 were payments from the Dominion government under the British North America Act. Those same payments are still received today, but they now represent less than 0.1 per cent of budgetary revenue. The Estimates of Expenditure for 1906 totalled just under \$2 million. Public works — primarily roads, bridges, and the start of construction of this Legislature Building — accounted for more than half of total spending that year. Expenditure estimates for health, education, and social services totalled \$233,500 in 1906; in tonight's budget, expenditure on those three programs totals over \$3 billion. In 1906 the hon. Mr. Rutherford forecast a surplus of \$33,373.32. This government continues that tradition of sound fiscal management.

We also celebrate this year, Mr. Speaker, another anniversary: 50 years ago the Canada/Alberta natural resources transfer agreement was signed. It gave Alberta formal ownership rights to its resources, rights which were denied to us in 1905. Alberta fought long and hard to overcome this unfair discrimination. The hon. R. G. Reid, Provincial Treasurer of the day, said in his 1930 budget:

What the resources will mean to the Province economically it is too early to say. In the first year it is unlikely that much profit will accrue to the province through their administration. However, as time goes on and mineral developments proceed, the revenues from this source should be considerable.

How right he was, Mr. Speaker. We all owe much to the vision and negotiating skills of the Alberta government leaders of that day. They would understand the determination of this government on the issue of resource ownership today, 50 years later.

Alberta has repeatedly demonstrated, by action not just talk, its willingness to contribute to Confederation and to share its resources with the Canadian family of provinces in a tangible way.

Alberta's economy is sound and our prospects should be good. But if the federal government attempts to thwart our prospects, then the hopes and plans of Albertans for the future will be frustrated. The beginnings of an economic shift away from central Canada, especially to the west, are now a reality. There is apprehension by

Albertans when we see that desirable trend being resisted by those who want to preserve the status quo at all costs; there is deep concern here, not about Alberta's economic potential, but as to the danger presented by possibly unfair or misguided federal policies which could harm Alberta in the months and years ahead.

With our diverse energy resources, our renewable agricultural base, our barely tapped forests, and our fresh water, there is the potential for a dynamic Alberta future. These base resources must be diversified. We must build on our strengths and specialize in the activities we do well.

Increased processing and upgrading of our raw resources in Alberta is essential, and it is happening; the petrochemical success story is one example. The sceptics said it could not be done in Alberta. The federal government's Sarnia complex was a major hurdle. But with vision and the kind of determination displayed by this province in 1905 and in 1930, the first building blocks of a petrochemical industry have been successfully put together on time and on budget. The next step is to expand our markets. Looking back, it was against what seemed to be overwhelming odds that a bold, new petrochemical future was stimulated in the west, with the multitude of productive jobs that will result. That happened because government and industry worked co-operatively.

Other similar opportunities exist in agricultural processing and high-technology industries. It can all come together with our most important resource: 2 million Albertans, from pioneers to newcomers. Hard-working and well-educated, the enterprise and self-reliance of the risk-takers reflect the outlook and abilities of those who first came to this province. Given the chance, Mr. Speaker, Albertans will capitalize on the opportunities before them.

An exciting 75 years ahead for Alberta is possible, provided our historic resource ownership rights are respected and provided we are fairly dealt with as an equal partner within Confederation.

ECONOMIC PROSPECTS

The International Outlook

The most serious economic problem facing the world today is the prospect of an international oil shortage. Even with policies on substitution, conservation, and alternative energy sources, oil remains a necessity for all modern and developing nations. Oil will continue to power commerce, industry, and transportation. The world is using oil at almost twice the rate at which it is being found. Production cutbacks have been threatened by major world oil producers as they conserve declining reserves. The United States is dependent on foreign sources for almost 40 per cent of its oil supply. The USSR may become a net importer of oil in this decade. The willingness of Saudi Arabia to maintain present high levels of production has recently been questioned. Political instability in Iran, Afghanistan, and other areas, underscores the worrisome uncertainty in world oil supply in the months and years ahead.

Given this uncertainty, the average 1980 economic performance of the industrialized countries will probably deteriorate. Real output growth for these countries is expected to drop to 1 per cent from 3.25 per cent, and inflation may increase internationally from the present 8 per cent level.

The Canadian Economy — At the Crossroads

The economic answers for Canada are to reduce its balance of payments deficit by exporting surplus natural gas, cutting back oil imports through substitution of natural gas, and increasing domestic oil supply. Canada imports almost a quarter of its oil needs today. About 450,000 barrels of imported oil are required for the Atlantic provinces and Quebec every day, the equivalent of the total daily output of three oil sands or heavy oil plants. Canada must reduce its dependence on imported oil, and that's illustrated in the accompanying chart.

Canada has, unlike the United States, the potential to achieve oil self-sufficiency by 1990. But it will occur only if the private sector is encouraged to continue its exploration and development efforts. The economic road ahead for Canada can be promising if we capitalize on our strengths and work hard to overcome our weaknesses.

Our strengths are obvious: a huge energy and resource potential, a well-educated population with a spirit of enterprise, and credibility in the eyes of the world. Needing immediate attention are Canada's weaknesses: a balance of payments deficit that is per capita one of the largest in the world, a dollar too closely tied to the US dollar, and too low a priority for research and development. As well, a new foreign trade strategy and an understood and regionally accepted economic strategy are needed for Canada.

We share as a government the concern of those Albertans grappling with record high interest rates, noting that international pressures and federal monetary and fiscal policies determine these rates. The provincial government will continue and, where necessary, expand policies to assist in shielding those Albertans most adversely affected by the high interest rates, including senior citizens, low-income Albertans, farmers, home-owners, small businessmen, and property tax payers.

