

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Monday, May 12, 1980 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

**Bill 51****The Alberta Emblems Amendment Act, 1980**

MRS. OSTERMAN: Mr. Speaker, I request leave to introduce a Bill, The Alberta Emblems Amendment Act, 1980.

Bill 51 will describe the new armorial bearings of Alberta, including the arms, crest, supporters, and motto. In addition, the Act allows the Minister responsible for Culture to make regulations governing the reproduction, use, or display of an official emblem.

[Leave granted; Bill 51 read a first time]

**Bill 55****The Election Finances and Contributions Disclosure Amendment Act, 1980**

DR. REID: Mr. Speaker, I request leave to introduce a Bill, The Election Finances and Contributions Disclosure Amendment Act, 1980. The purpose of this Bill is to deal with some problems with the administration of the Act that showed up during the last election, and generally to clear up some minor amendments that are required in order to have it function better.

[Leave granted; Bill 55 read a first time]

**Bill 52****The Amusements Amendment Act, 1980**

MR. COOK: Mr. Speaker, I request leave to introduce Bill No. 52, The Amusements Amendment Act, 1980.

The Act provides for deregulation of carnivals, travelling shows, and cinema houses. The Act reflects changes in technology. For example, the Bill would provide for deregulation of the requirement for projectionists to have a licence. It reflects changes in technology and increases in standards for fire regulations and building safety.

[Leave granted; Bill 52 read a first time]

MR. CRAWFORD: Mr. Speaker, I move that Bills nos. 51, 52, and 55 be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

**Bill Pr. 5****The Alberta Foundation Act**

MR. KNAAK: Mr. Speaker, I request leave to introduce

Bill No. Pr. 5, The Alberta Foundation Act. It's a Bill establishing a foundation, one of the objects of which will be to manage the funds of charitable foundations.

[Leave granted; Bill Pr. 5 read a first time]

**Bill Pr. 7****The Warren Dean Boyd Adoption Act**

MR. COOK: Mr. Speaker, I'd like to introduce Bill Pr. 7, The Warren Dean Boyd Adoption Act. The Bill provides for the adoption of an adult, and the petitioner requests that the Assembly grant her request to have this adult adopted as her son.

[Leave granted; Bill Pr. 7 read a first time]

**Bill Pr. 4****The Keith Dial Adoption Termination Act**

MR. MUSGREAVE: Mr. Speaker, I request leave to introduce Bill No. Pr. 4, The Keith Dial Adoption Termination Act.

The purpose of this Bill is to terminate an adoption that was effective in 1940. It was decided by the superintendent of child welfare that the adoption should be cancelled and terminated.

[Leave granted; Bill Pr. 4 read a first time]

head: **TABLING RETURNS AND REPORTS**

MRS. LeMESSURIER: Mr. Speaker, I would like to table the annual report and financial statements of the Alberta Historical Resources Foundation for the year ended December 31, 1979.

head: **INTRODUCTION OF SPECIAL GUESTS**

DR. McCRIMMON: Mr. Speaker, it's my privilege today to introduce to you, and through you to the members of the Assembly, a visitor from the Yukon, the Hon. Dan Lang. He is the Minister of Municipal Affairs and Transportation for the Yukon Territory. He is in your gallery, Mr. Speaker, and I'd ask Him to stand and receive the welcome of the House.

MR. WEISS: Mr. Speaker, it is my pleasure to introduce to you, and through you to the members of this Assembly, a group of 38 students from the Wandering River school in Wandering River. This community is located in the Lac La Biche-Fort McMurray constituency. These students represent grades 5, 6, and 7 and are accompanied by their teachers Mrs. Hunter, Mr. Dodds, a parent Mrs. Mosich, and their capable bus driver who got them here, Mickey Shapka. I would ask that they rise and receive the cordial welcome of this Assembly.

DR. PAPROSKI: Mr. Speaker, I'd like to introduce to you, and through you to the members of the Assembly, some 25 students from the Coralwood Junior Academy school, grades 7 and 8. It's a private school operated by the Seventh Day Adventists located in the constituency of Edmonton Kingsway. They are touring the Legislature Building for their social studies class. I had an opportunity to meet with them. They have assured me that some of

them, at least, will write to me. I've asked them to continue their interest in the democratic process.

They are in the members gallery. I would ask them to rise and receive the applause of the House.

MR. KING: Mr. Speaker, I would like to introduce to you, and through you to the members of the Assembly, 21 grade 10 students from Concordia College, which is situated in the constituency of Edmonton Highlands. They are accompanied by their instructor Mr. Richard Willie, and are seated in the public gallery. I would ask them to rise and receive the welcome of the Assembly.

MR. KOZIAK: Mr. Speaker, it's my pleasure this afternoon to introduce to you, and through you to members of this Assembly, students from the University of Alberta spring session. These students come from the four corners of the province, and are an embodiment of that old maxim, you're only old when you stop learning. Mr. Speaker, we have with us 20 students in the public gallery. They are senior citizens studying at the university's spring session for seniors.

#### head: MINISTERIAL STATEMENTS

##### Department of Agriculture

MR. SCHMIDT: Mr. Speaker, I am pleased to announce today the details of an Alberta emergency stop-loss program for hogs. In response to the emergency situation in the hog industry, and in recognition of the hardships confronting producers, this government will institute a temporary stop-loss stabilization program for hogs of Alberta origin.

This program will be effective from April 1, 1980, to March 31, 1981, and payments by this government will represent a commitment of approximately \$25 million to Alberta's hog industry.

Mr. Speaker, it was decided this action was necessary to restore confidence and prevent erosion of the industry, due to the negative impact of low producer prices and increased production costs. I wish to emphasize that this is a short-term program, and that Alberta will continue to work with the federal government and with other provinces with respect to the development of a meaningful level of stabilization on a national level, which will involve producer participation.

The Alberta [emergency] stop-loss program for hogs will ensure that a standard hog carcass, which is defined as a 170-pound carcass, indexing the 1979 grade average of 101 and priced at the average weekly price, will yield a return of \$35 per hog over the calculated feed cost prevailing in that month. Feed costs will be revised monthly, in order to account for fluctuations in barley and supplement prices.

Based on a preliminary feed cost estimate of \$65.09 per hog marketed in April, 1980, and the guaranteed return above feed costs of \$35 per hog, the program would support total returns during April to a level of \$100.09 per standard hog carcass.

Payments to producers will be made when market returns fail to cover calculated feed cost plus \$35. The actual level of the support payment will vary, depending upon the difference between returns for the standard hog carcass in any given week and the assured return of \$35 above the feed cost prevailing at that point in time.

Payments to producers will be calculated weekly and

disbursed monthly. The program will cover hogs of Alberta origin, with the exception of light hogs — that is, those less than 90-pound carcass weight — sows, and boars; and will be retroactive to April 1, 1980. Hogs sold under Japanese contracts E 50 and E 55 will be covered if the returns above feed costs fall below the \$35 level guaranteed under this program.

While the support payment will not be adjusted by the grade index received, adjustments will be made for carcass weight. Heavier hog carcasses will receive a proportionately higher support payment, while lighter carcasses of course will receive proportionately lower support payments than the standard 170-pound carcass. The program also makes provision for hogs sold on a live-weight basis. The same support payment per hundredweight of dressed pork will apply. The conversion from live to dressed weight will be based on a dressing percentage of 78 per cent.

In summary, Mr. Speaker, the program is a temporary emergency stop-loss provision, effective April 1, 1980 and will extend to March 31, 1981. The program will guarantee a return above feed cost of \$35 per hog. Feed costs will be revised monthly, in order to account for fluctuations in barley and supplement prices. Further details with respect to program administration, claims procedures, et cetera, will be forthcoming shortly.

In conclusion, Mr. Speaker, the program I have announced today represents this government's strong and continuing commitment to agriculture in Alberta. The program is a temporary measure to support the hog industry, which remains under government review with the objective of establishing a long-term plan for the marketing of hogs in this province.

DR. PAPROSKI: Mr. Speaker, I wonder if I could have the permission of the Assembly to indicate that Mrs. Kay Sauder is in fact included in the introduction of guests accompanying the Coralwood Junior Academy school. I'd like to have that entered in *Hansard* in the appropriate area.

Thank you.

#### head: ORAL QUESTION PERIOD

##### Research Council of Alberta

MR. R. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Environment or the Minister responsible for Workers' Health, Safety and Compensation. Is there an ongoing monitoring of the way hazardous materials are handled at the Alberta Research Council by either the Department of Environment or the Minister responsible for Workers' Health, Safety and Compensation?

MR. DIACHUK: Mr. Speaker, from time to time my officials are consulted by other departments — Housing and Public Works, or people from some of the other divisions. Possibly my colleague the Minister of Housing and Public Works may have something more to answer that question.

MR. R. CLARK: Mr. Speaker, a supplementary question. Is either hon. minister in a position to indicate to the Assembly whether the Alberta Research Council asked for and received the advice of the minister's de-

partment on the question of the handling of wastes or organic compounds at the Research Council?

MR. DIACHUK: Mr. Speaker, I don't have any information on it today, but I'll take that question as notice.

MR. R. CLARK: Perhaps I might pose a supplementary question to the hon. Member for Calgary McKnight, who is accountable for the Research Council, and ask the minister — the hon. member, would-be minister — to indicate to the Assembly what steps the Alberta Research Council has taken to deal with what I'm led to believe has been an extremely dangerous situation for the Alberta Research Council, from the standpoint of handling a variety of chemicals and organic compounds.

MR. MUSGREAVE: Mr. Speaker, as the hon. Leader of the Opposition appreciates, doing scientific work involves a certain amount of hazard at any time. Last fall I took it upon myself to visit the facilities; and while I was not aware of any hazard existing, I was concerned about the crowded conditions. Early this year the hon. Minister of Government Services and I reviewed all the facilities in the Edmonton area. We were concerned about some of the existing conditions — primarily crowding, it appeared to us.

This year as a result of the long-range plan, we hired a person to be responsible for facilities, effective the first of the year. They arranged to have them reviewed. We engaged consultants from the university and the Department of Housing and Public Works to review the facilities. We have removed all the hazardous material. We have taken the people who were engaged in what was considered hazardous work and employed them elsewhere. We now feel we have met all the requirements of the city fire department, occupational health, and the building standards branch of the provincial government.

MR. R. CLARK: Mr. Speaker, to the hon. member. Where are those hazardous materials now being stored?

MR. MUSGREAVE: Mr. Speaker, I can't tell the hon. member where they're being stored. My understanding is that they have been removed from the building. There were some fume hoods that were particularly dangerous. I understand they have been removed and buried in a sanitary pit somewhere. I can find out exactly where for the hon. leader if he wishes.

MR. R. CLARK: Mr. Speaker, a supplementary question to the hon. Member for Calgary McKnight or the Minister responsible for Workers' Health, Safety and Compensation. What ongoing medical examinations have been made available to those staff at the Research Council who would be working especially in coal technology, gas technology, and with organic compounds? What ongoing evaluation of the health of those people is done?

MR. MUSGREAVE: Mr. Speaker, I'd have to take that question under advisement. I can advise the hon. Leader of the Opposition, though, that we have established a new safety program. We've appointed a new director, and at a recent meeting of the full council of the Research Council we adopted a policy as to the care and working conditions of our people. It has been not in force for many, many years, and it is part of our new thrust under the long-range plan — one of the first concerns Dr. Cloutier had was that the working conditions of our employees

should be safe. To answer the specific question regarding a periodic review of health, I would have to take that under advisement and report back to the House.

MR. R. CLARK: Mr. Speaker, I wonder if I might ask one further question of either hon. gentleman. In reporting back to the Assembly, could the hon. gentlemen indicate to the Assembly whether there has in fact been a co-ordinated program of health safety at the council, again from the standpoint of people working in the three areas I outlined: coal technology, gas technology, and the work with organic chemicals? I raise the question because some people are concerned that they have health problems as a result of having worked at the Research Council, some for as long as 18 years, and there is no ongoing annual medical checkup.

MR. MUSGREAVE: Mr. Speaker, as we become more informed, it's obvious that all of us are becoming more concerned about these kinds of health hazards. Chemists and researchers who have been at the council for a number of years consider it no problem, whereas the younger professional people are more conscious of the liabilities that might exist if health hazards are not monitored. I will certainly look into it for the hon. leader and report back to him.

#### Forest Fires

MR. R. CLARK: Mr. Speaker, I'd like to direct the second question to the Minister of Energy and Natural Resources. It concerns the forest fires in the northern part of the province, primarily the fire in the Lac La Biche forest area which was caused by the crash of military aircraft. In light of the forestry situation, did the province at any time consider asking the federal government either to scale down or not go ahead with the training programs that were going on in the forestry area?

MR. LEITCH: Yes, Mr. Speaker, discussions have been held between forestry personnel and military personnel regarding the level of activity in those exercises. At the moment I don't recall whether those discussions took place before the incident the hon. leader refers to, but certainly I know that discussions have taken place since that time. As I recall, the result of those discussions is that there will be a curtailment of some of the activities, particularly those that create a fire hazard.

MR. R. CLARK: A supplementary to the hon. minister. Is the minister in a position to indicate if it's now been established by the Alberta forestry service that the major fire in the weapons range was caused by the crash? And is the minister in a position to indicate a ballpark figure as to the cost of controlling the fire?

MR. LEITCH: Mr. Speaker, I wouldn't be able to give any information with respect to the latter question. I would think that ought to be a matter for the Order Paper, because I'm sure it would involve some detail.

With respect to establishing the cause of the fire, Mr. Speaker, as I recall there were two airplane crashes. I believe each caused a fire, although I can't call to memory precisely which fire was caused by which crash.

MR. R. CLARK: Mr. Speaker, to the hon. minister. Does the minister or his department have information as to the cause of the fire designated as DND 4, which is

also near the Primrose weapons range, and which has already burnt over 200,000 acres of land? I raise the question because it's been drawn to my attention that the fire was also ignited as a result of the weapon practising going on.

MR. LEITCH: Mr. Speaker, I'm not familiar with the letter designation of the few hundred fires that have occurred in the province to date. So I'm not at all sure that my response can relate to that precise fire, although there has been some speculation and discussion over whether a significant fire was caused by military aircraft manoeuvres. I don't know that I could go further on the information I have received to date than to say there's been some speculation that a manoeuvre of aircraft taking part in those exercises did start a fire, although I think the speculation is disputed by the military personnel.

MR. R. CLARK: Mr. Speaker, to the minister then, just to take the matter perhaps one step further. In addition to the fires started as a result of the crashes, it's now the feeling of forestry officials that some of the other fires that started in that area during the time the manoeuvres were going on were as a result of military manoeuvres?

MR. LEITCH: Mr. Speaker, that's accurate in the sense that some members of the department expressed the view that the fire was started in that way. But I'd hoped I'd left it clear in my earlier answer that that question was open to argument, and some contrary views were being expressed.

MR. STROMBERG: Mr. Speaker, a supplementary question to the minister. Since the surface rights — the timber on the Primrose bombing range is owned by the federal government, who is paying for the cost of extinguishing this fire, the province or the federal government?

MR. LEITCH: Mr. Speaker, I would like to check on the basis upon which the hon. member's question rests; namely, that the surface rights in the Primrose range are owned by the federal government. Possibly it's merely a matter of leasing, not ownership, but I would like to check on that.

As to the actual costs of the fire-fighting, Mr. Speaker, there would be two elements there. One is who pays the costs at the time they're incurred, and I'm quite confident that is the provincial government, because you can't wait until you've sorted out responsibility to incur the expenses to fight the fire. But after the fire is out and we have the time to look at the matter of responsibility and who ought to be paying the costs, I'm sure we'll do that.

MR. STROMBERG: A further supplementary, Mr. Speaker. Since the federal government is the lessee of this land, has consideration been given to asking that the federal armed forces currently at the Primrose bombing range be also involved in forest firefighting?

MR. LEITCH: Mr. Speaker, I'm not aware of that having been done, but it could have been. I'll certainly check into it and respond later to the hon. member.

#### **Blind Persons with Seeing-eye Dogs**

MR. LITTLE: Mr. Speaker, may I address my question to the hon. Minister of Social Services and Community

Health. Mr. Minister, two situations have recently come to my attention involving blind persons who were refused service because they were accompanied by seeing-eye dogs. One involved rental property, and the other restaurant service. Therefore, would the minister consider the possibility of preparing and issuing identification cards to all blind persons in the province with seeing-eye dogs, having on the reverse side of the card the pertinent or significant portions of the blind persons' seeing-eye dog Act, so that when these people run into this problem, they cannot be refused on a situation of ignorance of the law?

MR. BOGLE: Mr. Speaker, I'll undertake to conduct some discussions with officials of the Canadian National Institute for the Blind in the province to determine what we might do in conjunction with that organization to improve the communication from blind people who have seeing-eye dogs to landlords, restaurateurs, or others. I think the suggestion the hon. member has put forward, a plasticized card with information on it relating to the legislation as well as the proper identification, is very good. I'd like to leave the question in the sense that I'll consult with the organization and see if there's a way we can assist the CNIB to provide such information. If that's not possible, I'll look for some other avenue to ensure that the 50 or so Albertans, I believe, who have seeing-eye dogs are protected, as the hon. member has suggested.

#### **Constitutional Change**

DR. PAPROSKI: Thank you, Mr. Speaker. A question to the Minister of Federal and Intergovernmental Affairs, further to a debate in this Assembly on October 20, 1976, on a resolution dealing with the constitution and its repatriation. At that time I and many other members supported that resolution, of course, and it was agreed on by this Assembly. I wonder if the minister would indicate to the House whether Alberta's position regarding the constitution and its repatriation has changed since that time.

MR. JOHNSTON: Mr. Speaker, the Member for Edmonton Kingsway is accurate. This Assembly did deal with the question of the patriation of the constitution in October 1976. I think it's fair to say there was very strong support for the position articulated, which was that in matters of proprietary interest, the jurisdiction of the province, or existing rights of the province, no amending process should change that fundamental right of the province, and I think the provinces agreed to be consulted on any changes. That memorandum was also sent to the Prime Minister, and formed much of the amending process which this House dealt with in Harmony in Diversity.

It should be noted that in subsequent debates in this Assembly, particularly on the Harmony in Diversity paper, there was some discussion which would suggest that if an amending formula could not be determined and there was proper consultation, if patriation did take place and the constitution was brought back to Canada, it would be agreed that the unanimity rule would apply; that is, no change would take place in the constitution unless all provinces consented to it. At this point, Mr. Speaker, that is still the position of the province of Alberta.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether any suggestions have been made by the Prime Minister or officials of the federal government with respect to the Prime Minister's statement the other day that should the "no" forces win, the federal government will call an early constitutional conference? Have we received any formal notification as yet?

MR. JOHNSTON: Mr. Speaker, we have not received any formal communication. I guess, as the hon. Member for Spirit River-Fairview has done, we sort of detect a feeling of support for a constitutional conference soon after the referendum. In fact that was the position taken by the western premiers in Lethbridge on April 21 and 22. In our unity communique we indicated that we would support and urge the calling of a constitutional conference soon after the referendum is settled. But specifically, we have not received any direct request or any timetable as to when a constitutional conference could be called:

MR. KNAAK: Mr. Speaker, a supplementary question to the Minister of Federal and Intergovernmental Affairs. Will the minister be responding in any way to the motion by a former member of this House that was passed the other day in the federal Parliament? Will the minister be responding or directing any communication with regard to that motion?

MR. JOHNSTON: Mr. Speaker, as I understand the standing order, which is just before the question period in the federal House, although it was passed unanimously by that House it doesn't really have any effect on the House. I think it was an indication of good will. Of course I will take the opportunity to discuss both the standing order and the Bill which our hon. colleague Mr. Yurko brought forward in the federal Parliament. I think he has put in context the need for constitutional change. Certainly I think that was the notion or the view expressed through most of the debates I've read to date. I think we will be following that up with him.

#### **Hog Marketing Review Committee**

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Agriculture. It's a follow-up to a question I put last Thursday. Is the minister in a position to advise the Assembly this afternoon whether the Foster committee has recommended for ministerial approval the hiring of a consulting firm which will be using the contracted services of Mr. Jack Hanmer, the former general manager of Swift Canadian; Mr. Bruce Robertson, the former general manager of Canada Packers in Edmonton and one of those listed in the statement of claim of the Alberta Pork Producers' Marketing Board; and Mr. L. Worsdale, a former executive with Burns Foods?

MR. SCHMIDT: Mr. Speaker, I've received no request from the independent review board.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether the Foster committee has itself recommended the engagement of this particular contracting firm?

MR. SCHMIDT: Mr. Speaker, any recommendation for hiring a firm to aid in the total review in whatever capacity would certainly be made to me, and I have received nothing to date.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether a meeting is scheduled for later this week with the Foster committee to consider the merits of this particular recommendation, and whether the department is reviewing any other possible consultants?

MR. SCHMIDT: Mr. Speaker, I'm not aware of any set date, but certainly it's not impossible that a meeting would be scheduled for the end of the week.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to inform the Assembly whether any set guidelines were established by the Foster committee when they solicited among the contracting industry, if you like, for a possible consulting firm to assist them? Were any specific guidelines offered?

MR. SCHMIDT: Mr. Speaker, the guidelines under which the independent review is operating are few and certainly are public knowledge. Any expenditure of funds for the hiring of either an individual or a group of individuals to carry out any work tied directly with the independent review of course would have to have the sanction of my department and, indeed, my signature.

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

MR. NOTLEY: Mr. Speaker, is the minister in a position to inform the House whether he has received informally any information pertaining to the recommendation from the Foster committee [interjections] — oh yes, it most certainly is — concerning the engagement of this particular consulting firm, with the back-up of the three gentlemen I referred to.