These programs include:

- the subsidized mortgages under the recently expanded Alberta family home purchase program,
- the low-interest loans to builders for rental accommodation under the recently improved core housing incentive program,
- the farm home lending program,
- the direct farm lending program and farm booster package,
- the recently enhanced beginning farmer program,
- the temporary cancellation of the Agricultural Development Corporation's 1 per cent service charge,
- the preferred treasury branch loaning rate to all farm borrowers,
- the 9 per cent interest rate available to municipalities through the Alberta Municipal Financing Corporation,
- the Alberta Opportunity Company flexible interest rate policy for small business, and
- the special treasury branch loan rate to existing small business customers.

The western premiers, at their spring conference last year, drew attention to the damage that high interest rates were causing to western Canadian development, and urged the federal government to stop automatically tracking interest rates in the United States.

Inflation in Canada dropped to 9.4 per cent for the 12 months ending February 1980, from 9.5 per cent in the year ending January 1980. It is not expected to moderate in Canada during 1980.

Employment growth remained strong in Canada in 1979, allowing the unemployment rate to fall from 8.4 per cent in 1978 to 7.5 per cent last year. This improvement is unlikely to continue this year, and the Canadian unemployment rate may rise closer to 8 per cent in 1980.

The Alberta Economy — Strong but Vulnerable

The Alberta economy thrives today in a positive climate for private enterprise. Job-creating investment has been attracted, and there are expanding business opportunities in a favorable environment of stability, predictability, and challenge. The government's economic strategy, outlined by the Premier in 1974 and updated last fall in the Assembly, is known and is understood. It provides a consistent planning base for investors, yet incorporates sufficient flexibility to realistically reflect business trends. Alberta welcomes investment from all over the world. Provincial laws set parameters for such investment so that, for example, prime agricultural and recreational lands in the province are protected. An increasing number of joint ventures involving partnerships between off-shore companies and Alberta enterprises are successfully being formed and are taking advantage of commercial opportunities and creating more Alberta jobs.

Record high interest rates, coupled with the elimination of the federal capital cost allowance incentive for multiple-unit residential buildings, have resulted in a private-sector investment downturn, which has reduced new housing starts. This could adversely affect thousands of Albertans. The government is closely monitoring the housing situation and is reassessing all aspects of its existing programs and policies, weighing their adequacy in the light of incoming statistics. Housing starts declined from a record 48,000 in 1978 to 40,000 in 1979, and the prospects for 1980 reflect the private-sector withdrawal and the adverse federal policies.

Preliminary indicators suggest that Alberta's real gross domestic product last year grew at close to the 1978 growth rate of 6.3 per cent, higher than I predicted in the 1979 Budget Address.

Inflation in Alberta was 8.8 per cent in 1979, compared to 9.1 per cent for Canada as a whole. Despite Alberta's record growth rate, with high demand for goods and services, its inflation rate has remained equal to or less than the national inflation rate. This trend continues. The cost of living increases for the 12 months ending February 1980 were 8.9 per cent in Calgary and 8.4 per cent in Edmonton.

Joining the 10 other Canadian governments, Alberta has made a commitment to restrain the growth of government expenditure. This is reflected in the wage and salary guidelines of 7.5 per cent to 9 per cent, announced last December. All 11 governments of Canada agree that wage and salary increases in the public sector should not exceed those in the private sector. During each of the past four years, Albertans have reacted favorably to wage and salary guidelines, and there is an increasing realization that restraint policies must continue if we are to protect the jobs we now have, and create new and better jobs.

Agriculture — Alberta's Key Resource

Nineteen seventy-nine should rank as one of the best years of the past decade for Alberta agriculture. Farmers were blessed with generally good weather conditions, strong prices for grains and cattle, and solid growth in nearly all farm sectors.

In 1979, farm cash receipts grew twice as fast as operating and depreciation costs. The realized net income of Alberta farmers in 1979 was a remarkable 63 per cent higher than in 1978.

In 1979, total farm cash receipts increased by over 28 per cent to \$2.9 billion. Receipts from crops grew by more than 33 per cent. Livestock receipts were up by 26 per cent.

The stock reduction in the cattle industry, which led to fewer supplies and higher prices, began to reverse in 1979 as heifer herds began to expand. Although beef supplies will continue to decline in 1980, associated price increases should moderate, partly due to the increased availability of alternative meats.

Total operating and depreciation charges incurred by farmers in 1979 grew by 16.1 per cent, but farm cash receipts grew much faster. The chart on page 11 shows the remarkable growth in farm cash receipts since 1970. This year will probably see continued record high levels of farm cash receipts. The US embargo on grain to the Soviet Union may increase supply and thus depress the price of barley and possibly of wheat. Even so, total cash receipts for wheat should increase as marketings are expected to be up in 1980. Canola is expected to yield somewhat lower receipts in 1980 as prices could soften. The 1980 reduction in the output of cattle may offset higher prices, leaving cattle receipts this year about the same as 1979.

Albertans at Work

A significant indicator of economic vitality is the rate at which new jobs are being created. In 1979, 60,000 new jobs were created in Alberta, and that's another record after the 1978 employment growth figure of 47,000 and the 1977 new job figure of 32,000. Employment growth in Canada in 1979 was 3.9 per cent; in Alberta it was 6.5 per cent. With the Alberta population about one-twelfth that of Canada, one out of every seven new jobs in Canada in 1979 was created in Alberta.

The unemployment rate in this province dropped from 4.7 per cent in 1978 to 3.9 per cent in 1979. We have the highest participation rate in the country, almost 70 per cent of all Albertans in the working age group.

New Alberta jobs were created in virtually every employment area, including agricultural processing, forest products, small business, transportation, tourism, and the energy industry. The diversity of these 60,000 new jobs shows the underlying strength of the Alberta economy.

Energy

Most Albertans would be surprised to learn the extent to which the security of their present jobs depends on a healthy petroleum industry. The take-home pay of the hundreds of thousands of our citizens working in the energy industry could be in jeopardy if investor confidence drops, and exploration and development slow down. Explorers must have reasonable incentives to risk millions of dollars in the search for the new reserves of energy that Canada so crucially needs.

Given the existing uncertainty, I cannot predict the extent of exploration, development, and geophysical activity for 1980, nor is there certainty as to the future inventory of drilling rigs or the extent of drilling rig utilization. Cash flow is required to sustain activity in our basic petroleum industry; additional natural gas exports to the United States make sense in order to generate that

cash, and would have the added benefit of strengthening the Canadian dollar and allowing interest rates to stabilize or decline.

Manufacturing

In 1979, manufacturing shipments in Alberta, excluding petroleum and coal products and food and beverages, grew by almost 21 per cent, above the Canadian rate of 16.4 per cent. Shipments of primary metals, fabricated metals, non-metallic minerals, and chemicals all grew in Alberta at above the average rate for Canada. Since many of the promising new petrochemical plants came on stream in late 1979, there should be significant growth recorded in the figures for shipments of chemicals in 1980.

General Outlook

Alberta's economy is strong and growing, but it is still vulnerable. In 1980, this province should remain an economic bright spot in Canada, to the benefit of the entire nation, provided we are not frustrated in our efforts to grow. For Canada's benefit, thoughts of discrimination against a province or region must be put aside.

Much more remains to be done to diversify Alberta's economy and make it less dependent on the sale of unprocessed, depleting resources. Our economic strategy of policy consistency, private-sector investment encouragement, fiscal incentives, balanced growth, research and development emphasis, transportation initiatives, and manpower training, all contribute to our significant progress.

1980-81 EXPENDITURE - AN OVERVIEW

The operating expenditure of the government for 1980-81, the vast bulk of which provides for the delivery of quality services to Alberta citizens, will be \$4.226 billion, an increase of 14.4 per cent over the 1979-80 operating budget. This maintains our policy of restricting increases in operating expenditure to the growth rate in Alberta's gross domestic product, expected to be about 15 per cent this year. It is important that growth in the government sector does not exceed and is not at the expense of the private sector.

The 1980-81 capital program, involving construction of long-term, lasting assets such as roads, hospitals, educational institutions, and public buildings, will total \$1.083 billion, an increase of 31.1 per cent over last year's capital budget. This sustained capital spending growth is aimed at the needs of individual Albertans. It is a good investment in light of the expected population growth and the large built-in capacity of Alberta's vigorous construction industry.

The 1980-81 total estimates of expenditure, including the interim supply, will be \$5.309 billion, a 17.4 per cent increase over the comparable 1979-80 estimates. Excluded from this total is statutory expenditure amounting to \$99 million. As well, these figures do not include two extraordinary statutory expenditures: the \$340 million required on a once-only basis to eliminate outstanding hospital and nursing home debt, and the \$1.1 billion required to partially fund public service pensions and protect future taxpayers.

To reflect the continuing delivery of services to a rapidly growing population of over 2 million citizens, the 1980-81 estimates include an additional 922 full-time

permanent positions. This increase is after the exclusion in 1980-81 of the 335 staff at the Alberta Research Council, as that organization is to be funded entirely by grants in future. If the Research Council positions were included, and if the 150 start-up positions relating to the new business incentive tax system were excluded, the manpower growth rate would be 3.5 per cent. The expected increase in Alberta's population is 3.5 per cent.

SERVICES FOR PEOPLE

Since 1971, numerous provincial services have been expanded and scores of new programs have been introduced. Albertans enjoy the highest quality health, education, and social services in Canada. We continue to respond to the emerging needs of Albertans, especially those on fixed and low incomes who would not otherwise share fully in the substantial disposable income growth of the past decade.

Alberta's economic vitality has created strains on all sectors of the economy, including provincial services. The capacity of virtually every government department has been stretched to the limit. In the face of this sustained demand, the government is determined to channel its resources to those citizens with the greatest need. While the primary emphasis will be to ensure the efficient operation of hundreds of existing programs, we are initiating a number of new services for people as well.

Among expenditure priorities this year are: a major move to expand health facilities, a large increase in funding road and highway construction and rehabilitation, greatly expanded programs to meet the housing needs of Albertans, and new initiatives in manpower training.

The 1980-81 Operating Budget

Following are the highlights of the operating budget for 1980-81, which totals \$4.226 billion, up 14.4 per cent or \$531 million over last year.

Health Care

A major, ongoing priority of this government has been to develop one of the finest health care systems available anywhere. To this end the capital projects division of the Alberta Heritage Savings Trust Fund provides an important initiative through the recent creation of the Alberta Heritage Foundation for Medical Research. Major cancer and heart disease research efforts are continuing.

The operating funds provided to active care and auxiliary hospitals and nursing homes will increase by \$94.6 million to \$713.1 million for 1980-81, an increase of 15.3 per cent over last year's estimates. The operating budget for these high-quality health facilities has increased regularly and significantly over the past 10 years. In 1970, for example, operating expenditure for health was \$200 million; in 1975 it rose to \$485 million; and in 1980 it will surge to \$907 million.

Among important new medical program initiatives for the coming year are:

- almost \$24 million to operate new or expanded hospital facilities at 15 locations across the province,
- \$1.4 million to expand renal dialysis programs,
- \$1.4 million to establish a prenatal hereditary disease identification program, and
- \$472,000 to set up specialized urban family prac-

tice clinics.

To offset the growing deficit in respect of the Alberta health care insurance plan, related expenditure is being increased by \$48.3 million, up 40 per cent over the comparable estimates for last year. This increase will provide medical practitioners with an 8.5 per cent income increase, and an overall 15.5 per cent fee schedule increase which became effective January 1, 1980. It also provides \$2.1 million to increase the out-of-province daily ward benefits for Albertans from \$50 to \$150 per day, effective July 1, 1980. These significant cost increases have prompted a review of health care premiums, a subject to which I will refer later.

Education

For the first time this year, government spending for our quality education systems will exceed \$1 billion, about the amount of the total Alberta budget 10 years ago.