MR. SPEAKER: With great respect, it would seem to the Chair that when a request is made to find out about a communication, that covers formal, informal, and semi-formal ones.

MR. NOTLEY: Mr. Speaker, on a point of order. The minister said he'd received no formal communication; my question is whether there has been any informal communication to the government.

MR. SCHMIDT: Mr. Speaker, I have received no communication, either formal or informal, from the independent review in that regard.

#### **Hog Marketing — Subsidies**

MR. MANDEVILLE: Thank you, Mr. Speaker. My question to the hon. Minister of Agriculture is with regard to the announcement he made today on a support price for hogs. Could the minister indicate if there will be a maximum on the number of hogs one producer can market and still qualify for the subsidy?

MR. SCHMIDT: Mr. Speaker, there are no limits. Of course the major portion of the hog industry numberwise

are tied to producers who produce less than 200 hogs a year. Of course the cost factor of production is basically the same in that proportion, whether one is marketing 50 or three. It's really an opportunity to stop-loss an industry that is producing a product at a greater price than its return.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. The minister indicated that the hogs going to Japan would qualify for the subsidy up to the \$35. Would anyone marketing their hogs in the United States or other countries qualify for the same subsidy?

MR. SCHMIDT: Mr. Speaker, the export market is of course dependent upon the price of that basic commodity falling below the feed cost factor plus the \$35. To my knowledge, no contracts exist at the present time at that particular figure.

MR. MANDEVILLE: One further supplementary question, Mr. Speaker. Do they have to be registered producers in order to qualify? Another question: the minister indicated that it would be down to 90 pounds. Did I understand that to be a 90-pound carcass that would qualify, or is it slaughter only that's going to qualify for the subsidy?

MR. SCHMIDT: Mr. Speaker, the basic program is tied to honor the production of marketable hogs within this province. The hogs throughout this province are all marketed through the hog marketing board, either directly through it or accountable to it. All those hogs would qualify for the \$35 basic subsidy over and above the cost of feed, as long as the price received for the hog itself made the individual qualify.

MR. SPEAKER: I should express my regret to the hon. Member for Spirit River-Fairview for my intervention of a few moments ago. If the hon. minister in fact used the word "formal" in his answer, then of course the supplementary was perfectly in order.

#### 75th Anniversary — Medallions

MR. LYSONS: Mr. Speaker, I'd like to direct my question to the Minister of Government Services. The question deals with application forms for people to receive either gold or silver medallions. Apparently some people haven't got the applications. Do you have new application forms for those that are lost?

MR. McCRAE: Mr. Speaker, a number of application forms have not yet been returned by those who had them mailed to them. Yes, we are preparing a second set of forms, and we hope to have them out very shortly.

MR. LYSONS: Mr. Speaker, a supplementary question, please. Would the minister explain to the House how those people over 65 would receive the scrolls? Further to that, when will the medallions and scrolls be available for distribution?

MR. McCRAE: Mr. Speaker, we hope to have the whole package ready for distribution about September 1, which is the birthday date. The distribution of the scrolls would be by mail. No application form is required; we simply intend to mail them out to the people who are entitled to

them. I should say as well that they will be personalized and beautiful scrolls.

MR. GOGO: Mr. Speaker, a supplementary to the hon. minister. In view of the fact that there could be an interruption in postal service in the near future, would the minister give consideration to putting additional advertisements in Alberta weekly and daily papers?

MR. McCRAE: Mr. Speaker, we've given some thought to that already, and suspect that two things are happening. First of all, a lot of them have come back — upwards of 50,000. Secondly, we think the good news is travelling fast by word of mouth, and people who have not received application forms at this date will do so through relatives, friends, MLAs, or whatever. We really had not considered, in a positive sense, advertising, at least to this date.

#### Private Schools

MR. OMAN: Mr. Speaker, my question is directed to the Minister of Education. On Friday last, the hon. Member for Vegreville inquired about private schools. I believe the minister replied by saying that two — type 1 and type 4 — are recognized by the government. What backup information does the department require in order to recognize these schools? What is required of them to get recognition from the department?

MR. SPEAKER: With great respect to the hon. member, this would appear to be a question that might require considerable detail. If the minister knows otherwise and thinks it can be answered briefly, perhaps we could deal with it now.

MR. KING: I'll try something unusual, Mr. Speaker; I will try to answer briefly. If the hon. member isn't satisfied, he can speak with me informally afterwards for more detail.

Class 1 private schools are characterized by the fact that they receive financial support from the provincial government. In order to be accredited, if you will, as class 1 private schools, you must apply to the Department of Education. Your program must be basically the curriculum approved by Alberta Education. Your building must comply with all the requirements of health and safety authorities; for example, The Public Health Act is called upon. You must use certificated teachers. In terms of education, instruction is provided by certificated teachers and the curriculum is the approved curriculum of Alberta Education. Those are class 1 private schools.

Type 4 private schools are the result of what is known as the Linden Mennonite court case. They are approved by the Department of Education following application to the Department of Education, but the instructors in such schools need not be certificated teachers. The curriculum does not have to be the curriculum of Alberta Education, although it must be approved by the Minister of Education. As I said on Friday, type 4 private schools do not receive any funding from the provincial government.

MR. OMAN: A supplementary to the minister, Mr. Speaker. My concern is that because of unwarranted motives, or feeling that this is a good thing, someone may get a program together and for personal reasons of gain apply to the Department of Education for a licence or for recognition. While I'm in favor of private schools, I wonder if the department has safeguards to protect the

public from someone who might be registered with the department and therefore get confidence because of that.

MR. KING: We evaluate all applications made to the department for either type 1 or type 4 private schools. In the process of that evaluation, we attempt to establish and maintain safeguards such as I think the hon. member is alluding to.

However, the other side of that coin is that the process of education is extremely sensitive, as it is touched by the right of parents to decide the kind of education their children will receive. Other than to say that we attempt to maintain a system of safeguards, I can only say that it's a very sensitive issue and, therefore, I don't think anyone is ever satisfied with the extent to which we are successful in maintaining safeguards that are satisfactory; that is to say, we don't think the safeguards are always sufficient, and others believe that the safeguards are too stringent.

MR. LYSONS: Mr. Speaker, a supplementary question to the minister, and I'd like his usual brief reply. What happens to the balance of the funding normally set aside for funding municipalities when these private schools are set up?

MR. KING: We provide compensatory funding to the school board within whose jurisdiction a private school is established. That compensatory funding is available to them for two years from the date at which the private school begins operating.

#### **Highway Traffic Act**

MRS. OSTERMAN: Mr. Speaker, my question is directed to the Minister of Transportation. Questions have been raised about regulations described in a pamphlet recently released by his department concerning lights, markings, et cetera, for agricultural equipment in transit, both day and night. I wonder if the minister would enlighten the House as to the circumstances that gave rise to these apparent changes in requirements.

MR. KROEGER: Yes, Mr. Speaker, last year we did develop what I took to be some relatively minor changes in The Highway Traffic Act. In summarizing the related safety factors and putting together an information piece, the document went back over a period of almost 12 years. This was swept into the whole explanation and converted into a requirement. The requirement creating most of the problems for us is, for example, the stop lights on equipment. Because it's creating a considerable problem, I have now asked the department people to hold this until we can review it. We've notified the enforcement officers to ignore this pamphlet until we have a review.

MRS. OSTERMAN: Supplementary, Mr. Speaker. Has the minister an answer from the enforcement officers as to whether they will co-operate with this request?

MR. R. CLARK: He's the minister.

MR. KROEGER: No, Mr. Speaker, I have not.

#### **Oldman River — ECA Report**

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Environment. I wonder what further information the minister is waiting for at the present time with

regard to the ECA report and recommendations on the Oldman River, so that an announcement could be made in this Legislature and we could have a discussion with regard to the minister's announcement.

MR. COOKSON: Mr. Speaker, I think it would be safe to say today that no further information is really needed.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister, and a very obvious one. What is the date set for the announcement, so that we can know what the government is doing in that area?

MR. COOKSON: Mr. Speaker, I think that it's fair to say that I made a commitment this spring to make a statement with regard to the report, and I'm going to try to be consistent. Mind you, this is an early spring, so I should have just a little extension on that period of time.

MR. R. SPEAKER: Mr. Speaker, to the minister. Does the minister still intend to make the announcement in the Legislature prior to the completion of this current session? I know there is some flexibility about the end date, and if we have to delay the session for that report, the minister should give us notification.

MR. COOKSON: Again, Mr. Speaker, I guess it depends a lot on how long we talk in here, and that's something over which I have very little control. I try to keep it as restricted as possible. [interjection] But we have problems from other parts of the House over which I have no control. I could only hazard a guess that we may be through the spring session before I'm able to make an official statement.

MR. R. SPEAKER: Mr. Speaker, supplementary to the minister. Could the minister clarify for the Legislature: if all the information is in and the minister has already made the decision, why can't the announcement be made public in this Legislature? I just can't follow the delay at the present time.

MR. NOTLEY: It might trigger a debate.

MR. COOKSON: That's no problem, Mr. Speaker. All the information is in, but I haven't made my decision.

MR. R. CLARK: Mr. Speaker, that may be the problem.

MR. SPEAKER: The hon. Leader of the Opposition, followed by the hon. Provincial Treasurer, who wishes to supplement some information.

#### **Research Council of Alberta (continued)**

MR. R. CLARK: Mr. Speaker, I'd like to go back to the question to the Member for Calgary McKnight, answerable for the Research Council. I'd put my question from this point of view: could the member indicate to the Assembly whether there is a compulsory medical examination every six months or every period of time for employees of the Research Council who work in areas where there is potential for health problems?

MR. MUSGREAVE: Mr. Speaker, as I tried to indicate before, and I guess I didn't make myself clear, I'm not

aware of what our program is on that particular matter. But I will find out and report back to the hon. leader.

MR. R. CLARK: Mr. Speaker, to the hon. member. When the member reports back to the Assembly, could he also make available to the House a copy of the guidelines the Research Council follows with regard to medical examinations for personnel in those areas I referred to?

Might I also ask the hon. member if he could indicate to the Assembly the purpose of the P.S. Ross and Woods, Gordon reports on the administration of the Research Council, which are in the process of being prepared or have just been prepared.

MR. MUSGREAVE: Mr. Speaker, I will report back to the hon. member on the medical program.

I would have to take the other matter under advisement. It's primarily an administrative study which was made to help us reorganize the Research Council in view of the long-range plan.

#### **Municipal Finances**

MR. HYNDMAN: Mr. Speaker, last Wednesday the hon. Member for Little Bow asked three questions. I promised I would secure further information.

The first one related to the municipal water and sewer treatment grant program. This is the first full year of this program, which has proven more popular than was predicted. Members will recall that the previous program was a debt-shielding program. When the budget preparation took place this year, the degree of popularity of the new program was unknown; \$22 million was allocated, and in fact that has already been applied for. That's a 16.5 per cent increase over last year. As this program is really an aspect of the balanced growth policies of the government, it appears it is more successful than anticipated, and a special warrant will be raised before long.

#### **Treasury Branches**

MR. HYNDMAN: Secondly, a question was posed by the hon. member with respect to the treasury branch, whether a customer who was coming over to the treasury branch for the first time was required by the branch to bring all his or her accounts. That is correct, and the practice parallels that in the banking community generally. I would stress that the policy is practical and reasonable in the sense that there has to be support and protection of the deposit base of any financial institution to maintain a loaning program. Therefore that policy is carried through.

The third question related to a printed contract which shows, when a customer of the treasury branch takes out a loan, that the rate slightly above prime is applicable, whereas I had indicated that a rate for businessmen and farmers of 0.5 per cent below prime was the case. It is the latter preferred rate, 0.5 per cent below prime, which applies. The policy is of course in effect during this period of high and unstable interest rates. The standard loan contract, though — which has been the case in months past and which has been printed for many months ahead — does indicate that the prime rate plus will apply.

This procedure is in effect a convenience to the customer, because re-signing of the documents would be required as the interest rates moved up and down. In fact, though, any time any customer would check, he would

find that preferred rate of 0.5 per cent below prime. That sheltering is still occurring.

MR. R. CLARK: A supplementary question to the Provincial Treasurer. It flows from the last answer the Treasurer gave the Assembly. What is the government's present consideration on the question of interest rates, and the decline which every member of the Assembly is pleased to see? With the loan agreements that customers sign at the treasury branch, some uncertainty has been expressed to me as to how long the government might stay in the program. Of course, if the government were to pull out of the program of shielding for small business and agriculture — a very good program, as we've previously said from this side of the House — those two groups would find themselves not getting a preferred 0.5 per cent below prime, but in fact going up to 1.5 per cent above prime, which is indicated in the loan agreements.

What is the stage of the government's thinking as to the continuation of that program? Is there any thought at all of moving out of that program, in light of what's happening to interest rates?

MR. HYNDMAN: Mr. Speaker, the program was announced last fall on the basis that interest rates at that time were climbing to 14, 15, 16 per cent. It was felt appropriate to have a policy which rifled in assistance and support for those two groups, farmers and small businessmen, while those unstable and very high rates were in effect. Therefore, if the interest rates continue to drop as they have over the past four weeks, through the level — and I believe it was in the range of 13 per cent — above which the special plan was put into effect, then the special provisions would cease to apply and we'd be back to a normal situation. We would of course review the impact of the program at that time.

#### **ORDERS OF THE DAY**

MR. CRAWFORD: Mr. Speaker, perhaps the House would agree to let me deal with a minor procedural matter.

It has come to my attention that those who have directed their minds to it have succeeded in finding a way in which we can rise and report from Committee of Supply once today rather than twice; rather than calling you back at 5:29, Mr. Speaker. On that basis, I move that when Committee of Supply has been called, the House stand adjourned until the Committee of Supply rises and reports.

[Motion carried]

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

[Mr. Appleby in the Chair]

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



**Department of Housing and Public Works****1.01 — Minister's Office**

MR. R. CLARK: Mr. Chairman, I recognize a sizable amount of debate has gone on and I've had a chance to peruse *Hansard*, so I don't propose to dwell on an area that has already been discussed. But I note just a passing reference from the minister with regard to the building project we see to the north of the building. I'm one of those who is perhaps not nearly as impressed with the need for the project as people on the government side of the House obviously are.

Mr. Minister, last year there was considerable discussion in the committee about the total cost of the project. I would appreciate an update as to the cost estimates and the completion date. I've heard the rumble around the building that the project is some six months ahead of time. If that's the case, I'm sure the minister would be pleased to tell us.

MR. CHAMBERS: Mr. Chairman, I wouldn't say the project is that much ahead of time. However, it is progressing very well and, I think, will certainly be finished at least on schedule and also on cost. I believe the original projected cost was about \$43 million in '79 dollars. The last check I had shows it's tracking quite well on that original estimate. Again, the work is progressing very favorably. I think it will look very beautiful indeed a couple of years from now.

MR. R. CLARK: Mr. Chairman, might I pose one further area to the minister. Reference was also made to the Administration Building and the Natural Resources Building, that they're nearly completed. Mr. Minister, what are the figures as to the cost of the work that has gone on at the Administration Building and the Natural Resources Building?

I noticed in my quick perusal of *Hansard* just before I came into the House this afternoon that reference was made, if I read it correctly, that the Treasury people who would be implementing the new provincial corporate income tax scheme would be taking over a sizable portion of the Administration Building. Is that so? What are the government's plans for facilities in those two buildings, other than the Department of the Attorney General?

MR. CHAMBERS: Mr. Chairman, that's correct. I believe the Natural Resources Building is scheduled for completion in June this year, and the Administration Building about September. As the hon. leader indicated, a sizable piece of that will be occupied by the corporate tax group.

As regards the renovation cost numbers, I have them somewhere. I might be able to locate them during the next while, or perhaps the numbers might be sent down to me.

MR. R. CLARK: Mr. Chairman, pursuing this question of the use of the Administration Building, is the minister in a position to indicate: are we looking at about four or five of however many floors there are in the Administration Building being used by the corporate tax people, or half the building, or what?

MR. CHAMBERS: Again, I'd have to check on that, Mr. Chairman. But I'm pleased to do that. Perhaps I can get the answer in a very short while.

Agreed to:

1.01 — Minister's Office	\$132,000
1.02 — Deputy Minister of Public Works	\$142,000

**1.03 — Deputy Minister of Housing**

MR. MANDEVILLE: Mr. Chairman, on this vote for the Deputy Minister of Housing. It's an increase of 243 per cent. Could the minister outline briefly what the large increase is for?

MR. CHAMBERS: Mr. Chairman, it should be observed that while the percentage is high, the numerical increase isn't really that large. It reflects a number of items, but one of them is that we now have in place a full Deputy Minister of Housing.

MR. R. CLARK: Mr. Chairman, to the minister. What role will the Deputy Minister of Housing play? Will the deputy minister in fact really be the co-ordinating person for the Housing Corporation and the Home Mortgage Corporation in the overall planning of the department? Is that the particular role, and is that the office Mr. Murray Rasmusson fills? If it is, Mr. Minister, it was a good choice.

MR. CHAMBERS: Thank you, Mr. Chairman. I thank the hon. leader for his comments. I certainly agree.

Primarily, the department plays a policy and planning role. In addition, a substantial role is the grants programs, whether it be the pioneers' repair or rural home assistance. Any of the grants programs are operated through the department, as is essentially the bulk of the planning and research, and that sort of co-ordination.

Agreed to:

1.03 — Deputy Minister of Housing	\$94,000
1.04 — Administrative Support	\$1,399,000
Total Vote 1 — Departmental Support Services	\$1,767,000

**Vote 2 — Operation and Maintenance of Waterlines**

MR. R. CLARK: Mr. Chairman, I'd like to ask one question, and a comment in this area. I'd be less than fair if I didn't say that the Red Deer regional waterline has been a real boon to the area, much of which happens to be in the constituency of Olds-Didsbury. Having said that, Mr. Minister, could I get some indication as to the department's long-range plan? I hear rumblings that the government would now like to look very seriously at the local municipalities taking a role different from my understanding of the initial role when Mr. Yurko outlined the program. What is the long-range plan for the operation of the program? Will we continue to see an appropriation like this, or is it the government's intention that before long all the costs will be borne by the communities involved?

Mr. Minister, I would go on and ask about the talk we've had in the Assembly with regard to a waterline east of Edmonton. We now have a number of regional waterlines in the Edmonton region. Is the government moving to a standard policy, if I could call it that, which would affect any area across the province, where a number of communities can band together and perhaps make an

approach like was made for the Red Deer line, or the one that's gone north and west of the city of Edmonton? Is there a move in that direction?

MR. CHAMBERS: Mr. Chairman, I should point out that these two waterlines are the only such lines operated by the Department of Housing and Public Works. Water programs in general, of course, are under the Department of Environment. I believe the goal would be that a regional water board would be established in due course, and I assume that my colleague the Minister of Environment is reviewing that aspect of the handling of these systems. I believe Airdrie also has applied, or is designing a second line from Calgary for its own purposes, and they would be tendering that later this summer.

Agreed to:

Total Vote 2 — Operation and Maintenance of Waterlines	\$900,000
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MR. CHAIRMAN: I'm grateful I heard at least one voice when I put the question.

SOME HON. MEMBERS: Agreed.

Agreed to:

Vote 3 — Planning and Acquisition of Accommodation	
3.1 — Administrative Support	\$3,225,000
3.2 — Provision of General Purpose Space	\$49,970,000
3.3 — Grants in Lieu of Taxes	\$11,500,000

### 3.4 — Telecommunications

MR. R. CLARK: Mr. Chairman, to the minister. Is this where we find the RITE system and the efforts being made to right the RITE system? If so, what are they?

MR. CHAMBERS: That would be correct, Mr. Chairman.

MR. R. CLARK: Mr. Chairman, to the minister. I note the recommendations in the Auditor General's report. I think the Auditor General's findings were anything but flattering as to the way that system had operated, especially with regard to its abuse. I also note something like a 31 per cent increase in Vote 3.4.

Mr. Minister, I think it's fair to ask: one, what steps have been taken; secondly, to what use are we going to put the 31 per cent increase as far as next year is concerned? Is it directly as a result of the Auditor General's recommendations, or are there some other wrinkles we haven't heard about yet?

MR. CHAMBERS: Mr. Chairman, perhaps it might be useful if I gave the hon. leader and members a breakdown of that item. If you look at the increase from last year, the \$4.14 million, the first item would be new equipment, including installation, cost of upgrading existing services, tenant improvement projects, capital construction, totalling \$0.75 million; rental costs for telecommunication projects, tenant improvement, and capital construction, \$0.58 million. Inflation amounts to \$1.58 million, a study of mobile radio communication systems, \$100,000; the full year rental costs for equipment installed during the '79-80 year, [\$640,000]; equipment upgrading required by

Edmonton Telephones and Alberta Government Telephones, \$490,000. That would be the total.

I mentioned earlier — in response to a question in the House, I think — that the automatic monitoring system had been installed and was operative, I believe, from March 1. It records not only where the call goes but the origin of the call as well, therefore allowing the sort of control the Auditor General recommended.

MR. R. CLARK: Mr. Chairman, to the minister. What is the purpose of the \$100,000 mobile equipment study? Is it just dealing with the RITE system, or within government agencies, to be able to respond on a mobile basis across the province? It would seem to me that on a far broader basis that kind of study would come under AGT rather than Public Works. How come Public Works is involved in that kind of . . .

MR. CHAMBERS: I don't know, Mr. Chairman, but I'll be happy to find out and report back, hopefully fairly soon.