Over 79 million new dollars will be added to last year's operating grants for basic education, resulting in a total of \$787.5 million for 1980-81, an increase of 11.1 per cent over the previous year. This general increase provides, in part, for a 9.3 per cent increase in basic per pupil instructional grants, which will be \$1,242 for each elementary pupil, \$1,302 for each junior high pupil, and \$1,491 for each high school pupil. Extra consideration, by way of enriched programs, will be given to assist in equalizing educational opportunity, meeting special needs, and enhancing the overall quality of basic education.

This government continues to give priority to improving educational opportunity for handicapped children. An additional \$4.2 million, an increase of 21.5 per cent over the 1979-80 comparable estimates, will be provided to enable school boards to hire an additional 123 teachers for the handicapped. Extra funding of \$900,000 will increase the number of specially trained teachers of the handicapped. Grants to support education for the dependent handicapped increase to \$2.1 million in 1980-81, almost triple the comparable 1979-80 estimates. Maximum grants to school boards under the learning disabilities fund will increase by 12.5 per cent over the 1979-80 amount. Financial assistance levels for pupils placed by school boards in approved private schools for the handicapped and socially maladjusted will be increased as well.

Additional support of almost 31 million new operating grant dollars for universities and colleges is proposed, for a total of almost \$293 million in 1980-81, up 11.7 per cent over last year. This total increase provides for a 9.5 per cent increase in basic operating grants, plus an additional \$5.8 million to further upgrade and reflect:

- enrolment increases and new course offerings in trades and technologies in colleges,
- operating costs for new facilities at the universities and colleges,
- program expansion and student enrolment increases at Athabasca University and the Banff Centre, and
- selected course upgradings at the universities of Alberta, Calgary, and Lethbridge.

For the technical and vocational institutes, an increase of \$11 million is proposed over the 1979-80 estimates. In addition to providing for cost increases, it is anticipated that the proposed allocations will enable the institutions to accommodate increased enrolment, particularly in the trades and technologies, to meet the demands of our vibrant economy. Special emphasis will be placed on

programs designed to increase the participation of and opportunities for unskilled and disadvantaged Albertans.

In keeping with the philosophy of Alberta's generous overseas assistance programs, this budget contains \$1.2 million for special language training and adjustment assistance for our new Albertans from Southeast Asia. We welcome our new citizens and are anxious to assist their early adjustment to the Alberta community.

Housing for Albertans

Assistance in providing affordable homes, apartments, condominiums, and lodges for Albertans is one of the priority thrusts this year. No other province matches the comprehensive range of shelter assistance programs or the per capita housing and apartment subsidies now being made available.

To further assist home-owners, the Alberta Home Mortgage Corporation will provide \$7 million in subsidies in 1980-81 to lower- and middle-income families, to acquire about 5,500 new homes under the successful Alberta family home purchase program. This program has been recently modified to expand eligibility to families who have adjusted gross incomes up to \$31,000. Subsidies of up to \$270 per month will be available to families with incomes less than \$25,500.

A further \$7 million in subsidies, to provide 8.75 per cent low-interest loans, will encourage builders to construct rental accommodation at approved rental rates for low-income Albertans under the core housing incentive program. In 1980-81, this program should stimulate the construction of 4,500 new rental units, more than double the number last year. As well, the program will be expanded to all centres in Alberta with a population of 5,000 or over.

The Alberta Housing Corporation will provide more than \$2 million in annual grants and subsidies to non-profit foundations operating senior citizens' lodges and self-contained units. Effective November 1, 1979, rents were reduced from 30 per cent to 25 per cent of income for senior citizens occupying self-contained housing. With the \$500 annual senior citizen renter assistance grant, our pioneers in government-sponsored, self-contained housing units pay among the lowest rents in Canada.

For senior citizens who wish to continue to live in their own homes, the Alberta pioneer repair program, unparalleled in Canada, provides grants of up to \$2,000 for home improvements. In 1980-81, \$30 million is expected to be provided under this program, more than double the amount provided last year.

The rent scale ratio for low-income families residing in community housing was decreased, effective November 1, 1979, from 30 per cent to 25 per cent of family income, a move that will save needy Albertans \$2.3 million in rental payments in 1980-81.

The capital budget for housing, detailed later, represents a major new thrust in the provision of new shelter units in the months ahead. Further new initiatives in the housing field will be announced shortly.

Social Services and Community Health

Alberta is the leader in Canada in the range of services and the extent of support for the handicapped. Operating costs of the Alberta assured income for the handicapped program will be \$61.8 million, up from \$35.6 million last year. This initiative provides an assured income for severely handicapped individuals aged 18 to 65.

The government's support for child welfare services will also increase dramatically, by almost 20 per cent overall. The major increase is for residences operated under contract and providing child care. In addition, support for treatment in government-operated child care institutions, including group homes, is expanded, as are community and family services which include foster home care.

The foster parent program is extensive and involves some 2,900 homes operated by dedicated people providing care to approximately 3,700 children at a given time. The budget allocates \$13.5 million to this program, and this year further assistance to foster parents will be provided through preparation and implementation of a training program.

In community health, an important new addition is the \$1.6 million to increase dental service programs designed to improve the availability of dental services in rural and northern areas of the province and to expand preventive dental treatment services to school children in Alberta through local health units.

A further expansion of the successful home care program will be supported with an additional \$2.2 million provided through local health units. The health unit system will also provide increased services to physically handicapped Albertans through the aids to daily living program. This program will reach approximately 10,000 people through a budget provision of \$6.6 million, and will supply wheel chairs, respiratory equipment, and other aids to persons with chronic or long-term health disorders.

Agriculture

Our fertile land is a renewable resource. The initiative and hard work of individual farmers and producers are key strengths of our basic agriculture sector. Farm management, in an increasingly complex agriculture industry, has become demanding and sophisticated.

Operating and capital grants to agricultural societies will increase this year to \$13 million from \$3 million in 1979-80.

The government will continue to invest in initiatives to improve grain handling and transportation. Negotiations for an efficient, new Prince Rupert grain terminal will continue. The new inland terminals will see increased utilization. Grain transportation will be improved by our purchase of 1,000 hopper cars.

Nineteen eighty is the third year of the Farming for the Future program, which promotes research to seek out new and improved production methods. Ten million dollars from the Alberta Heritage Savings Trust Fund has been committed to agricultural research.

Major modifications recently announced to the beginning farmer loan program will provide long-term stability to this basic industry by assuring a steady influx of new, young farmers.

The Agricultural Development Corporation's successful range of programs will receive an operating budget increase of \$6.3 million, largely to meet expected higher loan activity and lending levels. The preferred 9 per cent lending rate has increased the amount of government interest subsidies required.

Funds to boost Alberta food product promotion will increase by 31.3 per cent.

Hail suppression research funding for the Alberta Weather Modification Board will increase by 19 per cent to a level of \$2.75 million. Funds are provided for a new food processing centre. Agribusinesses will benefit from

the continuation of the nutritive processing assistance program.

Assistance to Municipalities

Mr. Speaker, the province provided over \$1 billion to Alberta municipalities through the municipal debt reduction program. It cancelled outright \$648 million in municipal debt and provided a further \$383 million in unconditional grants to municipal administrations. This dramatic initiative improved the financial position of every Alberta municipality in a major way. I emphasize that the benefits of this move to municipalities and their taxpayers will continue in 1980 and in the years ahead. Interest expenses for municipal governments have been reduced significantly. The unconditional grants of \$383 million provide a source of investment income for many municipalities in future years.

In addition to the long-term benefits of the municipal debt reduction program, we have this year provided for a \$5.4 million increase in general unconditional assistance grants to municipalities, for a total of \$72.4 million in 1980-81.

Since its introduction five years ago, the municipal debenture interest rebate program has provided over \$35 million to municipalities and their taxpayers to subsidize interest costs on debenture borrowings, advances, and loans. In 1975-76 the annual cost of the program was \$1.2 million; the 1980-81 estimates provide for \$18.8 million for this program, which shields interest costs by an average of 3 per cent. As a realistic response to market conditions, my colleague the Minister of Municipal Affairs announced recently that interest costs above 9 per cent will be rebated to municipalities with respect to eligible borrowing after March 17, 1980. Interest costs above 8 per cent will continue to be rebated for eligible debt incurred prior to March 17, 1980. The policy will be reviewed as the level of interest rates changes in the future. These changes will ensure that Alberta municipalities and their property tax payers will continue to enjoy lower borrowing costs than any other municipalities in Canada.

75th Anniversary Celebrations

Through the 75th Anniversary Commission and the co-operating departments of Culture, Recreation and Parks, Tourism and Small Business, Municipal Affairs, and Education, about \$50.2 million has been spent to date to plan and promote a many-faceted appreciation of Alberta's past, present, and future in Confederation. Hundreds of projects of lasting benefit have been initiated by Albertans, individually and through groups and associations.

In 1979-80 several projects of special interest were started, including the well-received homecoming event and the Canadian encyclopedia project, which is a gift to all of Canada. In recognition of the role of local governments as partners in the development of Alberta, and reflecting this government's commitment to local autonomy, approximately \$41 million in per capita grants has been made available to municipalities to assist with their anniversary plans.

The 1980-81 estimates include a further \$23.6 million to continue initiatives through 1980-81 and to fund over 200 imaginative projects brought forward by Albertans. The total celebration budget of \$73.8 million is less than 2 per cent of this year's budget.

Cultural Development

New cultural programs are planned.

Because libraries play a significant role in educational and cultural development, library operating assistance will more than double, from \$2.8 million last year to \$7 million for 1980-81. These funds will assist libraries in forming regional systems for the mutual benefit of the citizens of participating communities and in expanding their current level of local service. With enrichment of the library services program, Alberta moves ahead significantly in provincial support for libraries.

Deserving special mention is the planned incorporation into the Glenbow-Alberta Institute of the Riveredge collection of artifacts, generously donated by the Devonian Foundation. Provincial capital funding of \$2 million will be provided to enable the Glenbow Institute to store and display this remarkable collection for the enrichment of Albertans of all ages.

Development, Management, and Diversification of Alberta's Economy

The Department of Economic Development spearheads the implementation of our economic strategy to build upon our basic agricultural and energy strengths, stimulate diversification, and overcome our geographic and economic disadvantages. The 1980-81 budget for this frontline department is increased by \$4.9 million or 56.5 per cent over last year.

Actively being pursued are policies

- to improve Alberta's grain handling and transportation systems, particularly with regard to inland grain terminals, rolling stock, and ports;
- to assist in the expansion of foreign export sales through identification of specific export sales opportunities, development of foreign joint ventures, and promotion of licensing opportunities; and
- to enhance the marketing capabilities of Alberta's growing processing and manufacturing industries.

To implement stage 1 of the recently announced Alberta business incentive tax system, \$3.3 million is budgeted, less than 1 per cent of the corporate income tax expected to be collected in 1980-81. Made in Alberta business incentive tax policies, tailored to help strengthen the competitive position of growing Alberta businesses, are important to the continuing development of this unique province.

To develop this province as a brain centre for Canada, the Alberta Research Council will play a leadership role in facilitating long-range research, following four main thrusts:

- expanded research on oil sands,
- greater emphasis on coal resources,
- improved services to industry, and
- increased emphasis on frontier sciences.

The government's commitment to research and development as a key aspect of economic diversification is reflected in the Research Council's 1980-81 budget. In this first year of a five-year plan, there will be additional research funding of \$2.9 million, an increase of one-third over the 1979-80 estimates, for a total funding level in excess of \$11 million.

The vast potential of Alberta's forest lands is just beginning to be realized. The Berland-Fox Creek forest project will result in new jobs, more upgrading, and new technology. The government is introducing an expanded program of forest research; funds this year will almost

triple over 1979-80. They will be directed toward improvements in forest management practices through increased support to universities and existing research laboratories, and by the setting up of a new forest management research branch.