Agreed to:

3.4 — Telecommunications	\$17,315,000
Total Vote 3 — Planning and Acquisition of Accommodation	\$82,010,000

### Vote 4 — Planning and Implementation of Construction Projects

MR. MANDEVILLE: Mr. Chairman, I'm not sure if this is where I should bring this up, but the Auditor General made some recommendations to the Department of Housing and Public Works as a result of the detailed examination, begun in 1978, of the realty and accommodation division of the department. In a number of cases, there were overpayments and instances of amounts due that had not been collected. Up till August '79, the division's review and recovery efforts had resulted in recoveries in excess of \$600,000. My question to the minister, Mr. Chairman: what has the minister done in relation to the recommendations in the Auditor's report?

MR. CHAMBERS: Mr. Chairman, those are good questions. We found the Auditor's report very useful, and all his recommendations in those areas have been implemented. We have in effect acquired more positions for the realty and accommodation division, and have beefed that section up in terms of numbers of people, in order to be able to effect the sort of control the Auditor General advises.

Agreed to:

4.1 — Administrative Support	\$7,301,000
4.2 — Advanced Education and Manpower	\$25,136,000
4.3 — Agriculture	\$910,000
4.4 — Attorney General	\$33,028,000
4.5 — Tourism and Small Business	\$275,000
4.6 — Culture	\$903,000
4.7 — Energy and Natural Resources	\$10,231,000
4.8 — Environment	\$1,553,000
4.9 — Executive Council	\$3,345,000
4.10 — Government Services	\$753,000
4.11 — Education	\$750,000
4.12 — Labour	\$550,000
4.13 — Recreation and Parks	\$10,774,000
4.14 — Social Services and Community	

Health	\$19,597,000
4.15 — Solicitor General	\$14,299,000
4.16 — Transportation	\$3,320,000
4.17 — Housing and Public Works — Multiple Use Facilities	\$71,591,000
4.18 — Multi-Departmental Services	\$1,000,000
Total Vote 4 — Planning and Implementation of Construction Projects	\$205,316,000
5.1 — Policy and Program Development	\$1,181,000
5.2 — Housing Assistance	\$2,283,000
5.3 — Financial Assistance for Housing	\$47,910,000
Total Vote 5 — Policy Development and Financial Assistance for Housing	\$51,374,000
Vote 6 — Housing for Albertans	
6.1 — Program Support	\$8,575,000
6.2 — Staff Housing	(\$1,261,000)

### 6.3 — Subsidized Housing for Low Income Albertans

MR. GOGO: Mr. Chairman, is this the vote that the monthly subsidies for low-income Albertans come under?

MR. CHAMBERS: Mr. Chairman, is the member referring to the family home purchase program, for example? Yes.

MR. GOGO: Mr. Chairman, I raised the matter last Friday, and the minister responded. I appreciate his responding to my concerns about Albertans wishing to assume mortgages that are issued by the Alberta Home Mortgage Corporation. I made reference to some of the costs that were involved. I saw in a publication just the other day that the MLS price for the average house sold in Calgary is now \$87,500, and in Edmonton, \$81,000. The maximum program we have in Alberta is \$63,000 for new and \$53,000 for an existing home. I wonder if the minister would comment whether they are now in the process of being reviewed.

The other point I want to mention, Mr. Chairman, is with reference to young Albertans acquiring housing. On Friday I made reference to costs. I simply want to reiterate that they're faced with costs such as the mortgage application fee of \$35, and the appraisal fee of \$100 to \$125, if it's an existing property. The mortgage company may or may not want a survey certificate issued. I would hope that's not mandatory in all cases, but that's about \$100. The average legal fee is \$500. The mortgage insurance fee is 1 per cent of the total amount of that mortgage, payable over its life-span.

Again, Mr. Chairman, I think much of this cost could be avoided, particularly for young Albertans acquiring their first property, if they could assume an existing mortgage. I understand that once a mortgage is issued, the mortgage company has virtually no control over subsequent ownership of that mortgage. Legally, I think there are reservations in the document that subsequent purchasers must be approved by the original issuer or owner of that mortgage. We now require that for somebody who wishes to sell to a prospective buyer a house mortgaged by the Alberta Home Mortgage Corporation, there's a three-month penalty in terms of getting out of that mortgage in order to have someone else take it over. Obviously, the new purchaser has to pay that.

It would appear to me, Mr. Chairman, that a policy could be developed whereby many of these costs could be

looked at. If we're on a \$50,000 home and the down payment is \$2,500, which is the policy of the exciting family home purchase program of 95 per cent mortgage, it seems that in many cases we're almost duplicating those costs when we go through the whole process of the application fee, the appraisal fee, the survey certificate, the legal costs, and the mortgage insurance.

I would just ask again, as the minister indicated the other day that he's prepared to review it and, if possible, change it in the future.

Thank you, Mr. Chairman.

MR. CHAMBERS: Mr. Chairman, as I said the other day, I always have an open mind in this situation — in any of these situations. I'd be happy to discuss that particular point once more with the hon. Member for Lethbridge West, although I guess we basically don't agree on it. Prepayment costs are real. I'm sure our lawyers in the House can indicate to you that they are real. We've not really intended to compete with the private sector in this area. Our thinking has been that the operation should be relatively competitive with the private sector, and that help for low-income people should be primarily, through the subsidy, not necessarily getting some different sort of arrangement, whether in terms of prepayment or other standard areas, than would be obtained through the private sector. Again, I'd be happy to discuss the subject further.

MR. GOGO: Mr. Chairman, just for clarification, if anyone in this House believes I'm predisposed to removing food and milk from the children of those in the legal profession. Surely after five years in the Assembly it's perfectly obvious that I'm among the strongest supporters of the legal profession. I'm simply asking for a change, if it can be done administratively — and it appears to be an administrative move. I'm certainly open to persuasion the other way. If these costs can be avoided, I would ask that every effort be made in order to afford young Albertans affordable housing, which is the whole purpose of the policy. If they can be changed, I'd appreciate anything the minister could do.

MR. CHAMBERS: Mr. Chairman, I might add that I think I missed one of the first questions the hon. member asked me. It wasn't on this particular point. I wonder if he'd mind repeating it, or giving me a hint.

MR. GOGO: Mr. Chairman, if I could remember, I'd re-ask the minister. [laughter] I suppose it was to compliment him for doing a good job. I'd like him to remember that.

MR. CHAMBERS: If I do think of the question, I'll also try to think of the answer.

Agreed to:

6.3 — Subsidized Housing for Low Income Albertans	\$33,540,000
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MR. BATIUK: Mr. Chairman, before we leave subsidized housing for low-income families, I wonder whether this may be in order; I was out of the House.

It seems that the biggest concern now is senior citizens' lodges. Even though I appreciate the amount of subsidy they are given, maybe in conjunction with the renters' assistance, already it has come to some places where there are one, two, and three senior citizens' lodges in the

foundation. When they run a deficit of \$20,000, \$30,000, or \$40,000 each, it comes out as a heavy burden on these municipalities. The minister stated earlier that the previous year only three lodges were approved. It's not that they are not needed, but municipalities are very hesitant to apply for these, because they know they are going to be a burden.

I wonder whether support in this area, or even in renters' assistance, where there is only a provision of \$500 for those who reside in subsidized housing and \$1,000 for those renting privately — maybe it would be good to give the full \$1,000 to all, but half that \$1,000 be paid directly to the housing foundations of the municipalities. That would alleviate it.

I know for a fact that in my constituency and in many others, municipalities are hesitant to make application, even if there is a need for them, because they know this burden is going to fall on the local taxpayer. Less than 10 years ago, these senior citizens lodges worked and were able to manage without any deficit whatsoever. But because of cost or inflation and the sheltered rates for senior citizens, it's becoming quite a burden. I wonder if the minister is in a position to see how he feels about that, or maybe even with the Minister of Municipal Affairs. This would be something worth looking at in the future.

MR. CAMPBELL: Mr. Speaker, I'd like to bring to the minister's attention a request I've had from Manor House in Eckville for a recreation room. They've requested assistance, or possibly that a facility be put in place. As it stands now, they are using a couple of rooms. I wonder if there is availability of this particular project being progressed with?

MR. CHAMBERS: Mr. Chairman, to answer the Member for Vegreville first, of course the lodge deficits are of concern to some areas. Some foundations seem to be able to operate with little or no deficit, and others incur a higher deficit. As I'm sure members are aware, we have a program to pay 50 per cent over two mills, which is quite helpful and results in a significant grant payment to the various foundations.

Basically, the foundations like the way the program operates. I've met with them from time to time, and they've assured me that they generally prefer the way the program is. They did request rental rate increases, which were granted last fall. However, they indicated some concern in terms of deficits, particularly with regard to certain lodges. Through the Department of Housing and Public Works, we have undertaken a review of the way lodges are funded. We're working with the senior citizens' homes association — the organization of the foundations. It's premature to say, but after we've had a good look at it, perhaps we can devise a better way of assisting in that area.

With regard to the question of the Member for Rocky Mountain House: through the corporation, of course, we attempt to achieve the best or the most for the dollar. We apply standards and guidelines in terms of cost per unit and in terms of recreational space per volume of the unit. In other words, given the size of unit, a certain amount would be allotted for that purpose. But I think it's desirable to keep these relatively comparable. I don't think it would be fair to give one unit some extra space or type of space that another one wouldn't get. So there is a need to keep them equitable and fair, and to try to achieve the most accommodation for the budget dollar.

I think the Member for Lethbridge actually asked about — or maybe he was merely commenting on — the maximums: \$56,000 for the existing house and \$70,000 for a new unit now. That's a judgment factor. These were raised not too long ago, from \$52,000 to \$56,000 for existing, and from \$64,000 to \$70,000 for new. At this time I think the numbers are quite adequate, judging from the number of applications we're getting from builders. Of course the idea is to achieve affordability and to allow what may be built in terms of modest yet adequate accommodation. Outside the major metropolitan areas, these prices will generally cover a single-family detached. In Edmonton and Calgary they do to some extent, but primarily they apply to patio homes, side-by-sides, or housing of that type, which is quite adequate. I might add that the builders are enthusiastic about the program and these prices, and we have a large number of applications.

MR. L. CLARK: Mr. Chairman, not too long ago in the House, the minister announced a new program for senior citizens who required housing, whereby non-profit organizations could build accommodations for senior citizens under a long-term lease or by buying the land. Would that new program apply to Indian reserves, if they could meet the criteria of the long-lease arrangements?

MR. CHAMBERS: Mr. Chairman, we haven't had any program in that area to this point in time. I should point out, though, that the pioneer repair grants did apply.

Mr. Chairman, I wouldn't want to mislead my friend from Lethbridge. The family home purchase subsidies we're mutually discussing should really be covered under Vote 7, but I was thinking about something else when he asked me that question. I guess that doesn't really matter, in that I presume the dialogue would be the same regardless.

MR. NOTLEY: Mr. Chairman, I have just a couple of questions for the minister under this vote. On page 110 of the Elements, Mr. Minister, I see that Metis housing has been reduced from \$236,000 to \$230,000. Could the minister outline what is proposed this year in that budget, and why there is a reduction? Also, there is an increase of approximately 10 per cent for rural and native housing. Could the minister outline how many houses are planned this year under the rural and native housing program?

MR. CHAMBERS: Mr. Chairman, first of all, the Metis housing is an old program that preceded the rural and native housing program. Therefore, as those houses have in some cases been purchased over the years, the operating cost, if you like, that appears here, reduces over the years. With regard to the number of units, the capital budgets of the two corporations are shown in the budget speech. I can't find them right now, but if there are any other questions in the meantime, I'll try to locate those numbers.

MR. BATIUK: Mr. Chairman, I want to assure the minister that when I made those few remarks, in no way was I critical of the thing. But I felt that was one area that might need some attention. I think all the other programs are very well accepted throughout the constituency and the province. I can see a continuing demand for the self-contained units. I have never seen anything as popular as those are becoming. A couple are being constructed in the constituency, and there are waiting lists considerably longer than they will accommodate. Because

our elderly people are living longer now, and their health seems to be better, it seems they will be looking for such accommodation more than for lodges. I wouldn't be surprised that very shortly there will be no requirement for additional senior citizens' lodges, but for self-contained units. They're really well accepted, and a real favorite in the community.

MR. CHAMBERS: Mr. Chairman, I have located the paper I was looking for. We have 50 rural and native units in the budget. I might add that since the spring of '78, they're built not for rental but upon application for ownership. They're also being handled by the CHAP people through that program, which I think is working very well. We've had a stronger demand for mobile homes. So under the mobile home program we have, I believe, 250 units. In transitional housing, 125 — it applies in the larger employment centres. In the rural home assistance program, which applies in unincorporated municipalities, we have 100 units.

MR. GOGO: Mr. Chairman, I wonder if I could ask just two short questions. On Saturday I attended a workshop in Lethbridge, sponsored by the physically disabled people. They had over 100 registrants. Many areas were covered in their workshop.

First of all, I would like to say to the minister how very pleased they are with the expansion of the home adaptation program for the physically handicapped. As you know, Mr. Chairman, originally it had been restricted to senior citizens: I wonder if, particularly in the urban centres of Calgary and Edmonton, consideration is being given in the home adaptation program to protective devices — as opposed to ramps, patio doors, and that type of thing — for deaf mutes and others, where smoke alarms wouldn't normally be effective; if that money could be used toward wiring in with the fire departments or police organizations the system for the residences of handicapped people who can neither see nor hear?

Mr. Chairman, the other point: the capital grants to non-profit groups being expanded. I wonder if the minister could indicate whether a group such as the Canadian Legion, wanting to construct senior citizen accommodation, notwithstanding the fact they wouldn't preclude it only to their members — I understand that's a policy question. Could the minister clarify that, in his ministerial statement of April 30, those capital grants to non-profit organizations would include groups such as veterans' organizations who wish to construct senior citizen accommodation either on or adjacent to their existing properties? Because one of the criteria is that they must own the land, and can use that land as an equity contribution to the project.

MR. CHAMBERS: Mr. Chairman, I see no reason why it wouldn't. Any non-profit organization interested in providing accommodation for seniors should feel free to apply, and I hope they do. Again, as the member pointed out, they may use their land for equity. Then the one-third grant is available and the funding is available through the Alberta Home Mortgage Corporation, with the write-down being provided. I'm happy to give consideration to the member's advice with regard to the handicapped.

Agreed to:

64 — Land Assembly and  
Development

\$3,259,000

Total Vote 6 — Housing for Albertans	\$44,113,000
7.1 — Program Support	\$5,094,000
7.2 — Mortgage Lending	(\$8,825,000)
7.3 — Subsidies	\$16,235,000
Total Vote 7 — Mortgage Assistance	\$12,504,000
Department Total	\$397,984,000

MR. CHAIRMAN: There are also some supplementary estimates.

#### head: Supplementary Estimates of Expenditure (A), 1980-81

Agreed to:

5.2.5 — Housing Assistance	\$340,000
5.3.13 — Financial Assistance for Housing	\$15,000,000
5.3.14 — Home Conversion Grants	\$100,000
Total Vote 5(a) — Policy Development and Financial Assistance for Housing	\$15,440,000
6.3.8 — Subsidized Housing for Low Income Albertans	\$9,000,000
Total Vote 6(a) — Housing for Albertans	\$9,000,000
7.3.1 — Subsidies	\$2,250,000
Total Vote 7(a) — Mortgage Assistance	\$2,250,000

MR. CHAMBERS: Mr. Chairman, before concluding, I have responses to a couple of questions asked previously by the hon. Leader of the Opposition. The cost of the Natural Resources Building — and again, we're estimating final cost — is \$8,955,000; the Administration Building, \$4,985,000. It's estimated that the corporate tax people will use about one-half of the building, and other Treasury staff the balance of the building.

The telecommunications item, the \$100,000. I understand that at this time the highway patrol, ambulances, forestry, Solicitor General, and so forth, all have separate systems. The money is to investigate the possibility of achieving economies and some sort of co-ordination.

Mr. Chairman, I move that the votes be reported.

[Motion carried]

#### Department of the Solicitor General

MR. CHAIRMAN: Did the hon. minister wish to make some comments?

MR. HARLE: Mr. Chairman, in talking about the estimates of the Solicitor General, first of all I would like to refer to some of the areas I've had some concern about. It relates to the work in our correctional system that I think is very much unappreciated by the public at large. The day to day concerns correctional staff have to face are something which I don't think the general public appreciates.

The correctional staff must, of necessity, care for and look after people who have been in conflict with the law. Particularly in the period when they are on remand, I think they are quite reasonably under a fair amount of

uncertainty. They do not know what is going to happen to them. Many of them are not fully familiar with the court processes; some of them have come into conflict with the law for the first time. The result is that that uncertainty creates a problem for them as inmates in the remand facilities, and to the correctional staff who have the duty of looking after them. While it is less true of inmates who have been sentenced and are in our other correctional facilities, nevertheless it is the case that they are looking after people who have been in conflict with the law and sometimes it is very difficult to predict with any degree of certainty what those inmates will do. As a result, the mere possibility of violent attacks by inmates means that the correctional staff must, I think, be reassured about their own worth to the system as well as their own safety.

While I can say to them that I believe the public understands and appreciates the work that must of necessity be done by correctional officers, as Solicitor General, responsible for the correction system, I want to say in addition that the government also appreciates the work they do and, when the occasion arose, has raised the necessary funds to make sure our correctional officers are fully protected, and are fully supported by the staff needed to look after the inmates they must take. Also we will forever be updating the facilities and programs that relate not only to correctional officers but also to the inmates. We will try to achieve some rehabilitation, if you like, some way in which we can release people to society. After all, almost all the inmates that come into our system go back into society at the end of their terms.

A number of things have been done of late, and some plans are developing. I would like to advise hon. members of some of the things that are going to be taking place during the course of this year. Hon. members will be aware that a study of all provincial correctional facilities was completed recently. This review was commissioned by Alberta Housing and Public Works on behalf of that department and the Solicitor General's Department. It was made by Moyer Associates Inc. of Chicago. This firm enjoys a reputation of being knowledgeable in the specialized field, particularly the architectural and the functional planning fields of correctional facilities. Their final report was delivered to me on February 1, 1980, and distributed to all members and filed in the Legislature Library.

Two of the suggestions in that report were that the Fort Saskatchewan Correctional Institution should be replaced and that the Calgary Remand Centre was perhaps not adequate for the purposes intended. Together with senior officials in the department, I happen to agree with both those recommendations. Indeed, they come as no surprise, certainly to anyone who has been in those facilities and seen their operation. The Moyer study confirms my own feeling about those two institutions from the visits I've made.

The reason for the Fort Saskatchewan Correctional Institution being replaced is simply that it's perhaps now somewhat obsolete, certainly in some of the facilities that exist there. It's a collection of rather aging buildings, perhaps not very efficient for the program plans we need today compared to when it was built in about 1912. And it's becoming more and more expensive to operate.

The need to replace the Calgary Remand Centre after only a few years of operation can, I think, be attributed mostly to the growing demand on that facility and on the Calgary law courts with which the Remand Centre presently shares a structure. Both the Remand Centre and the

courts need more space to handle their growing work loads. As there is no room on the present site to expand either or both, I think there is a necessity to seek a new location for a remand centre.

I want to take this opportunity today to advise hon. members that I am recommending that planning commence immediately with a view to replacing both those institutions with new facilities. By starting now, I hope we should be able to have both new institutions open and operating in 1984, or at least 1985.

With respect to the Fort Saskatchewan correctional facility, the Department of Housing and Public Works has been able to make available a site, purchased some time ago, north of the city and immediately west of the Edmonton Institution, which is the federal maximum security penitentiary. Once that new facility is open, the present Fort Saskatchewan site would become available. Because of its location, almost in the town of Fort Saskatchewan, I'm sure it will be of interest to that community. No decision has been made about the ultimate use of the old site. In any event it is somewhere down the road before that could happen.

No decision has been made about the location of the new remand centre for Calgary. Another site in a central downtown location close to the law courts and police station is perhaps necessary. Alberta Housing and Public Works will now commence looking for a site, and the task will admittedly be a difficult one because of the congestion in the downtown area.

I can say, however, that no final decision has been made about the size or inmate capacity of these two new institutions, hence it is not possible at this time to predict how much they might cost. However, both will probably have a capacity somewhere in the range of 350 to 500 inmates, and hence will be relatively large institutions. The building of those two new institutions is part of the ongoing program to provide and maintain good correctional facilities throughout the province.

This year there are a number of construction projects at nine other correctional facilities. I would like to summarize the proposals for the correctional facilities which are covered either in the budget of the Department of Housing and Public Works or, of course, in the program side within the Department of the Solicitor General.

The new St. Paul Correctional Centre was just opened a week or so ago. That structure is really the rehabilitation of an existing building, consisting of the St. Paul seminary and bishop's residence. The rehabilitation has been done, and further work will be done to complete some workshops and gymnasiums during the course of this year.

The new Lethbridge correctional institution is started. It will result in an expenditure of about \$8.6 million. When it's finally completed in 1982, the total cost will be in the neighborhood of \$20.6 million. Some renovations will be needed at the existing facilities, so that we can carry on there until the new ones are ready for occupancy.

In Calgary, work is progressing on the design of a new detoxification centre at the site of the old Red Cross building at 2nd Street and 5th Avenue Southeast. An expenditure of \$670,000 is proposed this year, and there will be renovations which will probably total \$850,000 before the work is completed. Construction is scheduled to begin this summer on the southern Alberta community correctional centre, a new minimum security facility, which is to be located on the Spy Hill property west of

Calgary. During the estimates of the Department of Housing and Public Works, hon. members of the Legislature were asked to approve funds for this work this year. I hope the facility will be completed by 1982. Renovations to the dormitories and other areas are under way at the main Calgary Correctional Institution at Spy Hill. Again, these funds were included in the estimates of the Department of Housing and Public Works.