A new range improvement program will offer a total of \$1.3 million in assistance to fund capital improvements by those leasing public grazing land. This will increase the productive capacity of Alberta's public lands and benefit the agricultural community.

Natural Gas Price Protection

Included in the budget is \$154 million to continue the natural gas price protection plan for individual Albertans and businesses. This unique program shelters Alberta residents from increasing home heating costs and helps businesses offset competitive disadvantages such as transportation costs. Pending a comprehensive review during the months ahead, details of a new plan will be presented to the Legislature in the fall.

The 1980-81 Capital Budget

This year's capital budget for roads, buildings, and other public works totals \$1.083 billion, an increase of 31.1 per cent over 1979-80. The program provides a wide range of capital improvements for today's 2 million Albertans and for the thousands who will be born here or will come here in the years ahead.

Housing

Over the past five years, a total of almost 190,000 housing starts were recorded in Alberta, a per capita Canadian record. In the two-year period 1978-79, Alberta, with about 8.5 per cent of the Canadian population, was the location of almost 21 per cent of all new housing in the country. There has been a significant increase in the quality of shelter here; the estimated number of Albertans per dwelling unit decreased from 3.35 persons per unit in 1975 to 2.85 per unit projected for 1980.

With the current high level of interest rates, the federal government's decision not to extend the special capital cost allowance provision for multiple-unit residential buildings beyond 1979 and the termination of the NHA-assisted rental program, private-sector financing of new rental housing construction projects is expected to decline in 1980-81. As mentioned previously, the Alberta Heritage Savings Trust Fund, through the Alberta Home Mortgage Corporation, will provide financing for a record new number of rental units under the successful core housing incentive program.

The Heritage Savings Trust Fund will also provide \$300 million in 1980-81 for the building of 5,500 new homes under the Alberta family home purchase program. To make this program available to more Albertans, the maximum house price is increased to \$70,000 for new construction and to \$56,000 for existing homes.

To assist in bringing subdivisions on stream more quickly, an additional \$50 million will be made available to municipalities for the provision of major water, storm, and sanitary sewer systems under the revolving land servicing program.

Continuing its efforts of previous years, the Alberta Housing Corporation will increase its construction program by 28 per cent to 2,983 units in 1980-81, at a total value of more than \$146 million. More than 2,000 senior

citizens' lodge units and self-contained units are planned. That program will sustain Alberta's leadership in providing comfortable accommodation for our senior citizens.

An estimated 2,000 people may be coming to both Edmonton and Calgary every month in the forthcoming year. Even with the ambitious programs for 1980-81 described above, we will continue to monitor trends in the housing, apartment, and condominium areas, and introduce further and expanded programs in response to needs and conditions.

Roads, Highways, and Transportation

A top priority this year is a special boost in the financing of secondary highway building and the needed rehabilitation of existing primary highways.

This government's record in the road construction and transportation area is unmatched; expenditure increased more than 400 per cent over the eight-year period 1971-79. During the '70s, vehicle registrations jumped about 60 per cent. This province has over 10,000 kilometres of paved primary highways, the distance from Edmonton to Halifax and return. From 1973 to 1978, truck traffic in Alberta more than doubled. Of the ground transportation in this province, 80 per cent of petroleum products, 85 per cent of general freight, and 90 per cent of food and produce move by truck; about 90 per cent of provincial passenger traffic is by automobile.

The multibillion dollar investment in our transportation system is fundamental to our agricultural and economic performance, as well as to our recreation and tourism. In recognition of the current levels of use and anticipated future demands, and to reflect the persistent and effective submissions of government MLAs, the 1980-81 budget of Alberta Transportation will increase by over \$110 million over 1979, a 24.5 per cent increase to \$562.4 million. Just five years ago, annual expenditure in this area was only \$295 million.

Earmarked for construction and maintenance of highways is \$393.3 million, an increase of \$86.5 million or a dramatic 28.2 per cent increase over last year.

To ease the increasing burden on our existing road network, the budget makes provision for a new multiyear pavement resurfacing and rehabilitation program, to which \$22 million will be designated for this fiscal year.

A \$20 million expansion of the secondary road construction program will increase the number of kilometres of paved secondary roads. A \$4.5 million expansion of the construction program for rural/local bridges, to a total of \$11.1 million, is planned.

This is year two of the important resource road improvement program. The \$22.5 million budget for this year is in addition to over \$100 million set aside for the rural/local highway improvement program.

The \$16.7 million increase in the urban transportation and financial assistance program represents the second year of the massive, six-year \$0.75 billion program announced last spring. It includes an additional \$4.5 million for construction of an urban corridor for the city of St. Albert.

Health Care Facilities

Continuing Alberta's leadership in the provision of the best health facilities, this province's current commitment to hospital capital projects is approximately \$1.25 billion.

The three major specialty facilities funded by the Alberta Heritage Savings Trust Fund will cost \$350 million,

as construction proceeds on the Walter MacKenzie Health Sciences Centre, the Alberta Children's Provincial General Hospital, and the Southern Alberta Cancer Centre.

Other health facility projects, announced recently by the minister or in the stages of planning or construction, total \$882 million. These projects, in over 65 Alberta communities, include new hospitals, and upgrading, expansions, and renovations to existing hospitals.

In addition, capital dollars will provide improvements in the areas of physiotherapy, occupational therapy, inpatient and outpatient services, electrical, mechanical, and emergency generating systems, nursing home and convalescent rehabilitation, dietary and cafeteria services, diagnostic and treatment services, and extended psychiatric facilities. A wide range of modern, comprehensive hospital and medical equipment will be purchased.

Of the 19 new hospital projects throughout the province, two 400-bed facilities will be built in Calgary and another two in Edmonton.

Capital Support for Postsecondary Education

This year, government spending on university, college, technical and vocational institutes for capital purposes will exceed \$100 million. At a time when most other provinces in Canada have slowed their programs, Alberta continues a major capital program to assist in reflecting the skilled work force requirements of our rapidly expanding economy.

This capital budget provides \$104.7 million in 1980-81 for the construction of new and ongoing projects, the replacement of furnishings and equipment, renovations to existing facilities, and planning funds for possible future projects.

The total commitment to all postsecondary education capital projects currently exceeds \$230 million. These projects, at 13 separate institutions, will benefit the communities and surrounding areas of Grande Prairie, Lac La Biche, Fort McMurray, Edmonton, Calgary, Banff, Lethbridge, and Fairview.

Environment

This budget contains an expanded commitment to three major water and sewer programs, the basic building blocks for orderly growth in Alberta's communities:

- the municipal water supply and sewer treatment grant program will provide grants to municipalities of \$22 million, an increase of \$4.2 million over the comparable 1979-80 estimates;
- the new water and sewer regionalization program, cost sharable with the municipalities, will provide in excess of \$500 million worth of basic municipal facilities over the next 25 years;
- as well, the federal/provincial community services program will provide funding in 1980-81 of almost \$13 million for storm sewers, water distribution and sewer treatment facilities.

Additionally, Alberta Environment's capital budget includes \$2.3 million for 1980-81 for replacement of the Vermilion dam and almost \$10 million for the needed Red Deer-Dickson dam project. There is \$8.7 million available for the Alberta environmental research centre in Vegreville, which will begin operations this spring.

MODIFICATIONS TO THE TAX SYSTEM

Provincial policies, which have successfully stimulated the resource explorers and risk-takers to find the oil and gas from which royalties flow, have enabled us to maintain a level of taxation which is the lowest in Canada. This fiscal flexibility has been used to enhance the well-being of every Albertan.

Highlights of the changes to Alberta's tax structure in recent years include the following:

- The trail-blazing Alberta property tax reduction program, including the senior citizen renter assistance grant, which was introduced in 1973, increased in 1978, and again in 1979. The 1973 renter assistance tax credit was enriched in both 1974 and 1979.
- Provincial taxes on gasoline were reduced in 1974 from 15 cents a gallon to 10 cents a gallon, and completely eliminated in 1978. The farm fuel distribution allowance was increased to provide a 12 cent per gallon benefit to farmers.
- In 1975 the Alberta personal income tax rate was reduced by almost 30 per cent. It is significantly below rates in other provinces.
- In 1975 an Alberta income tax rate reduction specifically for low income earners was introduced; it was improved in 1978 and again in 1979.
- The Alberta royalty tax credit, new in 1974, effectively reduced the oil and natural gas royalties paid by our small Canadian explorers and producers, and helped them compete with the large multinational companies, and
- In 1979 the Alberta small business deduction reduced the provincial tax rate on small Canadian-controlled private corporations from 11 per cent down to 5 per cent.

Partly as a result of these changes, total budgetary revenue, exclusive of revenue from production and sale of our petroleum and natural gas assets, has declined as a percentage of Alberta's gross domestic product from 10.4 per cent in 1971 to an estimated 8 per cent in 1980. This has been possible because depleting resources have provided an increasing proportion of Alberta's budgetary revenue.

Health Care Insurance Premiums

Health care insurance premiums should at least partially reflect the growth of basic health care costs. Due to the steady increase in health care costs, and in light of the forecast growth in the health care deficit, attributable to those citizens who pay premiums, premiums are to be increased, as announced, by \$1 per month for single persons and by \$2 per month for families, effective July 1 this year. The annual premium rates will therefore move to \$103.80 for single persons and \$207.60 for families. This is the first premium increase in two years; the high-quality, comprehensive medical care available to Albertans is still a real bargain. Even with these modest premium increases, the health care deficit will rise by some 40 per cent or \$48.3 million this year.

To shield lower income earners from this modest premium rate increase, the coverage under our premium subsidy program will be simultaneously expanded. Our senior citizens will continue to remain exempt from payment of any and all health care premiums.

The Alberta Business Incentive Tax System

As recently announced, we are establishing an Alberta-administered business, incentive tax system that will, over time, be more sensitive to our needs and objectives. It will further encourage a climate of investor confidence in Alberta, and will stimulate the expansion of small Alberta businesses.

The new system will be put into place in two stages. First, during this spring sitting The Alberta Corporate Income Tax Act will be introduced; it will enable Alberta to collect its own corporate income tax, effective January 1, 1981. At this stage, however, there will be no change in the method of determining tax payable to Alberta. We welcome submissions from the business community and others as to the specific tax incentives which could support our economic strategy of business expansion, diversification, creation of new and better jobs, and increased manufacturing and upgrading of our resources.

The second stage will take place, after review of the submissions, in 1981-82, when amendments to provide specific tax incentives for subsequent years will be brought forward.

Revenue Canada will continue to collect Alberta's personal income tax.

As the Premier stated in this Legislature on April 2, 1974:

Because there is regional economic and business diversity in Canada with unique provincial problems and prospects, we believe that flexible taxation policies are required at the provincial level to recognize these differences. Tax policy . . . must become a tool for taking advantage of strengths and opportunities.

REVENUE - MAINLY FROM NON-RENEWABLE RESOURCES

Alberta's revenue structure stands in stark contrast to that of any other province. Taxes, primarily personal and corporate income taxes, provided less than 20 per cent of total revenue; the average for all provinces is 53.6 per cent. Revenue from our depleting resources provided over 55 per cent of Alberta's revenue, and this proportion has been increasing in recent years. Most provinces receive less than 2 per cent of their revenue from non-renewable resources.

Total 1979-80 budgetary revenue is now forecast to be \$5.809 billion. This exceeds the original 1979-80 estimate by \$554 million, and results largely from:

- unabated exploration activity in Alberta, bringing revenue from the sale of Crown leases to continued record levels;
- price increases for domestic natural gas of 15 cents per mcf in August 1979 and February 1980, not included in last year's budget;
- the price and volume of exported natural gas being higher than originally estimated; and
- 1978 personal income tax receipts being higher than forecast.