There will be some modifications to the Edmonton Remand Centre. Work will be done to complete the unfinished basement area, and the balance will be used for improvements within the Edmonton Remand Centre. Renovations are under way to the kitchen and other areas of the Belmont Correctional Centre in northeast Edmonton. Some \$280,000 in projects was included in the Department of Housing and Public Works.

Some work will have to be done to the Fort Saskatchewan Correctional Institution to keep it functioning until the new facility is built and we can move into it. Originally, more extensive alterations were planned, but the project has been scaled down in anticipation of the move to new facilities, as I indicated earlier. The Calgary Remand Centre will also need some work done on it. In the current year, there is \$150,000 to complete work now under way, which, again, I believe was included in the Department of Housing and Public Works.

The present funding as far as the two new facilities I've just mentioned are concerned, is the provision of \$100,000 to permit planning to begin for the new medium security correctional institution north of Edmonton, to replace the Fort Saskatchewan correctional facility.

Mr. Chairman, with regard to the general funding of the department, and particularly the comments made in the Auditor General's report, the figures included in the annual report of the department are exactly the same as the figures that appear in the Public Accounts for 1978-79. The annual report indicated that these figures were subject to checking and audit by the Auditor General. They had been discovered, and it is certainly the view of the department, and of me as Solicitor General, that these charges to improper accounts should not have occurred and should be corrected. That was done as soon as the matter was drawn to the attention of officials in the department by the Auditor General, and that is why the figures were able to be corrected, and appear as corrected figures in the annual report of the department as well as in the Public Accounts.

A special warrant of \$138,870 was obtained in December 1979, to provide for the extra funds and the shortage that occurred in Vote 1. The balance of the shortage, as appears in the Public Accounts, will be accounted for in expenditures during the year 1979-80. In other words, from the department's point of view it was felt we would not need all the overexpenditure that appears in the Public Accounts for that vote.

Mr. Chairman, I've covered most of the items that I think should be drawn to the attention of hon. members, and I would be happy to respond to their questions and comments.

MR. PURDY: Thank you, Mr. Chairman. I have just a couple of concerns to address to the minister. One is in relation to a question I asked in the House in early April, regarding motor vehicle registration and the procedure the minister's office has now incorporated, where they started a mammoth mail-in campaign. The minister answered that about 220,000 of 660,000 people who have vehicles registered responded through the mail. Some di-

rectives were sent out that if the tabs weren't received in the mail, they should go in and receive them through a licensing agent, who in turn would run them through the computer to see if the person actually did acquire the plates and if they were lost in the mail. I got some clarification on that system.

Because of the federal system we have, with the mail as it is, and the general infringement, as far as I'm concerned, on the private industry in this province, which was doing an excellent job, my view is that the mail-in program was a wrong move. We should allow the people in private industry who were doing this, to continue doing it on the mammoth scale they were.

In February this year, when the advertisement came out that the mail-in program was on, the people in private enterprise — insurance offices and so on — didn't know if they should lay on more staff for that three-month period. I haven't had an opportunity to check back with some of the licensing agencies in rural Alberta to see if there was a real influx of people in the last couple of days to pick up motor vehicle registrations, but I suspect there was.

The other real concern is regarding the insurance end of it. In this Legislature in 1972, '73, and '74, I was very vocal that people had to prove that they in fact had motor vehicle liability insurance when they picked up their validation tag or licence plates. With the new send-in procedure, the minister says the person is signing a statutory declaration. But I think it worked a lot better when that individual came in and had to prove financial responsibility was in place by actually showing the card.

I would like to see that taken a step further, Mr. Chairman, and suggest to the minister and the department, that we seriously consider some type of regulation where, if a person does not renew his insurance, or cancels it, the motor vehicles branch is notified, and a check could be done on that individual. Every day on the highways in the province, we're picking up a number of people who are driving with no motor vehicle insurance. But there are a lot of other individuals out there who aren't getting caught, and that's my concern. The \$400 fine we have in the legislation right now is very nominal. I think the amendments before us will certainly enhance that. But I would ask the minister to give serious consideration to reverting to the old procedure, where what we commonly call the "pink card" has to be taken in and shown.

The second concern I have is regarding policing in the province. My figures may be out a bit, but I understand that last year in the federal/provincial contract we asked for 174 RCMP members to take over some of the rural areas we have in the fast-growing part of the province of Alberta. I think we only got 24. I stand to be corrected, but those are the figures I read someplace. I would like to ask the minister what he has in place to eliminate this problem, because the province is growing by 40,000 to 50,000 people a year, and we're not keeping up with the usual ratio of 1:800. Therefore, I'm asking the minister what he sees for the future, and for the 1981 contract that will be signed with the federal government for policing in the province of Alberta.

My final question, Mr. Chairman: does the minister foresee a provincial police force?

MR. R. CLARK: Mr. Chairman, far be it from me to direct how the committee wants to go about its work, but it's my understanding that the Member for Stony Plain is about to take the Chair. If the minister wants to respond

to those questions first, and give the member a chance to engage in debate before he takes the Chair, he might be in a better mood when he gets to the Chair.

MR. HARLE: Mr. Chairman, we will be doing an assessment of the mail-in again this year. It was started last year as a pilot project, appeared to be successful, and was used again this year for renewal of the tags. I checked at the end of April; on April 29, as a matter of fact. We had expected that some 1.4 million tags would be renewed out of the total of almost 1.8 million we would eventually expect, the difference being accounted for by people with recreation vehicles and other vehicles, and new vehicles. As of April 29, 1.1 million tags had been issued, or about 75 per cent of the 1.4 million expected. Some 214,566 had been renewed by mail by that time, and the outstanding 350,000 expected before April 30 were being renewed at the rate of about 60,000 to 80,000 a day. Therefore, we expected that we would be up to date by Saturday of that week. In fact, there was very little in the way of line-ups this year. There was some lining up on the last day or two. I think that part of the mail-in process was in fact a success. Advertising helped to get people to go in and renew their tags before the registration lapsed. However, we will be looking at it and reviewing it to see whether any improvements can be made.

With regard to the pink card situation, this is something which needs the co-operation, really, of the insurance industry and the department. A number of things have been tried. Certainly the application form for the tags was changed this year to get an insurance certification, which has to be signed, providing the name of the insurance company, the agency, the policy number, and the expiry date. That's no different information than is already on the pink card. If an individual filled out that application when he took in the application for renewal tags, then I could see no point in actually having to produce the pink card. Many times that was out in the vehicle, so that would completely slow down the process at the desks.

If someone were going to commit fraud, then those pink cards themselves are not fraudproof. They're just printed; they can be picked up anywhere. We do say on the certification that if upon audit it is found the vehicle is not insured, the registered owner may be liable to prosecution. It would be our intention to develop a capacity to carry out that audit, and to make checks of individual applications to see whether the insurance is as set out in the declaration. I think that really provides more information and a better policing system than the old one.

Under the old system, if they produced what looked like a pink card, the clerk on the desk would say: thank you, that's fine, that's the end of it, and wouldn't mark down any of the details. From a policing point of view, this way we have the information on file and audits can be checked. The vast majority of our citizens are in fact law abiding, and do in fact have the insurance it is their obligation to carry. I submit that putting every citizen through more hoops than providing that information is really an imposition on the majority of law-abiding citizens. However, because we will build a capacity to audit these applications, we should be able to do a better policing job in following up on the insurance requirements.

MR. PURDY: Mr. Chairman, there was the second question I asked of the minister, regarding policing. But

before the minister comes back to that, the only comment I would make regarding motor vehicle registration is that next time the department is going to do some advertising in the local paper, is there some way they can make it the same size as private industry, and buy us a quarter page instead of the half page the minister's office buys to advertise mailing your registration?

MR. HARLE: Mr. Chairman, with regard to the RCMP situation, there will of course be meetings over the course of the summer with the new federal Solicitor General. I did have the opportunity to contact the federal Solicitor General, Mr. Lawrence, when the previous government was in charge of things. Certainly, there was a great deal of sympathy at that time. I don't know what view the new federal Solicitor General will take in this area. There are and will be negotiations for the new contract, and I'm sure part of the discussions at that time will be this problem of supplying additional men.

As far as the provincial police force is concerned, I would prefer to say that I think the government should keep its options open. I detect that the public generally is very supportive of the work done by the RCMP, and it's certainly my intention to make every effort to persuade the federal Solicitor General of the needs we have in Alberta, because of the growth that has occurred in this province and the need to keep the police to population ratio within some range so that we can provide adequate police services to our citizens.

[Mr. Purdy in the Chair]

MR. R. CLARK: Mr. Chairman, through you to the minister. In the course of the introductory comments, I noticed no reference at all to the area of young offenders. In the discussions which took place concerning the estimates of the Minister of Social Services and Community Health, some reference was made to develop some facility which would take young offenders out of some of the institutions run by that department and place [them] in facilities other than places like Fort Saskatchewan — Fort Saskatchewan old, or new, wherever it's going to be — or Spy Hill, Lethbridge, or Peace River.

I am aware that several years ago, about 1972, the government chose really to mix young offenders and older offenders in the same institutions. We've been before Public Accounts in the past and heard this talk about classification and how they're kept separate. But all one has to do is talk to some of the parents, from my riding and from other ridings, where young offenders end up in Fort Saskatchewan or Spy Hill especially. Any semblance of total separation of young offenders and older, more hardcore offenders or repeaters, if I might use that rather unglorified term, is virtually impossible for the staff. The realistic experience I've had, talking to people who have had young offenders in there, is that that doesn't happen. I'm very disappointed that in the outline for the capital appropriations, not only for this year but for the period of time that lies ahead — the minister mentioned Fort Saskatchewan and a new remand centre in Calgary, and I'll get to that in a moment — there was no reference or indication of a commitment to a centre for young offenders in the province.

Mr. Minister, we have a situation today where we can't get enough law enforcement officers from the federal government. I'm not laying that at the minister's doorstep; I'll have more to say about the minister's doorstep in a few moments. When one looks at the rate of recidiv...



the rate of people coming back to our institutions for a second and third time, the records indicate that 63.2 per cent of individuals who get into the provincial institutions come back for a second time, and that 89 per cent of people who end up in our provincial institutions have been arrested before.

Mr. Minister, it seems to me that the place we have to start is in prevention, which I didn't hear word on in the course of the minister's remarks; and secondly, in this area of trying to do something to separate young offenders from older offenders, the repeaters who end up going back time and time again. Mr. Chairman, I heard absolutely nothing in the minister's remarks to deal with that.

I suppose one of the areas where the minister deserves credit is where the minister is attempting to initiate a number of programs such as the fine-option program. I certainly agree with the movement towards community-based corrections. These are good initiatives, Mr. Minister, but they certainly have to be expanded upon and built upon. I was interested to note the new federally funded program for juveniles in Lethbridge. This program, being lodged in Lethbridge, I believe in co-operation with the John Howard Society and the federal government, could very well be a program the province should be looking at as far as some future initiatives in this area. That program was announced by the federal Solicitor General in Red Deer, I believe, not many weeks ago.

I'm not sure whether it's the minister's department or some other department, but somehow there has to be far more co-ordination of programs between the minister's department, Social Services and Community Health, and the public education system. Mr. Minister, I don't plan to stand here this afternoon for an extended period of time and remake the case that's been made to the minister's department at least three times by a number of communities, some in my riding and some adjacent to my riding, with regard to the role of police commissions. I need not mention the reaction the minister got at the meeting of the provincial police commissions at Calgary, which was anything other than flattering, when the people who give pretty generously of their time as police commissions across the province, attempted to get some answers from the minister and his officials.

We go back to this question of the buck passing all over the place. Mr. Minister, I recognize that this is not an easy department. But it's becoming very frustrating for police commissions, be they at Olds or a number of other areas across the province. I hope those in the minister's department who think that only the Olds police commission is upset were at the meeting of the police commissions in Calgary, when the minister and his officials met with a variety of police commissions across the province, because they will find out it wasn't just the group that happened to emanate from Olds.

I'd like to make one other comment in this area, Mr. Minister. I said I'm not sure it's the responsibility of the Solicitor General's Department, or Social Services and Community Health, or Education, or where it is. Somehow, someplace in this province there has to be an emphasis in the area of prevention. Mr. Minister, through the Chairman, the Solicitor General's Department ends up very often, almost all the time, dealing with casualties. But we're not very successful in dealing with those casualties, once they reach the minister's department. I don't lay the blame at the minister's door, but someplace, working with communities, be it police commissions, the education system, volunteers in the community . . . With a

province growing by 50,000 or 60,000 people a year, this year we're going to fall something like 150 RCMP officers short of what we say we need in this province. I don't see us making any kind of a co-ordinated effort from the standpoint of prevention.

I know all the responsibility doesn't rest with this Assembly. Some of the responsibility rests locally; some with volunteer organizations. But it seems to me, Mr. Chairman, that someplace there's a need for initiative to try to pull that together. If we don't, we can come back five years from now, and the rate of people going back to institutions will be somewhat higher, our success will be somewhat less, we can wring our hands more, and we may be further behind as far as the allocation of RCMP officers is concerned.

It reminds me somewhat of Nero fiddling while Rome burns. Now I'm not suggesting that Alberta is at the burning stage, from the standpoint of the Solicitor General's department; although it certainly is forest fire-wise. But someplace, Mr. Minister, there is a need for us to co-ordinate our activities. I find that a large number of people in local government have real concerns here, but aren't able to get those concerns mobilized as a result of red tape, going to the wrong department, or not getting the right kind of co-ordination. Mr. Minister, it's the Department of the Solicitor General that ends up with the casualties.

Strange as it may seem, it may well be that the initiative for this co-ordination and a province-wide effort in this area of prevention will have to start from the unlikely source of the Solicitor General. The present Solicitor General has the reputation of being a rather quiet individual and the public feels — I better not say "the public" — certainly I feel that on a lot of occasions, officials of the department run the department rather than the minister. Here would be what I think is a great opportunity for the minister to give some leadership across the province in this whole field of prevention.

Mr. Minister, I would like to dwell upon two other areas for a few moments. One is this question of the availability of RCMP. I think I have the same point of view as the minister. It would be desirable in this province if we could continue to have the bulk of our police work outside Calgary and Edmonton done by the RCMP. But for the last several years, we've been attempting to get the RCMP to meet Alberta's demands. Mr. Minister, I'd be very interested in knowing what Alberta's request was this year. Was it the 174 that has already been referred to? Are we going to get 24 officers? Mr. Minister, last year we had somewhat the same kind of experience. Looking at the federal Conservative budget, I recall there was precious little money for the kind of expansion of the RCMP force that was needed. I don't expect the present government in Ottawa, and with its orientation, to increase the size of the RCMP force to meet Alberta's demands. I know other provinces have similar demands.

Mr. Minister, reference was made by you earlier this afternoon that Alberta should keep its options open. I think there are three things Alberta should do in this area. First of all, we should make use of the provincial fellows who do that work. I refer to them as the Solicitor General's men in blue, who have those blue cars and often are better equipped than the RCMP. Isn't it possible for those people to take on much of the work done on highways like No. 2, No. 16, and the Trans-Canada Highway, from the standpoint of speeding and that kind of work? I'm not suggesting they could replace the

RCMP completely. I am suggesting that they could take much of the pressure off the RCMP, so that RCMP personnel could be deployed more in keeping with their training; it's certainly a great deal more than holding that radar gun and writing out a ticket. I think the provincial people could take on much of that responsibility.

Secondly, Mr. Minister, it seems to me that before long the province has to decide whether we're going to get the number of people we should, as far as RCMP members are concerned, or whether we're going to have to paddle our own canoe. I would be reluctant to see us have to paddle our own canoe, because some people would associate that with Alberta becoming very, very, independent; some would put a separatist point of view on it. That's a danger. Mr. Minister, the other side of the coin is that if we don't get the number of people we need from the RCMP before long, from the standpoint of law enforcement, with the kind of growth we're seeing in this province, the increase we see in crime statistics wherever one looks, then we're just asking for a great deal more serious problems in the province.

Mr. Minister, loath as I am to suggest we should consider our own provincial police force, I would say that within one or two years at the very most, unless we can get some satisfaction from the federal government that we're going to be able to get the number of RCMP people to meet our needs in this province, then Alberta is going to have to strike out on its own. That may very well be something the other western provinces may want to co-operate with in some regard. To my recollection, one of the great problems is the cost of training. That cost is very, very great.

If my memory is accurate, I recall in the early '60s, about '62 or '63, the province made the decision to establish its own police force. Following that, a commitment was garnered from the federal government that they would supply Alberta with the number of RCMP people that were needed. That was a rather welcome decision by the federal government. It seems to me we're at about that stage once again. We've got to get a commitment from Ottawa that we can have the number of men and women we need, or we're going to have to go the route of our own provincial force.

Unless my position be misunderstood: I would far prefer we continue to use the services of the RCMP. But if Albertans are going to be forced to choose between being tremendously understaffed in the next number of years and retain RCMP services or being able to go a different route ourselves with a provincial force, then I think we would have to opt in favor of going the route of a provincial force if we can't get those assurances from Ottawa, as regrettable as that would be.

Mr. Chairman, the third and last area I want to comment on is what's commonly referred to as the Moyer report. I, for one, thought it was a report from an independent review committee headed by this firm that, we were told by both the Minister of Housing and Public Works and the Solicitor General, was the most outstanding group in North America; they were obviously the ones we had to go to. There was no one good enough in Canada; we went to Chicago to get these people. Then the report changed its direction considerably. At least when I look at the draft I have, compared to the final version, there are some rather sizable changes. The report ended up not being the Moyer report — I can see why the consultants didn't want to put their name on the front — it ended up being the Alberta Corrections Review. It was commissioned by the department and subsequently be-

came its property. In my judgment, participation of the department in making recommendations raises serious doubts about the value of the report. The possibility that the report was — I use the term — rather extensively laundered is very clearly there I think.

Mr. Minister, earlier in my remarks I made the jesting comment about the minister being a very soft-spoken individual. If I were a bureaucrat in the department, wanting to continue to have my hand on the rudder, I would work out this kind of deal with a consulting firm: bring in a firm from an awfully long distance, convince that firm it should make its recommendations and then the department launder and work them around, and so on, under the guise of, well, if we make recommendations like that, they're very likely to be implemented. That's just the way I'd go about it if I were a bureaucrat who wanted to keep a very, very firm hand on what's going on.

Mr. Minister, I suggest to you, with the greatest respect, that unbeknownst to you this is really what's happened in this particular situation. When I look at the earlier draft and the final one, certainly sections were added almost totally, as a result of work done in the minister's department, that weren't in the early draft at all. Mr. Minister, I can hear the arguments which will be coming back: if we don't get a report that departmental people have worked on, the possibility of getting it approved and accepted isn't very great. Frankly, the report is to the minister. If some very harsh things needed to be said and some very definite new directions set out, then this Moyer group, frankly, was the group I thought was going to come in and give us a first-rate, independent look at what was going on in the department.

Mr. Minister, I think we should likely get some group like a legislative committee. Members will recall the Hon. Mark MacGuigan, now the Secretary of State for External Affairs for Canada, who headed a committee of members from both sides of the House of Commons. They did a very extensive but very quick report on the state of the correctional system across Canada. There was support on both sides of the House, and my understanding is that a large number of the substantive recommendations have been implemented. Perhaps if we were to pull together a legislative committee of the Mark MacGuigan style and supplement it somewhat with people from the John Howard Society and one or two others I can think of, we'd have a report that could be done in six months, wouldn't cost us \$400,000 and, frankly, wouldn't be laundered by departmental people. There's no question that there's a great deal of concern, and that concern should be addressed.

I'll have more comments later on, Mr. Chairman, but I would very much appreciate the minister responding to those four areas.

MR. LITTLE: Thanks very much, Mr. Chairman. I have one or two questions and a number of comments to address to the minister. The questions: I would like to know the cost per inmate-year in all the Alberta correctional institutions. Also, what is the cost per unit in the proposed new construction areas; that is, how much to house one inmate? I recall the last addition to the Lethbridge Correctional Institution. If memory serves me correctly, it was something in the area of \$70,000 per inmate, which seemed a little bit out of line to me.

In view of the fact that the minister has commissioned a study on corrections in Alberta, if I make some rather unacademic comments I hope the minister will accept

them in the light they are offered; that is, to be helpful rather than critical. I'm not entirely persuaded that we need any more medium security institutions. My own experience was with Spy Hill, now known as the Calgary Correctional Institution. During the years I served, there were approximately 450 inmates in that institution at any given time. One-half to two-thirds of them were rubbys or derelicts; that is, middle-aged or older men who were in there for alcohol-related offences, and who wouldn't leave if you left the door open. Usually in our Alberta institutions, the total number of custodians either equals or exceeds the total number of inmates. I recommend that in view of this type of inmate, we don't need the medium security institution.

Just to relate a little anecdote about one of them. I recall that derelicts used to get a 10-day sentence for an alcohol offence under the Alberta liquor Act. Out of the 10 days they served eight days; that is, they got two days off for good behavior. One of these derelicts made 31 trips to Spy Hill jail in one year. Thirty-one 10-day trips. He filled in the year. Think of the cost of transporting the man back and forth to a medium security institution. On his final term of the year, his 31st, his eighth day was up on Christmas Eve. The warden called him in and said, "Have you got anyplace to go for Christmas, John?" He said, "No, I haven't, warden". "Well", he said, "in that case I think we'll take away your two days good time and keep you in over Christmas and the day after".