For the 1980-81 fiscal year, total budgetary revenue is estimated to increase by 23.2 per cent, to \$7.158 billion, from the 1979-80 forecast of \$5.809 billion.

Total non-renewable resource revenue is estimated to amount to \$5.812 billion in 1980-81. After an allocation of 30 per cent or \$1.744 billion to the Alberta Heritage Savings Trust Fund, \$4.068 billion will be included in budgetary revenue. This represents an increase of 24.1 per

cent over the 1979-80 forecast of \$3.279 billion. As is our practice, the budget incorporates only currently established prices. Therefore, the 1980-81 estimate of resource revenue includes no anticipated domestic oil and gas price increases.

Total tax revenue is estimated to increase by 28.8 per cent, to \$1.473 billion in 1980-81, from last year's forecast of \$1.144 billion. Taxes provide only about 20 per cent of Alberta's total budgetary revenue. Net personal income tax revenue is estimated at \$850 million, an increase of 10.5 per cent. Net corporate income tax revenue is expected to nearly double to \$426 million in 1980-81, due largely to delays in 1979-80 receipts under the Alberta/Canada tax collection agreement.

Payments from the government of Canada are estimated to total \$666 million in 1980-81, an increase of 14.2 per cent. In relative terms, though, payments from the government of Canada, as a proportion of total budgetary revenue, are expected to decline from 10 per cent in 1979-80 to 9.3 per cent in 1980-81.

Interest and investment income have become an increasingly important source of budgetary revenue, reflecting the build-up of financial assets in recent years. However, the municipal debt reduction program of 1979 reduced provincial assets by \$1.031 billion. Also, the proposed hospital debentures retirement program and the partial pension funding policy, both announced recently, are expected to reduce General Revenue Fund assets by another \$1.44 billion.

FINANCIAL MANAGEMENT INITIATIVES

Pension Funding to Protect the Taxpayers

This government and this generation have a duty to avoid saddling future citizens with crippling taxes or massive debt. Therefore, as earlier announced, the government will take a major initiative in the financial treatment of provincially administered pension plans. Under legislation to be introduced this fall, a \$1.1 billion investment fund will be established, beginning in the 1980-81 fiscal year, to provide partial funding of these plans. Current temporary budgetary surpluses provide an opportunity to set aside moneys to partially fund these pension plans.

This initiative is for the benefit of Alberta taxpayers now and in the years ahead.

Hospital Debentures Retirement

It is now appropriate to put the financing of hospitals on the same pay-as-you-go basis, as with most other public works. As recently announced, all of the debentures which are supported by the province as of April 1, 1980, will be retired during 1980-81 at a cost of \$340 million. All hospital capital construction after April 1, 1980, will be financed by annual capital grants as required.

ALBERTA'S 1980-81 FINANCIAL PLAN

Primarily because of higher than anticipated non-renewable resource revenue, the budgetary deficit of \$373 million which was expected for 1979-80 in last year's budget, after deducting the cost of the municipal debt reduction program, is now forecast to be a surplus of \$79 million.

For 1980-81, I estimate a budgetary surplus of \$1.749

billion before the extraordinary expenditure for the hospital debentures retirement program and the transfer of assets to the pension plan fund. After deducting the cost of these two programs, a budgetary surplus of \$309 million is estimated for 1980-81. Net non-budgetary cash requirements are estimated to be \$5 million. The increase in cash, term deposits, and investments of the General Revenue Fund will be \$308 million. Net assets of the General Revenue Fund at March 31, 1981, are estimated to be approximately \$3.1 billion.

I estimate the Alberta Heritage Savings Trust Fund will increase in value by \$2.3 billion during 1980-81. Of that amount, \$1.72 billion represents the transfer of 30 per cent of non-renewable resource revenue on a cash-received basis. Investment income accruing to the Alberta Heritage Savings Trust Fund is growing at a significant rate; it is estimated to be about \$580 million during 1980-81, about equal to the entire budget of the province in 1966-67. Total assets of the Heritage Savings Trust Fund should reach roughly \$8.7 billion by March 31, 1981.

The fact that Alberta's budgetary position is roughly balanced for 1980-81 is cause for reflection. True, there are two extraordinary expenditures this year, which significantly reduce the surplus. But the \$1.1 billion transfer to the pension fund is sufficient only to partially fund the provincially administered pension plans; further transfers would be necessary to make the plans financially self-supporting. And while this budget retires the outstanding debt of hospitals and nursing homes, there are still other public-sector entities in the province which carry debt.

There remains a great deal which could be done to improve Alberta's finances and to strengthen the base which has been built for the 1980s.

SUMMARY AND HIGHLIGHTS

In summary, Mr. Speaker, this budget:

- reflects a commitment exceeding \$1.25 billion to new, upgraded, and expanded hospital facilities in over 65 Alberta communities;
- boosts housing in a major way, with the commitment of over half a billion dollars of new Heritage Savings Trust Fund money to finance significant expansion of the Alberta family home purchase program and the core housing incentive program, including enriched subsidies;
- increases road and highway building and rehabilitation by almost 25 per cent to \$562 million;
- includes new and expanded programs in health care, social services, education, and recreation, with emphasis on services for senior citizens, children, the handicapped, and those with special needs;
- provides record high levels of support for basic and advanced education systems;
- continues a tradition of sound financial management, a 30 per cent resource revenue transfer to the Heritage Savings Trust Fund, and new pension and hospital funding approaches to protect future taxpayers; and
- proposes more than \$1 billion for capital projects of long-term benefit to the economy.

Proudly looking back over 75 years of remarkable achievement, optimistic Albertans look ahead to a future that can be filled with opportunity and a quality way of life. Alberta is strong and our prospects are exciting — if fairness and equity prevail. [applause]

MR. R. CLARK: Mr. Speaker, I beg leave to adjourn the debate.

HON. MEMBERS: Agreed.

MR. SPEAKER: Does the Assembly agree?

[At 9:11 p.m., on motion, the House adjourned to Thursday at 2:30 p.m.]