The point I'm making . . . Please don't gather from these remarks, Mr. Minister, that I'm going soft on offenders. I wouldn't want that reputation to get around. Indeed, I think we need at least one institution in this province, a maximum security provincial institution, for some of the hard rocks. But dealing strictly with the derelicts, we don't need them in a medium security institution. I visited one type of facility in the state of California, that I was very impressed with. They call them honor farms — no bars, no walls, no fences, a minimum of guards. These people produce the fruits and vegetables for the California jail system, also serving a useful purpose. If they did elope — we can't use the word "escape" for an institution of that nature — the penalty was to be sent to a normal medium security jail. Now I realize that in the last several years you have instituted a number of labor and forestry camps, and I certainly congratulate you for this, Mr. Minister. But I suggest that if these types of programs were extended, we could reduce the numbers in the medium security institutions and therefore the costs.

I certainly agree with the remarks on segregation by the Leader of the Opposition. Indeed the middle-aged or older derelicts don't want young offenders around them. It isn't a case of the young offender not wanting them there. The old offender doesn't want them around because they cause trouble and give problems in the system. The repeaters — I could point out to the Leader of the Opposition that the pronunciation of the word is recidivism, not people who have been convicted time and time again. The recidivism rate is very extensive in this province, and we're all aware of it. But that is all the less reason for increasing the number of medium security institutions. Segregation is extremely important, and this could be done by institution rather than by separating portions of the institution. But the main point I am making, Mr. Minister, is that I think we should give some earnest consideration before we proceed with large numbers of additional cells or custodial areas for persons who do not require this type of custody.

MR. ZAOZIRNY: Thank you, Mr. Chairman. I feel at something of a disadvantage in following the hon. Member for McCall, who has had so many years of experience with our jails [laughter] as a former peace officer. None the less, I would like to address a few remarks and questions to the hon. Solicitor General, that flow in large measure from questions and answers during question period last Friday, with regard to the matter of law enforcement grants. As was raised in a cursory way at that time, within the strict confines of question period, the fact is that in 1975 the then Solicitor General, Mr. Farran, put forward position paper No. 19 to the Alberta Legislature, at which time he announced this new form of unconditional grants, designed specifically to meet escalating costs for improved law enforcement.

[Mr. Appleby in the Chair]

The formula to be applied took into account the ravages of inflation plus the significant growth being experienced by the entire province and certainly our metropolitan centres, Calgary being one of those. In light of the fact that the policy put forward by the then Solicitor General really doesn't seem to have been applied — the result of course has been an increase in the combination of growth and inflation in Calgary, for example, of some 50 per cent from 1977 to 1979, whereas the grant has only increased by only some 20 per cent, a significant shortfall for that city in particular — I'd really appreciate it if the Solicitor General could enlighten the House as to the reasons this policy was never followed. To this member's knowledge, and perhaps the Solicitor General can advise otherwise, there was never a change of policy as such. It just seemed to have gotten lost somewhere. We went ahead with increases that averaged something like 6 per cent, whereas during that intervening period the cost of putting a police officer on the beat, if you will, rose by something like 15 per cent each year.

I think this is a particularly large concern. In the metropolitan centres — and again, I can speak more specifically about Calgary — I think there is a dramatically increasing concern about public safety and law enforcement. As a private citizen, I've certainly noticed in my travels much more public comment about the state of public safety: concern about more and better security systems in the home, and a general unease about whether Calgary, for one, is a safe city to reside in anymore.

It has to be recognized that the incidence of crime is going to increase as the population burgeons, so it's certainly not the fault of the Solicitor General that we're experiencing those kinds of problems. But when you have an increase of some 62 per cent in traffic offences in the last year, and when the increase in major crime from '77 to '78 is over 7 per cent, certainly we have to be addressing ourselves to this very major concern. Assuredly, if one of the most crucial functions of government isn't public safety and law enforcement, what is a crucial concern? So I'd appreciate the minister expanding on the reasons that gave rise to that rather reduced grant.

The second area, which is related, has to do with the action the minister proposes to take. I appreciated his response in the House last Friday, where he indicated he was going to be addressing this matter during the summer months. I was somewhat ill-at-ease with the requirement to stand by, if you will, until representation is received — presumably a written one from the city of Edmonton — not because I don't feel the city of Edmonton should be heard; of course, they should. But the fact is that the

submission of the city of Calgary was presented in early January this year. We're now in May, five months down the road, and apparently the city of Edmonton has not yet seen fit to respond. In the view of this member, they should be given notice that they have an entitlement to respond. But if they choose not to, I think it would certainly be unfair, if you will, to the city of Calgary, which has raised this as a major concern, if we do not proceed while waiting, perhaps indefinitely, for a response from Edmonton.

With those few remarks, Mr. Chairman, I invite the minister to advise just how quickly he feels he's able to get to the bottom of this. I suppose a final question that is in order is: why should this be such a difficult decision? It seems we made that commitment in 1975, and it should simply be a matter of honoring it.

MR. NOTLEY: Mr. Chairman, just two or three comments and questions. First of all, I was pleased that the Leader of the Opposition raised the question of what happened to the Moyer assessment. It seems to me a very dubious strategy to have senior officials of the department reviewing the reviews. I really question how useful it is to undertake a review as comprehensive as the Moyer report if, in fact, the deputy minister or other senior officials of the department are going to look it over and, I guess, put it in context. So I think that's a concern I would express.

Mr. Chairman, I want to deal with two specific things: one is where things now stand in the Footner Lake camp; and another, to deal with some questions that have come to my attention concerning the operation of the Edmonton Remand Centre.

First of all, a few weeks ago I recall putting questions to the minister dealing with the Footner Lake facility. As I recall *Hansard*, the indication was that basically things were okay. Yet the information I received was that over a period of time, there had been a fairly serious deterioration in the camp facilities at that particular location. I understand that corrective action is now under way, but I suppose the question I would put to the minister is: why did it take so long? I understand that some of the complaints on Footner Lake came to the department some considerable time ago — not just a matter of a few weeks ago, but some considerable time ago. Yet there appeared to be a fairly sluggish response by the department in dealing with that particular problem.

MR. R. CLARK: That's administration.

MR. NOTLEY: No, I'm sure this minister recognizes he's responsible for administration, too. Of course, we get such a variation in the official Conservative theory on ministerial responsibility.

Mr. Chairman, I'll move from there to deal with some of the issues at the Remand Centre. I think some of the criticism that has been levelled in the press on the operation of the Remand Centre, which implied lack of competence on the part of correctional officers there, was really quite unfair. Basically I think we have in Edmonton a good group of people who are working very hard, frankly under difficult circumstances. In many respects, I found some of the stories last year rather sensationalist in a way that I thought was unfair to the people working there.

In discussions I've had, particularly with those representing the correctional officers, it seems to me there are really four points I would like to put to the minister. One, the level of staffing: clearly we have a problem in the

Remand Centre. Just before the Legislature convened for this session, the minister announced more staffing at the Remand Centre. As I understand it, there has been a serious shortage of staff at that centre, and that one of the reasons we've had the escapes that have tended to capture the headlines is that, frankly, there haven't been enough correctional officers to do the job adequately.

Mr. Chairman and Mr. Minister, it seems to me that that general concern was also contained in the Auditor General's report—on overtime, where he indicated that a substantial amount of overtime went to a few correctional officers. He wasn't implying anything wrong about that, but came to the conclusion that part of the problem was shortage of staff. There simply wasn't enough staff available to have reasonable working hours, so you had a few people with a considerable amount of overtime. I would say that, as I understand it, staffing is one of the concerns.

The second area . . . Perhaps I'll just ask the Government House Leader what strategy he wants to follow. Perhaps I have another 10 minutes or so. I could adjourn now, if you wish, and we could rise and report progress.

MR. CRAWFORD: I'll just note that we had come up with a procedure where we won't have to rise and report progress, based on the motion passed earlier, but simply meet again at 8 o'clock. That would happen by calling it 5:30. I'm quite prepared to move that we call it 5:30.

HON. MEMBERS: Agreed.

MR. CHAIRMAN: It's agreed that we call it 5:30. We will recess until 8 o'clock, and the hon. Member for Spirit River-Fairview will be recognized by the Chair.

[The Committee of Supply recessed at 5:27 p.m. and resumed at 8 p.m.]

### Executive Council

#### 101 — Office of the Premier

MR. R. SPEAKER: Mr. Chairman, did the Premier have any opening remarks? If not, one of the areas I'd like to ask about is with regard to industry diversification and how the Premier sees that development in the province in the next year or two. The Department of Economic Development has been established. I know the question is a very difficult one. It's not easy to motivate all the time from the government level; certainly it's a co-operative thing between government and the private sector of the province. I wonder if the Premier could just comment as to what stage we're in at the present time. What kind of problems are created or what kind of problems are there at the present time? What can we look for in the next couple of years?

MR. LOUGHEED: Mr. Chairman, as the hon. member well knows, that is a very extensive yet a very crucial subject. I covered it at length in my remarks in the Legislature last fall, but perhaps what's implicit in the question is an updating of what may have occurred over that period of time.

When we look at the matter of diversification, I sup-

pose the first issue we come to is what do we mean by the term? From our point of view, clearly diversification would involve, as part of the diversification, activity in areas other than selling off our conventional oil and gas in an unprocessed way. For example, we would consider the Syncrude project as diversification. We would consider petrochemicals as diversification.

In addition to that, of course, the second very important part of diversification in the province is in the area of agriculture processing. I think we're well aware that the crucial question there is the obstacles in terms of both transportation and freight rates. We've had some successes. Certainly, that's been so in terms of rapeseed crushing and in other areas of agriculture processing. I think a great deal more can be done and, we believe, can occur over time in terms of developing the food processing industry with a western base here in Alberta, not in all products but in some. There are a number of thrusts by the departments of Economic Development, Tourism and Small Business, and Agriculture in that area.

A third part of our diversification strategy that has moved up very extensively is, of course, to make Alberta the brain power centre in Canada. As hon. members are aware, we've done that in a number of ways, first with the medical research foundation which was approved and is now under way — I'd be pleased to answer any questions hon. members may have on that score — secondly, of course, through our Alberta Oil Sands Technology and Research Authority, and in addition to that — although it comes up on a separate vote, but just to mention it in passing — with regard to the Alberta Research Council and its new plans and activity. We consider that the third major area. I could expand upon it if hon. members wish.

In addition to that, we believe that tourism and recreation . . . In an employment or economic sense, I think it be might timely for us to think more about tourism and recreation coming together in the economic concept. As you know, we have in this government a Department of Recreation and Parks whose principal thrust has to do with the question of providing recreation facilities for our citizens, and a Department of Tourism and Small Business that is involved on the economic side. More than ever, it is apparent that in the economic areas, there is an important overlap and co-ordination required in the area of recreation and tourism, because tourism in itself is tourism for Albertans and recreation opportunities for Albertans, and an ever-increasing area of opportunity as far as we're concerned.

Then, of course, we move to the area which involves Alberta being a gateway to the north. To some extent that will depend upon the development of the Alaska pipeline, and perhaps in due course, although it's clearly been delayed, upon the nature of the development of the north in terms of natural resources. Certainly efforts have been taken by our Minister of Federal and Intergovernmental Affairs to assure good co-ordination with the territorial governments in the Northwest Territories and the Yukon.

Finally, as I mentioned last fall, we continue to have success in the area of developing Alberta as the financial centre in western Canada.

Those are the main thrusts. Progress is being made on all of them. Quite clearly, the major obstacles for us as a province are due to situations rising from federal transportation policies, including freight rates and transportation facilities. Secondly, access into markets beyond our own borders: quite clearly, this government has been taking some very major thrusts under the Minister of

State for Economic Development. — International Trade in developing our relationships there. I believe hon. members are aware that we're now in the process of opening an office in Hong Kong. Recent studies we've had indicate that next to the United States, the Pacific Rim provides the best opportunity in terms of our foreign trade situation, but access in those areas is still a crucial one for us in relation to policies of the present federal government.

We have tried to support this diversification in a number of other important ways; that is, of course, in terms of the climate for and encouragement of a free enterprise economy here in the province of Alberta. We've tried to balance our interest in increasing Canadian ownership of our economy with the view that, being a part of the world market place under the conditions, particularly in resource development, there's an appropriate role for foreign investors to come to Alberta, hopefully on a joint venture basis, which has been the situation generally over the last number of years and, I think, has been very positive to us here in Alberta.

One of the other important parts of government policy is our taxation policy. The Bill with regard to the corporate tax system is before this House now. Then, as members are aware, a heavy emphasis in terms of skilled manpower for our people, as reflected in the estimates relative to the Department of Advanced Education and Manpower.

I could say more, Mr. Chairman, but I think it suffices to say that we have made considerable progress in the '70s. Statistical figures are very misleading, because the oil and gas industry has been so buoyant to this point. Hence, the relative proportion of the oil and gas business as a proportion of jobs as a percentage of the labor force of Alberta is still a very large percentage. On the other hand, if we look at the real increases we've had over the decade of the '70s in a number of the other areas of economic activity that I have just mentioned, it's obvious that we're making very significant progress there as well.

So we have obstacles, as I've mentioned, primarily in terms of federal policies. But I think we have a strong economy and the potential, given fair and non-discriminatory federal policies, to move ahead with our diversification strategy.

MR. R. SPEAKER: Mr. Chairman, to the Premier. One of the factors that will certainly affect our economy is the agreed price of oil with regard to the world price. I wonder if the Premier could comment on that. I understand negotiations are going to proceed this week. At this point, is there any information we can have in the Legislature with regard to that?

MR. LOUGHEED: Mr. Chairman, I don't think there's anything I could helpfully present to the Legislature. The hon. member is aware that the federal Minister of Energy, Mines and Resources is coming to meet with the Alberta Minister of Energy and Natural Resources here in Edmonton tomorrow. There's nothing I could say to comment on that meeting. We're not certain whether specific proposals will be presented. The agreement we have continues until the end of June.

MR. R. CLARK: Mr. Chairman, I would like to ask the Premier if he could give the committee somewhat of an update on the Alaska pipeline, recognizing it's had its problems getting off the ground, I guess is as good a way of describing it as any. Certainly not all the problems

emanate in Canada, but with the whole regulatory process in the States . . . I'm not being critical of the process, but simply the time that it takes. But given the potential impact the pipeline can have on Alberta — then of course with some specific reference to the pre-built possibility as far as Alberta's concerned.

Then perhaps I'd ask the Premier to tie into that the matter we've raised on other occasions, the question of the shut-in gas supplies and especially the impact it has on small producers. I know the difficulties of the situation of the National Energy Board, but has the government done any monitoring as to the impact this has had on small Alberta/Canadian companies? Where do they stand on this whole thing? Is there in fact an exodus out of the country, as has been indicated?

MR. LOUGHEED: Mr. Speaker, with the Alaska pipeline, I believe it is too fluid a situation at the moment for me to be definitive in any way. Hon. members are well aware that the project as conceived has had its difficulties in financing, in terms of putting together a project of that magnitude. That's primarily a challenge to the Americans, because in essence the project is to take American gas in Alaska and transport it through Canada to the United States.

It's up to the United States government, the producers, the transmission and distributing companies, as well as the pipeline developers, to come and bring together that financial package. In a recent discussion I had with our Minister of Energy and Natural Resources here in Alberta, my information was that there have been some difficulties in putting that package together despite the statements made last summer by President Carter. It does appear that in the United States election year, one cannot perhaps anticipate the action that would have been expected by now with regard to financing that project. The basic problem, as I understand it, is the question of who pays for the overrun of costs or, to put it another way, who takes the risks of the overrun of costs.

While all that is going on, of course, we have the project by Pan-Alberta, which arises to a large degree from American requests that we have pre-build project. In short, the export of natural gas from Alberta is tied to a pre-build of the Alaska pipeline that was primarily requested by the United States government and concurred in by the Canadian government. The hon. Leader of the Opposition is aware that two regulatory proceedings, as I understand it, are still outstanding relative to decision by the National Energy Board here in Canada — one dealing with the provision of the degree in which there needs to be a financial package put together before the approval permits are given and, secondly, overall with regard to the federal government responding to the National Energy Board recommendations as to the degree and the terms and conditions of natural gas to be exported as part of that pre-build operation.

So it's a very fluid situation that we're monitoring. We're certainly not counting upon any economic factors that might be beneficial to Alberta in the next two or three years arising from that project. That's not in our economic planning. The only degree that it's in the planning is in the event that the project should happen to move quickly and go ahead and other projects should go ahead at the same time — it is coping with that contingency. If you like, it's coping with an overheated economy as distinguished from relying upon the project for economic activity here in Alberta.

I might say, though — and I know the hon. Leader of

the Opposition would recognize this, and I'm not misconstruing his question — that the economic benefit of that project to a very large degree can flow to other parts of Canada. I think in particular of the steel production that would come from the pipeline, but there are other ways as well. So it's a project that provides economic benefit to the country as a whole, not just to us here in Alberta.

To the second question by the Leader of the Opposition, with regard to the shut-in gas: yes, we're well aware of the situation there. As I mentioned, we have the assessment going on of the degree of natural gas that could be exported. It was part of the energy package we worked out with the former administration in Ottawa last November and December. I believe the Leader of the Opposition and members are aware that what was involved there is, first of all, coming to grips with substituting imported oil in Canada for natural gas, because of our very improved supply position, and from that point of view — which is not now part of the negotiation, of course — providing incentive gas pricing, which we've had by way of discussions between our Department of Energy and Natural Resources with the departments of energy in other provinces, particularly Quebec, and support for the Quebec and maritime pipeline. I think most Canadians are of the view, and Alberta would share the view, that it's desirable for us to expand fully our utilization of natural gas throughout Canada. I think it is easier for those such as the government of Alberta and the producers in Alberta to be able to obtain public opinion and general public support for the export of natural gas if everything is being done to utilize natural gas in other parts of Canada. That certainly has been the policy of our government and certainly was part of the our energy negotiations last fall.

Coming directly to the question of the degree in which small producers are affected by the shut-in provisions, there seem to be different views as to the magnitude of that. It's constantly being monitored, and I'd have to refer to the Minister of Energy and Natural Resources for a detailed answer. There's no doubt, though, that we have, through the Elmworth field and in other ways, come into a situation that, as I mentioned when I spoke in Toronto in mid-April, is very exciting in terms of natural gas supply, and that it would appear to us that in straight economic policy for Canada and, I believe strongly, to avoid tracking United States' interest rates, a dramatic move by Canada, through the federal government, of supporting a substantial degree of export of surplus natural gas under appropriate terms and conditions would be good for Canada economically. It would help us in terms of our interest rate and avoiding tracking the American interest rate, and sustaining the Canadian economy in terms of the value of the dollar and improve our balance of payments position. It would also obviously benefit the natural gas industry here in Alberta by way of cash flow.

But I think it's fair to say, for those producers who have production now flowing — that is, who are producing now under contracts — that the recent increases of the border price, which flow back equally to all producers, have been positive to those producers relative to the cash flow. I think there are a few that are not in that position, but of course those business risks were considered. We must keep in mind that when people came and explored for natural gas in earlier years, they did not do it without any assurance of markets. I don't want that comment misunderstood. We are still of course monitoring and will continue to monitor the degree in which

natural gas producers may be jeopardized by any extensive period of time of a shut-in gas situation. But I think the air has to be cleared relative to the present situation of natural gas export permits.

MR. R. CLARK: Mr. Chairman, I'd like to follow along with the Alaska pipeline question just a little further. Perhaps before I ask the question I should go back and say that I recall the first report the Heritage Savings Trust Fund legislative committee made to the government two years ago. At that time there appeared to be considerable likelihood that the Alaska pipeline would go ahead, and one recommendation the committee made was that we should look seriously at investment there. Recognizing that the project hasn't got the green light yet, and recognizing that, yes, much of the economic benefit will flow outside Alberta, can the Premier give any indication as to how the government would look at the idea of investing in the Alaska pipeline? I'm referring primarily to that portion within Alberta, although not exclusively.

MR. LOUGHEED: Mr. Chairman, I don't believe our position has changed from statements made by either the Provincial Treasurer or me. I'm not certain. That would be subject to checking the record when the select legislative committee on the Alberta Heritage Savings Trust Fund met in the fall. But in any event, I know what we have said is that pipelines have been good investments. If this package is all pulled together properly, there's no reason it would not be a good investment for the Heritage Savings Trust Fund. The nature of that investment would very likely be in debt instruments of one nature or another. However, we would look on our involvement as what I would call the "last in" money. In other words, we would not make any commitments to participate in the financing until we were satisfied that the total financing package was there and had been put together and there was a gap that could be filled by the Alberta Heritage Savings Trust Fund investment. Then we would consider carefully moving in. Under those circumstances, I think we would find it to be a fairly, attractive investment if the terms and conditions were what we would anticipate normally would be the case with regard to pipeline projects of that nature.

MR. R. CLARK: Mr. Chairman, last fall the Provincial Treasurer announced to the Heritage Savings Trust Fund committee that the government was prepared to make loans of \$1 million or more to certain businesses that met certain criteria. I'd be interested in knowing what kind of response the government has had in that area. I ask the Premier rather than the Provincial Treasurer, because the decision would be made by Executive Council, of which the Premier is chairman. Is the government close to approving any loans under that new portion which the Treasurer announced early last fall?

MR. LOUGHEED: Mr. Chairman, I believe that question falls directly within the ambit of responsibility of the Provincial Treasurer and would prefer to refer it to him, either in the course of the committee stage of the Bill which is before the House on the Heritage Savings Trust Fund or with regard to the estimates of the Treasury Department, which are yet to come.

MR. PAHL: Thank you, Mr. Chairman. My question to the Premier flows from the details of Vote 1.04. The laudable leadership shown by the 38.2 per cent decrease

in the fund I assume represents in part funding of the research or project management, I guess you'd call it, that went on under Mr. Al Craig for the northeastern Alberta portion of Cold Lake-Grand Centre. My question is: has the sort of concern with the infrastructure and the project management approach to the provincial government's commitment in effect to prepare for that megaproject been satisfactorily terminated, or has it flowed to specific departments?

MR. CHAIRMAN: The hon. member's remarks refer specifically to 1.04. I wonder if we could deal with 1.0.1, 1.0.2, and 1.0.3, then go on to 1.0.4.

MR. PAHL: Mr. Chairman, it related to a megaproject and that's when the question occurred to me. I'll defer to your judgment.

MR. LOUGHEED: Mr. Chairman, I don't believe I can be helpful on that, because we have established an Executive Council committee, under the chairmanship of the Provincial Treasurer, specifically involving the Cold Lake co-ordination. I believe he should answer in this Legislature for the basic thrust of the question. When we come to the specific vote, I'd be prepared to clarify the variants involved.

MR. R. CLARK: Mr. Chairman, going back to the question I asked earlier which the Premier referred to the Provincial Treasurer, I'd like to ask just one further question in that area. Have requests come to the government for loans of \$1 million or greater out of the Heritage Savings Trust Fund?

MR. CHAIRMAN: I have some difficulty this evening with the type of questions. Some are specifically the type of questions which might be better addressed to the Minister of Energy and Natural Resources, and some to the Provincial Treasurer, for more specific information. I wonder if we're . . .

MR. R. CLARK: Mr. Chairman, I would never want to say that the Chairman, sir, is kind of protecting the Premier from the questioning.

MR. CHAIRMAN: No, no.

MR. R. CLARK: Mr. Chairman, the point that I think has to be made, though, is this.

MR. R. SPEAKER: The buck stops there.

MR. R. CLARK: My colleague says the buck passing stops at the front desk in the middle row. The Premier, as chairman of the Executive Council, is the person who is ultimately responsible. With the greatest of respect, sir, that's why I think that under this vote a rather free rein on questioning would be most appropriate.

MR. CHAIRMAN: I respect the remarks of the hon. Leader of the Opposition, but the Premier has the opportunity, too, to direct the questions at a later date to whatever department he wishes. He can carry on if he wishes.

MR. LOUGHEED: Well, Mr. Chairman, I'm very pleased to answer any of the questions, particularly if they're in a basic policy area. If they involve a question of

implementation. Or of detail, that's a different matter and I have to refer it. The specific question had to do with the degree in which we've had requests, and again I would have to refer that to the Provincial Treasurer.

But I should make on a policy basis this clarification, although I think it relates perhaps more specifically to the Heritage Savings Trust Fund than in a general way. What is intended there seems to be misunderstood. Perhaps it was our failure last fall to communicate. The Provincial Treasurer and I have been discussing it. The concept of, so to speak, loans to big business that was thrown out is, of course, not what we're talking about. What we're saying is: opportunities to participate in debt instruments in the market place that otherwise are going to be picked up by the Firemen's Fund of New York. And if they're a project that is related to Alberta or even to Canada, I think it is wise for us to look if these are good corporate debt instruments and participate in them.

Now my recollection is that we have said we would never take more than two-thirds of any one particular issue. The reason for that is that we want the market place to police, if you like, the standard commercial terms, so that we're not into a situation — unless there are some exceptional cases — where we ourselves are directly negotiating loan arrangements with a corporation. We're into the market place. We think if the XYZ company is planning to raise \$200 million for general corporate purposes by way of debt and is going to the debt markets and the money markets throughout Canada and the United States, we should be looking at that as a prospective area for investment by the Heritage Savings Trust Fund.

So it's entirely different. It's a misconception and a misconstruing of our objective to say we are out seeking loans to large corporations. It's the other way around. If large corporations are trying to secure debt financing, then if we think it's an attractive package we should have the opportunity to make it part of the investment portfolio for the Heritage Savings Trust Fund. So it's almost the reverse of the way it was communicated. I know the Provincial Treasurer and I are trying our best to alter the communication and make it clear, which is one reason I welcome the question tonight.

MR. R. CLARK: Mr. Chairman, after the question being welcomed, I'd like to use a specific example. In no way am I making an application on behalf of this company; they're far more able to make the application themselves. Within the last few days a well-known Alberta company, ATCO — at least if media reports are accurate — has made a decision to attempt to acquire control of Canadian Utilities Limited. This would seem to me to be the kind of situation, all things being equal, that the announcement by the Provincial Treasurer last fall was aiming at because what's happening here, if I understand the arrangements accurately, is that we're bringing the ownership of that company, which does a great deal of business in Alberta, from the United States to Alberta, with its head offices here in the province.

I want to make very clear that I'm not making the case for ATCO; they're able to do that themselves. But in a broad general sense, without making any specific commitment, is this the kind of situation the government either was looking at last year or will be able to look at with the amendments to the Alberta Heritage Savings Trust Fund now before the House?

MR. LOUGHEED: Mr. Chairman, that's a very good question. The answer is definitely yes. For example, again not trying to make plans for the financial managers for ATCO, but assuming they are involved in a refinancing program where they are going to plan to raise some \$200 million by way of debt financing, they would then go through their normal investment dealers, money managers, to develop a public issue. We would be in the position in the Heritage Savings Trust Fund of looking at that as an investment of, if I could use approximate figures, up to \$120 million of the \$200 million. Somebody else has to pick up the \$80 million. The market place then polices the terms and conditions of the \$80 million, so that we and the citizens can be assured that we are obtaining an attractive investment as judged by the general market place on the other \$80 million, because we would have the same commercial terms on our \$120 million.

But the answer would be very definitely yes. If a company such as ATCO went into a financing, involved as they are in the province of Alberta, in our view it would be wrong for the Heritage Savings Trust Fund not to participate in that \$200 million debt financing, presuming the terms were attractive and picked up by others. What sense would it be if the Firemen's Fund of New York — I'm not sure why I particularly pick on them; they just appeal to me by way of their investment portfolio — why should they pick it up? Why should it not be picked up as an attractive investment by the Heritage Savings Trust Fund, not by way of a benefit or favor to ATCO.

MR. R. CLARK: Mr. Chairman, if I might broaden the discussion just a bit. During certain federal extracurricular activities which started last December and carried on into January, February, and so on, I think the Premier was in Switzerland during the latter portion of that event and got back just a few days before the election. The Premier's office indicated that the Premier was attempting — perhaps this isn't the exact terminology — to get a handle on the economic and monetary situation in Switzerland. I think it would be an appropriate opportunity for the Premier to indicate frankly what the results of those meetings were and, on a more serious basis, to ask if that was part of what led up to the amendments to the Heritage Savings Trust Fund where, pretty frankly—at least if the amendments are passed, and I get a sneaking suspicion that they may be — there will be that international investment.

MR. LOUGHEED: Mr. Speaker, our objective was essentially to recognize that we are now a major player in the financial market here in Canada and, to some extent, even in comparative terms, internationally. It's important for us, then, to be as fully informed as we can possibly be as to current trends and projected developments in the fields of international finance which affect such matters as exchange rates, monetary considerations and, particularly under the present circumstances, how petrodollars from OPEC nations with surpluses will in fact be invested back as they were in the '73, '74, and '75 period.

Our objective, therefore, was to discuss with those who were essentially in that business, both in the United Kingdom and Switzerland, their views as to what they would anticipate. I think it's a matter of public record. Quite obviously, what has been anticipated is that it will not be nearly as easy for the international financial community to absorb the surplus petrodollars in the



1980, '81, '82 period as was the case in '73, '74, and '75, when essentially the private banking community, as distinguished from government banking community, absorbed in large measure the surplus petrodollars flowing through the system.

As a result of that, very large loans were taken up by many of the private banks in loans to the less developed countries. The view of the international banking community is that to a large extent loans to those less developed countries are overextended and there's not likely to be nearly that much support for the funds flowing through by way of loans to the less developed countries, and it is anticipated to be a very major problem of international finance to absorb the petrodollars and that the banks, the banking institutions, the International Monetary Fund and other such agencies are all going to have to play a part in the absorption of those investments. Those factors may seem a long way from home, except they're not. They have quite a bearing in terms of the fluctuations with regard to currency, stability of the international monetary system — hence the view of the American dollar and of the Canadian dollar — an impact on inflation, an impact also on interest rates obviously.

So our reason for doing this — and we will continue to do it — is the same as we approached the energy field. We sought out the best informed people internationally; we got their consulting advice on a periodic basis. We will continue to do the same in the field of international finance because of the magnitude of what's involved.

I can say that a general view was expressed to us in both the United Kingdom and Switzerland that if — isn't that a wonderful word — if the Canadians were intelligent about their energy policy in the course of the next couple of years, Canada might be the most promising developed country in the world in which to invest.

MR. COOK: Mr. Chairman, I wonder if I might pose a question to the Premier. It relates to the communication of government programs. Quite frankly, Mr. Premier, I've been having difficulty with some of my constituents in trying to convey ideas about new social legislation that's available to senior citizens, grants for example. We've had difficulty communicating our position on the Heritage Savings Trust Fund. I think our constitutional positions are being misinterpreted to a great extent in the media.

On a broad question of communication of government programs or policies, would it be possible for the Premier to offer some suggestions to members of the Assembly, or ideas on how the government might approach communicating our very progressive social programs? I say it for two reasons. One, I think we're having difficulty inside the province communicating to our citizens. Secondly, there is a feeling in some parts of the country that if we were ever to assume leadership in the country, and I think we are, they would rue the day that some red-neck Albertans started dictating their values to the rest of the country. I think they're mistaken there, and I'm trying to grope for ways we as a government might communicate to both our citizens and our fellow Canadians where we stand on social legislation, on constitutional positions, and on the use of our Heritage Savings Trust Fund, just as three examples.

MR. LOUGHEED: Mr. Chairman, that's a difficult question to answer in the general. I might say on the latter half of the question of the hon. Member for Edmonton Glengarry that I believe the four western

premiers did an effective job in communicating the constitutional and energy and resource views of western Canadians with the television interview program we had which preceded the western premiers' conference. It was in prime time, and my mail and other conversations I've had indicate it was a very useful vehicle of communication throughout western Canada. I know the hon. member is going to say, yes, but that was preaching to the converted, if you like, and it was not observed that much in other parts of Canada. Frankly, I don't know the answer to that. I made the point of describing our views and the facts on energy, as I would like to put them, to the Canadian Press annual dinner in April. I have some plans of a similar nature in the spring of this year for further communication of our energy and constitutional views in other parts of Canada.

Coming back to your earlier question with regard to specific announcements here in the Legislative Assembly, we're not doing the job we should be doing, I guess, in communicating. I've had numerous senior citizens mention to me that they were completely unaware of the changes made in our senior citizen rental assistance program. So we are examining other ways in which we can try to get the facts to the citizens.

MR. R. SPEAKER: Mr. Chairman, to the Premier. The Premier mentioned the relationship and other things that might be done with other provinces of Canada. I think one of the feelings with regard to western Canadians is that we're a block unto ourselves. The rest of Canada isn't quite sure where we stand at the present time. We've had the western premiers' meeting. They have joined forces on certain topics. What type of plans — and I'm sure the premiers did discuss this — with regard to the relationship to the maritime provinces? I'm sure there are common interests, goals, and desires here in Canada.

Throughout the world we've found situations where — and I use this as an example — the United States has given loans and through certain economic devices has attempted to lift countries up. But other nations have used other types of techniques, psychological warfare in one sense, and they have won the minds and hearts of people. I wonder if there's any kind of thought in this leadership from western Canada to enhancing our image with the maritimes and keeping Canada together through some type of mechanism like that.

My question is general, but I think the key part is the association with the other parts of Canada. I'm not focusing on Ontario and Quebec as much as I am on the maritime provinces.

MR. LOUGHEED: Mr. Chairman, that's a very important subject. We have spent a considerable time, through the Department of Federal and Intergovernmental Affairs and other departments, keeping close contact and working wherever we can in a co-operative way with the Atlantic provinces, if I could use the broader term. We've had ministers from the province of Newfoundland here not too long ago. We've been assisting them relative to some of their views in terms of legislation on natural resources, and assisting them as they move towards the development, hopefully, of natural resources in their province. We've done the same with the province of Nova Scotia. I've held lengthy meetings here in Edmonton during visits by the premiers of Nova Scotia and Newfoundland. I've been in conversation with the Premier of Prince Edward Island on a number of occasions with regard to some projects occurring there.

It can't always be approached, although they consider it helpful that we have a role to play in a financial sense to assist them with some projects. We will continue to expand upon that, but that shouldn't be the sole relationship obviously. We should assist them by way of some experience we may have had in certain areas, not just in the energy or financial areas; but in others. Correspondingly, it's a co-operative way. They have some views, ideas, and things, for example in terms of transportation, that can be helpful to us.

So we have made and will continue to make a determined effort to communicate to the people of the Atlantic provinces the views of western Canadians and Albertans and, as well, to assist and work co-operatively with them on a government-to-government level. Frankly, without putting too much in terms of applauding their views, I think our concept of having a department of Federal and Intergovernmental Affairs has worked out very well. They have good, close working relationships with all four Atlantic provinces. We make a special effort at all meetings of an interprovincial nature, at the senior official level or the ministerial level, to work closely with those Atlantic provinces so that they understand the western point of view and that we work co-operatively towards national issues and objectives.

MR. R. SPEAKER: Mr. Chairman, to the Premier. Something as basic as, let's say, job opportunity. . . I know a number of Atlantic people here in Alberta at the present time. What type of discussion goes on with regard to employment opportunity in Alberta? Do we welcome them to come in or do we say, look, we'll help you build your province and build that part of Canada so you can enhance your economic position at home rather than come to Alberta? What type of message is going through at the present time?

MR. LOUGHEED: Very definitely, Mr. Chairman, the message is to try to work with them in assisting them in building opportunities for their own people in their own provinces and building upon the strengths they have in their provinces, and to assure that they have over the resources that are available to them in fisheries and offshore oil and natural gas, in particular, and in the coal industry in terms of Nova Scotia — that they build upon the strengths that are available.

Our whole thrust in our relationship with those provinces is that we feel the best thing for Canada is to have the Atlantic region stronger in terms of its economic growth and finding jobs for the people there. Certainly there are going to be times in our history when certain parts of Canada will have a higher element of job opportunity than others and we should have, from a Canadian point of view, perhaps easier mobility of labor than we have.

One of our messages, though, has continually been that in Alberta it's a skilled society. If you're going to come here, don't come with the expectation of something you might have read, that there are job opportunities here of an unskilled nature. The jobs available in this province require skill. Now we have welcomed people who have come here who have not been particularly skilled, who are now participating and involved in our postsecondary institutions relative to manpower training and other upgrading training of a technical nature. That has been good for us, because we do have a shortage in certain areas of skilled personnel.

But our first thrust is to try to assure that the Atlantic

provinces of Canada meet the potential that's there. If I go any further, I'm likely to get into the issue of offshore resources.

MR. CHAIRMAN: The hon. Member for Cypress.

MR. HYLAND: Mr. Chairman, I'm sorry. I was just waving to a page for a cup of coffee; I wasn't asking for a question.

MR. R. CLARK: Mr. Chairman, to the Premier. One issue that has caused us some real concern this session and other sessions is the question of ministerial accountability. I'd like to ask the Premier to outline to the committee what the Premier sees from the Premier's chair as head of Executive Council, the leader of the government — the Premier's perception of ministerial responsibility.

MR. LOUGHEED: My view on that, as I've expressed publicly, is that a minister is clearly responsible as a policy maker for the policy decisions of that department for which he or she is responsible. In terms of moving beyond that area of policy to the area of administration, I think quite clearly the minister is not responsible and cannot be responsible for administrative decisions made within the department. But once a decision has been made within that department and then brought to the attention of the minister, the minister assumes the responsibility not for the decision that was made, presuming the decision was made in error, but for bringing into effect the corrective mechanism to assure and to reduce the possibilities that those errors would be made again in the same way. That's where the ministerial responsibility occurs.

Now there are some gray areas that will involve the question . . . The way I see it, the precise involvement of the minister will expand if you're dealing in the senior management area of a given department, where the decision is administrative but by the magnitude of it at a senior level it is in the realm or, if you like, borders on the realm of policy. In that case I don't think one could be definitive, and one has to judge those sorts of cases on their own merits.

MR. R. CLARK: Mr. Chairman, to the Premier. Could we relate to the recent sequence of events at Peace River, and the time line the minister knew, let's say, in the early part of December, as a result of the Ombudsman's getting hold of officials of the department and so on. That being the case, why did the government not appoint the investigation into the whole question of child abuse in the province until virtually some four months later, keeping in mind, Mr. Premier, the comment made about the appropriate action by the minister or by the government?

MR. LOUGHEED: Mr. Chairman, subject to checking the record, which I think has been very fully and adequately answered by the minister both within the question period and at other times, the department itself had initiated an investigation of the particular circumstances involved. That investigation had not been completed until approximately the point at which the matter came to the attention of the minister. When it came to the attention of the minister and was reviewed by the minister, it was then a matter of deciding whether there were adequate standards in this area to assure that these experimental treatment practices were being controlled in an appropri-

ate way, either professionally by the psychologists' association of the province or in other ways. It became evident to the minister, and it was therefore his recommendation to Executive Council to establish the Cavanagh Board of Review.

MR. NOTLEY: Mr. Chairman, if I may, to the hon. Premier. Just following the sequence of events, the Premier indicated it was a recommendation of the minister. However, Mr. Premier and Mr. Chairman, that recommendation would have followed the release of the Thompson report. In other words, it would have been in the early part of March, or would it have been back in December, after the Ombudsman had contacted the minister's office?

MR. LOUGHEED: Mr. Chairman, I think it's quite clear that an internal investigation was undertaken and the minister had to have the benefit of that internal investigation. I don't have the record as to the timing that was involved. The record is here in the Assembly. But when the recommendation was received and the investigation completed within the department and brought to the minister's attention, the minister brought the matter to Executive Council, and that's when the Cavanagh Board of Review ensued.

Agreed to:

1.01 — Office of the Premier	\$359,660
1.02 — Administrative Support	\$1,015,660
1.03 — Office of the Lieutenant Governor	\$69,295

#### 1.04 — Project Management

MR. LOUGHEED: Mr. Chairman, perhaps I could just respond at this point to the Member for Edmonton Mill Woods. The basic reason for the variance there is the elimination of the amount involved in medical research, involving the contract with Dr. Bradley and the related expenses.

MR. R. CLARK: Mr. Chairman, to the Premier. Just as a matter of interest, is Dr. Bradley still retained by the Premier's office as an advisor on medical matters?

MR. LOUGHEED: Mr. Chairman, he's on a very interim arrangement with Executive Council and the office of the Premier, pending decisions with regard to his future involvement in the medical research foundation, which would be made independently by the board of trustees, which is now functioning.

Agreed to:

1.04 — Project Management	\$599,457
1.05 — Protocol	\$314,989
Total Vote 1 — Executive Council Administration	\$2,359,061

#### Vote 2 — Occupational Health and Safety

MR. NOTLEY: Mr. Chairman, just before we proceed, could we perhaps have the minister lead off with a brief resume, and then I certainly have a few questions.

MR. DIACHUK: Thank you, Mr. Chairman. Over and above the administration of the minister's office, Vote 2 provides the total funding and administration of the division of occupational health and safety, the purpose of which is to prevent work-related accidents and ill health, and to promote occupational health and safety. This is done through co-ordinated delivery of services, which includes inspections, enforcement of regulations, advice and consultation, education and training, development of technology and standards, and communication and research. The main objective for 1980-81 is to maintain the number and quality of services in the face of substantial increases in workload.

The priorities for the program as reflected in the budget will be a sharper focus on high-risk industries, particularly construction, lumbering, oil well drilling and servicing, underground mining, and certain types of manufacturing. This will also include the development of strategies to reduce the number of fatal and lost-time accidents. The emphasis will also be the provision of prompt responses to complaints and requests for services, especially in dealing with suspected health hazards. We hope to continue the promotion of educational and training programs in association with industry, labor, and educational institutions; also to assure the uniform delivery of services in all parts of the province, including the continued development of agricultural safety programs in association with the Department of Agriculture; also to complete the development of new regulations which are presently undergoing review respecting occupational health and the revision of general safety regulations.

I would like to deal in some detail with substantial increases in some of the workload to which these programs have subjected the staff. There's a significant increase in high-hazard industrial activities. Some of the sectors where we are encountering this are: the growth of construction activity in this province; the growth of oil well exploration, drilling, and servicing; transportation; and even in primary industries, which are mining and petroleum-related industries. Some 40 per cent of workers' compensation claims for injuries are associated with construction on oil wells. This has really increased over the past two years, and this is where the great emphasis of the division is now focussed.

MR. NOTLEY: Mr. Chairman, first of all several comments. I notice a motion on the Order Paper where we'll have an opportunity to discuss the Select Committee on Workers' Compensation. I presume that will come this spring, although I gather that's up to the Government House Leader, and he's smiling like a Cheshire cat at the moment. I'm not sure whether that means we're going to have the debate or not. [interjection]

Mr. Chairman, I would say to the minister that one of the most important areas we have to look at is prevention. That certainly is the underlying theme of the Select Committee on Workers' Compensation. Although it's difficult to compare figures, one of the difficulties when you look at different jurisdictions is that they have slightly different standards by which to measure accident rates. But by and large the select committee agreed that at least in the European countries there was a much greater emphasis on prevention. One can quarrel with the statistics, which would indicate there were fewer accidents, although we could get bogged down in how they measure them. But certainly the emphasis was on prevention. That's certainly an area where it seems to me we as a province have to shift the focus of our activity.

That really leads me first of all to the question of oil field safety. I know that we have discussed this matter in the Assembly during question period. I have posed questions to the minister on the recent consulting report which was tabled by the minister. But it does seem to me, Mr. Chairman, that as a province we're going to have to take a much tougher approach on this question of oil field safety. We just have far too many people being either badly injured or killed as a result of inadequate safety measures on drilling rigs in the province.

I was quite interested in England. I think by and large the whole question of workers' compensation in England is a bit of a dog's breakfast and not something we'd want to copy in this country. But one of the areas that I did think was quite useful was the attitude that that country is taking towards North Sea oil development and mandatory training. The people on the rigs are in fact given enough of a background before they go out so they don't have so many of the accidents which occur on Alberta rigs where, frankly, it's just a case of greenhorns going on rigs not knowing the procedures. We have fatalities and accidents which, frankly, we can't be *blase* about, as members of this committee. I know the minister would like to have a larger inspection force. That's clearly one of the things we have to undertake. That has to be complemented by better procedures by the industry itself.

But, you know, we've come a long way in price. When I was first elected to this Legislature, I remember the debates we had in the Legislature over the price of natural gas. I think the average field price of natural gas was 15 or 16 cents. One of the big issues in '71 and '72 was whether it could be pushed up to 21 or 22 cents. Now we're looking at a different picture entirely. With oil that's similarly true. While we're perhaps not getting as high a price as we as Albertans would like, it's an awful lot more than \$2.80 Redwater crude, which it was in 1971.

What I'm saying, Mr. Minister, is that I think we have to be very insistent that there be improved standards of workers' safety in an area where, frankly, it's easy to get young people, sometimes just out of school without any particular background, to go out and in case after case after case get badly injured because of inadequate monitoring, inadequate inspection, and inadequate enforcement of safety regulations.

I guess one of the reasons I want to reinforce this is that just the other day a young chap who had come to me on an agricultural constituency matter was killed. As I know this person quite well, that just reinforced in my mind the need to be a little more insistent than we have been on the question of oil field safety.

I want to move from there, if I can, Mr. Chairman, to ask the minister to give us a fairly comprehensive report on this business of the mines inspection branch. I understand it has been transferred to the occupational health and safety division, but there is now a separate mine inspection branch — not too many inspectors, but a separate mine inspection branch. The minister can correct me if I'm wrong, but as I understand the problem that United Steelworkers, at least, are putting forward, by taking people who are qualified mine inspectors — in other words, no longer having a separate branch of occupational health and safety dealing with mine inspection — and turning them into generalists, if you like, shifting the staff component from specialty to area, we may have more people to inspect the mines, but they won't be as qualified: they won't have the background knowledge that one requires to be an adequate mine

inspector. Mr. Chairman, that's the concern I would express at this stage. I know there has been ongoing discussion between the department and McIntyre Mines on the one hand and the United Steelworkers' local in that area on the other.

Perhaps we could leave the question just as I phrased it and ask the minister if he could bring us up to date on where things stand on that important question.

MR. DIACHUK: Mr. Chairman, first I want to welcome the representation made by the hon. Member for Spirit River-Fairview for an opportunity to debate and concur in the report of the select committee. I think he has already placed five minutes of his address in *Hansard*, but it won't be counted against his time when it comes up on the order of government business. Because of the magnitude and the dramatic, bold recommendations, I too am interested that we get an opportunity. I have done a bit of lobbying with the Government House Leader in the hope that before we recess, we would have an opportunity to debate the report in order to prepare us for amendments to The Workers' Compensation Act.

MR. R. CLARK: Has your lobbying been successful?

MR. DIACHUK: Yes.

With regard to oil field safety, in the complement of the new positions we have one drilling or oil field specialist, in addition to the two we have now. I can say that's a 33 per cent increase in that field. It's because of the mobility of that industry — and the industry is willing to co-operate in a lot of their own inspection, with the exception that there was previously no format for the setting up of the rig, the inspection of the rig. They assure us that there are sufficient qualified people in their own industry who will be able to carry it on. As hon. members know, sometimes the service industry moves on about a two- or three-day basis. There's no possible way any government inspectors are physically able to monitor every rig, check it out every time it sets up, dismantles, and moves — sometimes a mile and sometimes 101 miles. We've had good co-operation from the Canadian Association of Oilwell Drilling Contractors; many of them have good programs. The hon. member is quite right that the education, the attitude, is one that the industry is addressing itself to, and part of it is with the co-operation of occupational health and safety officials.

So I can assure that the recruitment is out for another good specialist to increase the complement, particularly a specialist in the area of oil well inspection, oil drilling inspection, and oil servicing inspection. They are going to continue to do spot checks and, for that purpose, as occupational health and safety officers are in the district they can check on how up to date their inspections are at that rig.

With regard to the mine inspection branch, many times we have assured everyone that my officials and my office — I've assured the union and everyone who has inquired that there is no intention in any way to weaken the quality of the inspection service we've had. We are recruiting and advertising for mining engineers, but as the hon. member knows, they are scarce. From what I understand, recruitment is now across Canada for the two vacancies we have. However, as I reported in this Assembly in answer to a question from the hon. Member for Pincher Creek-Crowsnest, we presently have one underground mine in this province. In all fairness, there is sufficient staff with that speciality in the occupational

health and safety division to assure them to be able to carry out the inspections.

I think we should await also the inquiry being carried out by Mr. Stephenson, who has just commenced it. In all hope the target for the first report is set for the end of this year with regard to mine safety and mine inspection that would reflect on all of the underground and surface mining operations in this province. I look forward to receiving this by the end of the year.

The transfer of the regulations is an ongoing procedure being reviewed by the union and my officials, in order that there is an agreement to the regulations as they're transferred to the occupational health and safety division that is required under the Act. These are not finalized. As soon as the session is over, I hope to address some of my time to some of those discussions too.

MR. NOTLEY: Mr. Chairman, just to follow that along a bit, I understand the transfer of the regulations was originally designed to take place on April 1. The concern I've had expressed is that instead of having a separate mine inspection branch as part of occupational health and safety, in fact we would still have engineers but they would be blended into the general operation of occupational health and safety. Now, if that's not correct, perhaps we can just stop there and the minister can correct it.

MR. DIACHUK: The first question the hon. member asked: that is not accurate. No target date was set. The Occupational Health and Safety Act provides for regulations. When the regulations overall are agreed on, they will be approved and then will be official. But at the present time, inspection is carried out under the regulations set up under the ERCB, which are as they have been for the last number of years.

With regard to the operation, even the director of the northern office is a mining engineer. He competed for that position, was approved, and his vacancy is going to be filled by another mining engineer. In time, there could be more. No doubt the objective is still to have the full complement of mining engineers, but they will be assisted by the other professional people, the hygiene people, the services of the labs and so forth, that they didn't have before because they were only carrying out their work as mining engineers. They were alone. They didn't work in co-operation. They worked on a consulted basis. Every indication is that there is a good understanding at present. There was some unhappiness, but to my understanding in my meeting with the inspectors, this has been resolved.

MR. NOTLEY: Mr. Chairman, just to follow that along. I don't suppose there is going to be any serious problem if we're able to recruit enough mining engineers, people who have the competence and understanding so that they can properly inspect a mine like Grande Cache. It seems to me that where we run into trouble is if we aren't able to recruit competent people. My understanding is that the salary levels are not exactly the kind that will bring people jumping, scooting, whooping, and hollering to come and work for the government of Alberta, although, we'll get to that in a more general way when we get to the Minister responsible for Personnel Administration.

MR. R. CLARK: Not so general.

MR. NOTLEY: The fact of the matter is that formerly, under the old arrangement, under the legislation that's been in place for many years, we've had this separate branch that has operated and has developed a good relationship, I understand, with management as well as the union. It's not just a case of one side or the other, but both.

Now I can see the argument for the kind of blending together, so that you have support staff to strengthen the role of the mine inspector. But it seems to me, Mr. Minister, that argument prevails only if we have a commitment that in fact we're going to be able to find enough qualified mine engineers. Without retracing some of the "you said this" and "no, I didn't" kind of debate that took place with the minister and some of his staff in the newspapers — and since we aren't supposed to refer to the newspapers in any event, I'll just refer to the reports — it seems to me that the bottom line of all this, Mr. Minister and Mr. Chairman, is that we don't have enough people. If we're going to satisfy the legitimate concerns of both a mine management that doesn't want a recurrence of the tragedy in Grande Cache as well as the workers, we're going to have to satisfy ourselves that not only are we advertising adequately, but in fact we've got the people.

As I understand the mine inspection branch, with one of the gentlemen being sick and another one being appointed as the director, in actual fact the people who are able to do the inspection and carry out that work are few and far between. I guess that's the point I want to make. We're going to have to ensure an adequate number of qualified engineers who can act as mine inspectors. Otherwise the problems the minister has alluded to of getting an agreement — I know he's had a number of meetings with representatives from the Grande Cache steelworkers, because they've told me they've met with the minister and find him a very obliging person to meet with. The fact of the matter is that this kind of thing is going to be an ongoing matter of contention unless we have enough people actually doing the job.

MR. R. SPEAKER: Mr. Chairman, to the minister. We have the large growth of the petrochemical industry in Alberta at the present time. I wonder how the minister is approaching that concern with regard not only to labelling some of the products, sites, and concerns but is there a special emphasis within the department to deal with the growth and the problems that evolve with such an industry?

MR. R. CLARK: Mr. Chairman, just following along on that point. Here in the petrochemical industry the department has an opportunity to be one step ahead rather than two steps behind. It's a rather newly developing facet of Alberta. If you'll pardon the pun, Mr. Minister, this might very well be an acid test of whether the department will be ahead of things or playing catch-up again. I would hope that three, four, or five years from now when we're back doing the estimates, we might be talking in terms of the minister being able to show that in 1980 the decision was made to really be ahead of the game rather than behind.

The two areas I want to dwell on for just a moment, Mr. Chairman, deal with, first of all, drilling rig safety and inspections. Can the minister update progress on the formation of the worksite committees at drilling sites? I raise that question because in the course of my presessional meetings in my own riding, a young fellow who

was a driller — who had the wretched experience of putting up with me a number of years ago in school — took time off the site and came in and proposed that in his opinion the government would be far wiser to invest some of its training dollars in the training of drillers across the province. He wasn't downplaying the training of roughnecks. The point he was making was that roughnecks come in, and to a very great degree the safety they are a part of will rest very much on the kind of safety attitude the driller has, and that a driller basically becomes more of a professional in the field as opposed to roughnecks. If there's a safe attitude by the driller, on one hand the roughnecks' chances of not having an accident are far less, and if one were to get involved in a very extensive training program of roughnecks, the drop out, if I might use that term, just from the standpoint of starting the job, then going into jobs in a wide variety of other areas — the training dollar wouldn't be perhaps as well spent there as it would be by zeroing in to a great degree on the whole area of the drillers. That isn't taking away from the kind of work being done at the oil well training centre on the south side here, but the proposition seemed to have considerable merit to me, and I pass it on.

Mr. Minister, what action has been taken to increase the number of inspectors responsible for safety at drilling sites? The minister said two inspectors look after safety inspections on some 322 drilling sites and some 375 service rigs. Has there been any change in the practice of conducting, in the minister's own words, irregular inspections? With two inspectors, I can appreciate that they would be somewhat irregular, when one looks at the number of 690 drilling sites or service rigs.

Also, Mr. Minister, has the minister given consideration to asking for interim reports from Mr. Stephenson, commissioned for the coal mine safety report on April 30, I believe? As I understand the announcement on that occasion and subsequent comments, it will be some two years before the report will be completed. It does seem to me that it may be very advantageous, Mr. Minister through the Chairman, to get some interim reports. Some steps may very well be taken as a result of interim reports, rather than waiting for a final report two years from now.

The third and last area I want to ask a question about, Mr. Chairman, deals with safety committees. Mr. Minister, if I recall, a year ago during the course of the estimates in reference to a question asked by some hon. member, the minister indicated there would be an evaluation of the effectiveness of joint safety committees. The minister will recall one or two years previously that we had the discussion here as to whether these joint worksite committees should be voluntary, and just how fast we should be moving on them. Has that evaluation of the effectiveness of joint safety committees been completed? As a result of the study, Mr. Minister, what recommendations has the minister made and implemented in the department? I guess I should also add that if the evaluation was an outside study, would it be possible to get a copy of that evaluation?

[Mr. Purdy in the Chair]

DR. REID: Mr. Chairman, I'd like to get some clarification from the minister on the matter brought up by the hon. Member for Spirit River-Fairview. With regard to the mine inspection program, perhaps the minister can confirm whether I have the right impression, that this is more or less equivalent to the recommendation on the

chest diseases and presumptive clauses in the report of the Select Committee on Workers Compensation, where rather than taking away a previous "right", the idea is to supplement that with a new system. Naturally, I'm aware of the concerns of my constituents who belong to Local 7621 of the United Steelworkers. In conversations with Mr. Oakes, the president of the union, I have gained the impression that they are not adequately informed as to what the concept of the inspection branch will be under occupational health and safety.

Is it the intention to have safety inspectors who are completely and adequately trained in, and who also have experience in, mining activities? Is that the equivalent to having inspectors in the construction industry who are trained and experienced in the construction industry? If so, I think that that will do a lot to reassure the members of the United Steelworkers at McIntyre Mines.

In regard to the current investigation being carried out by Mr. Stephenson, I was wondering if the minister could give us any indication of implementation of the recommendations of the department's own investigation, which was completed some time ago, and what time frame the minister will be looking at for implementation of any recommendations that might be made by Mr. Stephenson, who's an extremely experienced mining engineer, in his interim report which is scheduled for December 1, 1980.

Also, I might like to comment that I'm very pleased to see an increase of some 40 per cent for research and education in the estimates for the minister's department. I presume that is aimed at prevention rather than cure of industrial accidents and industrial disease. Having been a doctor involved very much with workers' compensation and having been a coroner for many years, I certainly agree with the tremendous concentration we found, in Germany in particular, on the prevention of accidents. Even allowing for the difficulties of comparing statistics that the hon. Member for Spirit River-Fairview mentioned, it would appear that there is a genuine reduction in accidents and fatalities in Germany as a result of their concentration on prevention.

The other increase I would like to mention is some 25 per cent in the occupational hygiene division. I would like to ask the minister if he can give us some details as to what that increase is intended for.

Thank you.

MR. DIACHUK: Mr. Chairman, on some of the questions raised by the hon. Member for Spirit River-Fairview and the concern he has with regard to an adequate inspection force, let me assure the members of the Assembly here in committee that there is no intention to keep any separate mine inspection branch. It has been expanded to develop a total engineering branch. The engineering branch, by coincidence, is going to be headed at present by a mining engineer. This is the kind of role the mining specialist will have. In my opinion, there will be a continuation of emphasis on an adequate, well-trained inspection force. The estimates show some large number of positions to be approved. This is the intention, to increase many of the areas. I've indicated an additional mining engineer, and another specialist in the oil drilling field. But that's just an indication that we're looking at all the areas, not just the construction area.

But at the same time, as the hon. Member for Edson pointed out, we have assured the union that there is no intention to weaken it. As a matter of fact, what the reorganization will provide is to supplement the present

system with additional qualified people, as the hon. member knows.

The area that was of concern to the hon. Member for Little Bow is also being addressed by officials. We have the hygiene people, some top noted staff who are qualified with the lab available and are involved in the petrochemical industry. We also have to co-ordinate a lot of it. Dr. Buchwald is serving on the Canadian occupation and health centre. He is in the first place to be able to get information from other regions so that we don't have to wait for the results here in Alberta; we're able to bring some of the studies and experiences from other regions to Alberta. We welcome any other recommendation or representation the hon. member has with regard to the petrochemical industry. The representation, whether verbal or written, will always be accepted by officials to strengthen their effectiveness in the petrochemical industry.

I appreciate the expression the hon. Leader of the Opposition used with regard to the acid test or the catch-up things. My officials are having quite a time keeping up with the growth in this province. That is why in seminars and organizations, we continuously — even today there was a seminar in Edmonton — are encouraging the private sector to carry some of the load themselves. We would co-operate with them to identify some of these concerns, rather than just wait for us to be able to carry out all the inspections.

On the question of training, the centre the hon. Leader of the Opposition referred to falls under Advanced Education and Manpower. I can only assure you that I have shared with my colleague the Minister of Advanced Education and Manpower: we are reviewing it. We are sharing with the industry what direction we should go with training in the oilfield. It is true that some of the promotions — this is what the Sage study pointed out — came too quickly, that because the need was there, men and women became drillers before they were really qualified. I know my colleague and I have shared that area. Now that he has his estimates approved, we hope to be able to address ourselves to what direction that petroleum training centre is going to take in the future.

With regard to regular inspections, maybe I wasn't too clear. The intent is that in the oil field, every time a rig is set up, every time a drilling operation commences, a qualified person from that employer or company would be able to complete the inspection, and it will be posted there for our officials to review. At the present time, that is the most effective way we can see that we can assure that the rig is set up safely. Sage indicated that some operations would commence before the rig was properly set up. Concern was raised about that, and the industry assured us that they have sufficiently qualified people who could carry out the inspection, which would be on file for any occupational health and safety officers who are in the vicinity doing a spot check.

The review of the joint worksite safety committees is now before the Occupational Health and Safety Council. I can only indicate that as soon as the report is completed — to the best of my knowledge, it isn't an outside study — I will be prepared to share with members of the Assembly whatever information is concluded. It's an ongoing thing. I haven't been briefed recently on the stage of the review of the effectiveness of the joint worksite committee, but I know the different members of the Occupational Health and Safety Council are grouped into subcommittees and are reviewing it. I should be able to review their report sometime this year and possibly meet

with them shortly after the session.

I welcome the comments by the hon. Member for Edson, because I know his involvement in the discussions with the members of the union. On one recent trip when I visited Grande Cache with the hon. member, we shared information with the union. They've been given the assurance that, I repeat, it will be an opportunity to supplement the present program rather than in any way reduce the quality of inspections at Grande Cache.

Agreed to:

Vote 2 — Occupational Health and Safety \$7,767,351

### Vote 3 — Workers' Compensation

MR. R. SPEAKER: Mr. Chairman, I have a question with regard to compensation for firefighters who suffer from cardio or pulmonary disease as a result of employment as firefighters. I was wondering if any work has been done on that.

MR. DIACHUK: Mr. Chairman, part of the recommendations of the select committee report is that we would hope there wouldn't be any need for a list of industrial diseases for which a worker disabled by whatever disability would be able to receive compensation. The concern of the firefighters, the automatic chest diseases and others, would be covered in that. I can only indicate to the hon. Member for Little Bow that that wouldn't be in place until possibly The Workers' Compensation Act is amended. The earliest I can see some program, if we're successful in getting the legislation through in the fall, would be January 1, 1981.

Agreed to:

Vote 3 — Workers' Compensation \$10,648,400

### Vote 4 — Support to Native Organizations

DR. McCRIMMON: Mr. Chairman, I appreciate the opportunity to make a few short opening remarks with respect to my department of Native Affairs. As you'll notice, the amount of dollars involved is relatively small compared to a good many other departments, the total being \$1,866,521. The total increase this year is 3.9 per cent. This is from normal salary increases. The major portion of the estimates, grants, remains the same: \$1,028,000. There's no change in staff numbers. Two were put on permanent staff from temporary staff.

The 12 friendship centres in the province have been going well this past year. I feel they're a very major link for the native people coming to our towns and cities, assisting them to integrate and co-ordinate their efforts to adjust to town and city life.

Also, this year we have brought in urban native referral centres in four places: Fort Macleod, Calgary, Edmonton, and Grande Prairie. The purpose of these is to assist native people in the transition from life on the reserve or in the isolated communities and various outlying spots in the province to adjust to city life.

With respect to land claims, there are quite a number on the books, I guess between 15 and 20. As you are all aware, one or two more have come to the fore in the past few weeks. If there are any questions on any of these, I'd be happy to try to answer them for hon. members. To cover the whole picture of the land claim situation would

take hours, because it's a very complex, complicated procedure.

With those few opening remarks, Mr. Chairman, I'd be prepared to answer any questions members might like to give.

MR. R. CLARK: Mr. Chairman, I have three areas to start with. Mr. Minister, first of all, dealing with the question of land claims — not that I want to become involved in between 15 and 29 individual claims, however many there are. But I think it would be very helpful to the committee if we could get some idea of the way in which they are being handled. How is the consultation being worked out? What other government departments are involved? I assume that the minister responsible is the chairman and the chief contact person. I guess the best way would be: how is the process working? If it takes a few minutes to clarify that, albeit. Some of the representation that has reached my office is that there is some confusion or mix-up in how these are being processed once they get into the government maze, if I might use that term.

Secondly, Mr. Chairman, dealing with the question of foster homes for native young people and a recommendation that came forward not long that native-only homes were urged for foster youngsters, what kinds of discussions have taken place between the minister and his staff and the minister's staff and the Department of Social Services and Community Health? As I understand it, the proposition put forward is that a number of native young people would likely be far better served if there were a number of native foster homes in the province that would be far more in keeping with the background of foster children of native ancestry.

Thirdly, Mr. Chairman, the question of the comments made by the minister with regard to the president of the Alberta Indian Association, Mr. Joe Dion. In my judgment, that was a very blunt assessment by the minister of Mr. Dion, the president of the Alberta Indian Association. The kind of public criticism the minister levelled at Mr. Dion — I would like to know, and the committee would find helpful to know, the background which led up to that comment. Was it a reasoned, well thought out condemnation of the president of the Alberta Indian Association? Rather was it an off-the-cuff kind of thing that perhaps wasn't as well thought out as planned? That happens to all of us and, if that's the case, I think it would be helpful to know that situation.

On the positive side of things, Mr. Minister, during the course of the past several months the minister met with the people in Rocky Mountain House following a number of allegations made about the attitude of the people in Rocky Mountain House to the native people west of Rocky Mountain House. I commend the minister for meeting the matter at Rocky Mountain House head on, if I could use that terminology. I'd be very interested in knowing what follow-up and results have taken place since that meeting the minister convened in Rocky Mountain House.

MR. R. SPEAKER: Mr. Chairman, I have three or four questions for the minister. The first is with regard to native employment. I was wondering what types of programs the minister is assisting to put in place. Through consultation with the various reserve groups across the province, are there any industrial programs, other types of programs, straight employment programs? Or is it the general attitude of the minister and the government that

the first priority is to upgrade or train the individuals, then they can go out on the labor market and find their own employment?

The second question is related to the first, and that is with regard to The Individual's Rights Protection Act. Under certain circumstances preferential treatment can't be given to native persons with regard to certain job opportunities. I was wondering if the minister has taken any stand with regard to voluntary affirmative action and is supportive of that type of amendment to that Act.

The third area I would like the minister to comment on is with regard to programs and encouragement to native children to stay in school or to take further training. What types of things are happening in that area?

The fourth is with regard to the responsibility for the Metis in the province of Alberta. I think there are somewhat similar problems, concerns, and needs for the Metis of the province of the Alberta as for the Indians on the reserves. I was wondering if there is any thought in the future planning of the department of Native Affairs to bringing these two groups together under one department, maybe specializing in certain programs and co-ordinating the efforts to a greater extent.

MR. NOTLEY: Mr. Chairman, might I just begin by asking the minister, when he answers the questions in general, to give us a breakdown of grants to native organizations. This is page 72 of the elements. I notice that the grants this year are \$1,028,000, exactly the same as last year. There doesn't appear to be any increase as a consequence of inflation. I wonder if we could get a breakdown of the grants last year and this year. If certain grants are not being continued, we'd be interested in that as well.

Mr. Chairman, I have two or three questions for the minister. First of all, I would just add my voice to that of the Member for Little Bow on the question of affirmative action — although I noticed that hon. Minister of Labour smiled a bit when the member raised the question. We gather by the grapevine that there's going to an amendment to The Individual's Rights Protection Act in the next few hours. Perhaps the Minister responsible for Native Affairs could scoop the Minister of Labour and tell us tonight what we're going to hear tomorrow. I would hope that in the process of what we hear tomorrow — and perhaps this is a representation — there will be provision for at least a voluntary form of affirmative action. If we're going to develop programs in northern Alberta so that native people have an opportunity to be employed and to get the kinds of jobs where they can be promoted and eventually take part in the active economic framework of our society, we need affirmative action as a beginning. I know that Native Outreach — the minister is well familiar with that organization — has been making representation to the government, has certainly made representation to me, about the need to amend The Individual's Rights Protection Act. Maybe this will all be academic as of tomorrow because the Minister of Labour will have made his announcement; nevertheless, I think it is an important issue.

The other area I would like some comment from the minister on, Mr. Chairman, is where this whole question of the delivery of provincial services to people on Indian reserves stands as of today. I know it's a difficult question, because treaty Indian people have certain rights under the Indian Act which they don't want to surrender. On the other hand they make the point, and I think it's a valid point, that they are citizens of Alberta. I would be



interested if the minister could advise us what progress has been made in the delivery of provincial services to Indian reserves right across the board, all the way from normal government services to such things as the municipal debt reduction grant; whether progress has been made on that question.

Finally, Mr. Chairman, on the issue of the Metis colonies — I shouldn't say colonies because they're not colonies any more, but the settlements. The Minister of Social Services and Community Health indicated that there would be follow-up meetings. Will it be the intention of the Minister responsible for Native Affairs to take part in those meetings? Is the minister in a position to advise the Assembly whether the Premier himself will be able to meet with the Federation of Metis Settlements in the coming year to look at this question of a without-prejudice agreement? The Minister of Social Services and Community Health held out some hope of that, but I would imagine that the responsibility for co-ordinating such a meeting would rest largely with the Minister responsible for Native Affairs.

So I would put those general questions to the minister, Mr. Chairman.

MR. R. CLARK: I have just one further question I want to ask the minister. Mr. Minister, leaders of the national organization for Indian people have made representation to the federal government that from the standpoint of future constitutional discussions, Indian people should be represented at the conference table. I'd be very interested in knowing the position of the Alberta government on that particular question.

DR. McCRIMMON: Mr. Chairman, I'll start off with the hon. Leader of the Opposition. I believe your first question was with respect to land claims. The land claims policy has basically been that from the last treaty, Treaty 8, the settlements were 128 acres per person. There are still some outstanding land claims based in the Fort Chip area. There is a difference of opinion on the timing. There is no question about the legitimacy of the claims: there's an outstanding claim there. The differential is in when the count is made. It is the opinion of the provincial government that the count should be made at the time of treaty signing. If that is the case, the land settlement would be between 23,000 and 24,000 acres. However, the Fort Chip band feels that counts should be taken as of current population, which makes a difference of between 90,000 and 100,000 acres. So there's a difference in this settlement as far as land-claim policy is concerned. There are still a few minor ones outstanding on the same basis. The policy is that with this 128 acres, the province would retain mineral rights.

You were wondering about the way it's being handled. That's just the basic policy. There are land claims in general and aboriginal rights. Maybe we could touch on the aboriginal rights question. It's felt by the province that aboriginal rights are extinguished due to the fact that the province, we feel, is covered by treaties. Treaties 6, 7, and 8 basically cover the total province. We feel that when an area is covered by a treaty, it extinguishes the aboriginal rights on that area. This last claim based on aboriginal rights has just come up in the last few weeks. They are questioning the validity basically of Treaty 8. Whether that is true or not, time will tell.

There is a listing of claims by a good many of the bands across the province. They vary in nearly every case. Some are for mineral rights and some are for land enti-

tlement. I know that over the last number of years there has been a staggering amount of research, basically by the bands. Some of them have their own land research officers and departments within their reserves, which have gone back to well before the first treaties were signed in the province and have researched every detail right straight through.

So these things are cropping up all the time. There are quite a number of claims outstanding. Several are in the courts. I think the land claim in your constituency, to the Leader of the Opposition, is at the present time in the courts. We have several others in the courts as well. I speak in that respect of the ones for the Metis settlements. There are two or three more in the courts at the present time.

Those are the basic concepts if you were to cover the broad scene. I can go into any one and give you specific detail, but each one varies from the next, so it's a little complicated to go into the whole picture.

MR. R. SPEAKER: Mr. Chairman, to the minister with regard to land claims. Are there any claims before the minister or the courts or coming, that the minister is aware of, where a corridor between one reserve and another had been set aside in those early agreements for travel between the various reserves? Has any type of claim to that effect come before the minister, or is he aware of any type in that manner?

DR. McCRIMMON: Not to my knowledge, nothing along that general line.

To the hon. Leader of the Opposition: your next question was with respect to the foster homes. There has been an arrangement with the Blackfoot band which has currently run out. I've discussed the matter with Mr. Bogle, and we are going down to see them or have them come and see us just as soon as possible, as soon as we can get a moment from the House being in session. But the basic policy for foster homes is more or less, first, to try to get the foster child into a native family on a reserve; second, to try to get into a native family off reserve; and, if that isn't possible, to get it into a proper foster home.

That's the basic policy. We will be discussing this with various bands across the province. Personally, I have a feeling that perhaps the chiefs and the bands themselves, and the councils, should take a little more responsibility. They are the ones who know best who is good on those reserves, who is a responsible set of parents or foster parents for the people; so the social worker can go to the band and say, what homes are available for these children? I have had this question asked of me. I feel very strongly about this. I don't know if some of the bands have taken the responsibility they should have, because it is their own children and their own problems that we and the Department of Social Services and Community Health are trying to solve. Perhaps more communication and co-operation could be developed. But I think this is probably the pattern I would recommend. It's what has been carried on with the Blackfoot and it seems to have worked very well. We will be meeting with them, hopefully, in the next few weeks.

[Mr. Appleby in the Chair]

Now with respect to the question with the leader of the Indian Association of Alberta. Last June 6 there was a meeting at Government House among the Premier, me, some members of the caucus, and the Indian chiefs and

councillors of Alberta. At that meeting the Indian Association of Alberta requested assistance for economic development, and we said we would write them, which we did within the next few days, asking for their views on what areas they expected economic development. We asked them five basic questions. From that time on, time after time I requested the leader of the Indian Association of Alberta to bring forth these answers so we could develop some type of policy to assist in economic development for the Indian people; We didn't get an answer until last week. We never did get the five questions answered, but the policy they did bring out was to request \$40 million a year for the next five years from the province and \$10 million a year for the next five years from the federal government, to bring a total package for economic development to \$250 million, to be managed by the consortium of the chiefs of Alberta.

We are looking at that situation. There are a few things we naturally would be required to know, and we're in the process of developing a letter with the questions. But that is the economic development answer we received from the chiefs of Alberta. Now when you go to a meeting, request something and have to wait 10 months for an answer, I think somebody is remiss in their duties. In this case, I think it's the leader of the Indian Association of Alberta. So those remarks were not made off the top of my hat.

You brought in one final question as far as the constitution is concerned. There's considerable discussion across Canada with respect to pressure being put on by the national Indian association. They brought forth a new policy at their last convention, with a great deal of pressure exerted to be allowed a full seat to participate in constitutional talks and discussions at the next first ministers' conference on the constitution. Frankly, with regard to that question I haven't got a policy to give. This has just come from their recent conference, so we haven't come to a decision whether we are for it or against it. But certainly a great deal of pressure is being put on the Prime Minister of Canada and the first ministers of the provinces by the native people to have a part in those discussions as far as the constitution of Canada is concerned.

With the respect to the Member for Little Bow and how we are developing native employment, I think two or three factors have assisted us or we're working on. The first is the fishery situation. As you know, there has been a select committee of the Legislature with regard to fishing. In conjunction with the Minister of Public Lands and Wildlife, we have instigated a situation as far as commercial fishing in the province is concerned. I think it's way behind. I'm interested in it, because if we can get the thing going I believe we can assist another 100 to 200 people in this. Two-thirds involved in the industry are Metis and native people. Probably the easiest way to get a Metis or native person successfully located in work is to give them something they're used to, know how to do, and are at home at in their own area. So that is following along.

Considerable work has been done by my colleague the Associate Minister of Public Lands and Wildlife with respect to trapping. I have no doubt that the forest fire situation will be a considerable dislocation as far as trapping is concerned for a good number of our people in the province of Alberta.

There have been a number of rather exciting programs with Advanced Education and Manpower. A good many of them are more or less all set to go. Some of it certainly depends on how soon and if the major projects — the

Alsands and the Cold Lake projects — within the province are developed. There has also been some additional training done. In fact at the moment 10 natives are taking heavy-equipment training from . . . What's the name of that band way up in the far north? Harold Cardinal is their business manager.

MR. NOTLEY: Assumption.

DR. McCRIMMON: The Assumption band, yes. They're currently taking a heavy-equipment course, because there are lots of jobs for that type of work. There's a lot of activity right in the general area.

Your next question was with respect to the affirmative action policy and The Individual's Rights Protection Act. As far as the government of Alberta is concerned, the affirmative action policy has been more or less the concept that the general area gets the first option at the job. In other words, you work on the principle of dropping a pebble in a pond. The ripples start closest to where the pebble is dropped and disseminate as they disappear out into the pond. In other words, the people within the area close by get the first opportunity at the jobs. That covers all the people, regardless of race, religion, color, creed, place of birth, and so on.

If you stop and think about it, considerable concern has been expressed — probably some of it legitimately — that 60, 70, or 80 per cent of native people on reserves are out of work. Unfortunately this is true. However, only 4 per cent of the population in the province is out of work. Consequently, when these major job-producing developments come along, the ones who are going to be assisted are basically the Metis and native people. They are the ones who are unemployed, because 96 per cent of the other employables are employed already. So automatically they come first on the list. I feel there's no reason disadvantaged whites or other people should not be in the same position.

Your next question was: are children to stay in school? This is difficult, because one of the problems as far as native people are concerned is the lack of education for job training. It is improving. If you will look at statistics over the last number of years, we are getting more native graduates; we're getting more people into NAIT, SAIT, training schools, and this type of thing. It's still far too low, but it is better than it was. Hopefully, with the training programs the Minister of Advanced Education and Manpower has ready to go, and if the projects go ahead, I think we will be able to take care of a major number of new personnel from the reserves. The companies seem very co-operative and capable and have run some good programs, particularly Syncrude and GCOS.

One thing I really do fear is training native people and then not having a job for them at the completion of training. If that happens, you lose them. I feel you lose them forever. Therefore, to me the timing of bringing in these training programs is all important and very, very essential to the success of the overall program.

With the Metis requirements and economic development, I'm pleased to say we're getting excellent co-operation from the president of the Metis Association, Mr. Sam Sinclair. At his request, we have started a program on economic development, which is just nicely getting under way. I am quite hopeful for it. He is putting the package together, and I'll be able to tell you a little more about it in a few months. To me it looks very promising, and I am very pleased with it as far as it's gone. We'll see how things jell in the next few months,

but we're getting excellent co-operation from the Metis Association of Alberta. As far as this department is concerned, this is quite a change from what has happened to us over the last few years. It makes all the difference in the world who the leader of an association is.

You mentioned the possibility of bringing the two departments together. I'm afraid that isn't my decision, so I'll just pass that one over. I'm afraid that is the Premier's decision. If he wants to bring the Metis settlements from the Minister of Social Services and Community Health together with my department into one department, that is the Premier's decision.

To the hon. Member for Spirit River-Fairview: with respect to grants, I can give you a general breakdown. The allocation for grants is roughly — I'll just give you round figures — \$210,000 to the friendship centres, roughly \$200,000 to the Indian Association, \$350,000 to the Metis Association, \$57,000 to the Voice of Alberta Native Women, \$94,000 to the isolated communities; and \$115,000 miscellaneous funding. We also require urban and native referral centres; four centres are in there, which runs in the neighborhood of \$150,000. The referral centres basically have just come on stream this year. Calgary just came on stream April 1. It appears they're doing very well. It's filling a gap that was there before, particularly in the two major cities. They are operated in conjunction with the municipalities, and Calgary, Edmonton, Fort Macleod, and Grande Prairie have just been excellent in co-operation with our department. It seems to be working well. It's a little early yet to make a full assessment. By next year we should be able to make a really good assessment on the performance, but I'm very pleased with it to date.

The delivery of provincial services to reservations: I can give you a list of what the province is actually doing in giving services to treaty Indians, if you would like. The following list is programs and services available to treaty Indians on reserves. That was your question, as I understand it. The agricultural societies grant, agricultural consultant and extension services, major cultural recreation program, pioneer home repair program, rural gas program, 75th Anniversary grant, technical consultant and information services available from virtually every department, from small business consultants to home economics, consumer information, technical housing, Native Affairs project funding, rural mobile-home program, and the program for senior citizens' drop-in centres. Offhand, those are most of them that are presently being delivered. Keep in mind that at the June 6 meeting last year, the government was asked by the Indian Association of Alberta and the chiefs of Alberta not to go ahead with any education or health programs, so that has remained static. We've kept up the programs as they were on June 6 last year, but at the request of the Indian Association of Alberta there has been no advancement.

You asked about meetings with the Metis settlements. I have attended the meetings with the Metis settlements, at the request of the Minister of Social Services and Community Health. Whether or not the Premier will come to the meetings is not my place to say, because those settlements are the responsibility of the Minister of Social Services and Community Health. I wouldn't want to put words in his mouth or make statements he may or may not be able to fulfil. So I'll leave him to answer that question.

If I've missed anything on any of the questions, I'll be happy to try to fill in.

Agreed to:

Total Vote 4 — Support to Native Organizations

\$1,866,521

#### Vote 5 — Personnel Administration

MR. STEVENS: Mr. Chairman and members, as Minister responsible for Personnel Administration I would like to provide members with a brief overview of our Personnel Administration office.

The objective of the Personnel Administration office is to maintain for the public service of Alberta a system of personnel administration which provides uniform and objective standards for about 33,000 provincial public service employees, a service which recognizes the obligation of the Alberta government to provide the highest standard of service in the most efficient manner to the people of this province, our visitors, and their guests. I'm very appreciative, Mr. Chairman, of the efforts and dedication of the Public Service Commissioner, the directors, managers, and staff of the office; also the work of the officials who serve in various capacities on appeal boards, classification appeal, grievance boards; also the co-ordinators of the various departments, the personnel officers and related staff in those departments, with whom we work closely.

Within the office there are five divisions. One the employee relations division, is responsible for negotiations and administration of our collective agreements with the Alberta Union of Provincial Employees, for regulations and benefits, compensation research, and the classification of our bargaining unit employees. The second is our management services division, which is responsible for recruitment and selection of senior managers, their employment terms and conditions, and long-term planning for managerial personnel. We have a departmental services division responsible for staffing activities, occupational health and safety for all government employees, and our special placement program which assists handicapped citizens to obtain meaningful employment in the public service. We have an organization development division, which is responsible for staff development and career planning, training, co-ordination and development, performance appraisals, and personnel planning. We have an administrative division as well, which is responsible for financial, personnel, general administration, and statistical services within our own organization.

The services are provided mainly in Edmonton, as well as in an Edmonton sub-office for temporary staff, clerical recruitment, and employment inquiries, and a regional office in Calgary which provides all the personnel administration functions I've just mentioned throughout the southern region of Alberta, including an office in Lethbridge, as well as offices in Edmonton, Calgary, Red Deer, and Grande Prairie which provide employee health services. The budget before hon. members proposes an expenditure of about \$6.25 million, an increase of about 12.1 per cent over the 1970-80 forecast, and provides for 186 permanent full-time positions, an increase of nine positions.

The increase, Mr. Chairman, in the '80-81 estimates can be broken down to about 7.5 per cent for inflation and volume increases. The remaining 4.6 per cent is for the nine new positions and their benefits, and a feasibility study. The new positions are required by the department to meet the volume increases in classifications and com-

petitions, as well as to meet increasing demands for services in the occupational health and safety program. With the approval of the Assembly, we also intend to increase our emphasis on personnel planning and career development to assist groups of citizens and employees who may not be realizing their employment potential.

The feasibility study I mentioned will provide a cost/benefit analysis of proposals on about 30 systems or sub-systems which have been developed by a group from the office of The Public Service Commissioner and the office of the Controller to improve our personnel and our payroll practices and policies.

The major increase in supplies and services before you is for advertising. Despite stringent control, costs have risen due to volume and to increases in the publishing lineage rates.

Shortly, I hope to table before the Speaker and members the annual report of our Personnel Administration office. That report provides a statistical summary of the department's activities. But it might be of interest for tonight's review to be advised of some of these statistics. For example, we have a long-term disability plan. This is the third year of the plan. It provides income maintenance for employees unable to work due to long-term illness and disability. As of March last year, 322 employees were receiving benefits under this program. During that year, 195 employees ceased receiving benefits because, in the main, they were able to return to work.

Another benefit for our employees' is our group life insurance program. This is a shared cost program. It provides for basic life insurance for employees within the bargaining unit and for employees in management or opted-out and excluded employees. Last year we had about 80 claims paid to beneficiaries of employees. Thirty-three claims were approved under the disability waiver of premium, and eight claims were paid under the dependent's life insurance program. Under our travel accident plan, I'm pleased to say that no claims were filed by employees protected while travelling on government business.

Nearly 4,300 positions last year were reviewed as to job allocation or the allocation of non-management positions. Nearly 2,000 classification actions were completed by individual departments. These were audited by the Personnel Administration office. Twenty-five new or amended classes were created.

It might interest members to know that grievances and classification appeals were dealt with as provided for in our master agreement and our regulations throughout the steps available, including the public service grievance board or the classification appeal board wherever required. In our management area, 550 classification transactions were completed. The management classification appeal board dealt with 18 appeals; 14 of these were denied and four granted. In the bargaining unit and in the management area, I think it would be of interest to you to know that there are provisions for increments based on performance and on merit respectively. Those provisions are in addition to the increases which are negotiated at the bargaining table or established as a result of review or by reclassifications.

In the area of recruitment, as Alberta's economy continues to lead in Canada, the volume of our activity has increased by 21 per cent: 4,000 competitions were held last year; 1,600 entry level support positions were handled; and 4,600 temporary staff were employed.

There is no doubt of a decline in the availability of candidates for some occupational groups. I can give some

examples: chartered accountants, lawyers, therapists, systems analysts, psychiatric nurses, and corrections officers. Another area of difficulty in recruitment is in typing and stenographic positions.

I was very interested in the estimates tonight and the views of my colleague the Minister responsible for Workers' Health, Safety and Compensation. In occupational health in the public service, about 270 referrals were received by our diagnostic and referral unit. About half of these are self-referrals. We had 29 seminars on stress management attended by 700 participants. The public service has identified 155 joint worksite health safety committees, and 90 per cent of these are now functioning. For example, 3,000 employees received defensive driver training last year. In employee health, we had 5,300 heart screening tests conducted, and 7,000 employees received special presentations on health education and promotion. Nearly 2,000 worksites were visited by our staff.

In our special placement program, the one I mentioned before for handicapped or socially disadvantaged citizens in Alberta, 140 individuals sought assistance; 80 were placed, while the remainder received counselling and referral guidance. In the long-term disability insurance program, 135 placements were made; two-thirds returned to their former positions.

We've had new training programs developed in personnel planning and career development. These are being enthusiastically received. These are specifically tailored to career opportunities for women, such as preparing for the job interview; professional development for the executive secretary; or perhaps as important, awareness training for managers. We have a host of orientation seminars, programs on managing change, personnel practices and procedures, all of which are in addition to training programs put on by the various departments that are tailored to their specific needs, and in addition to special leave programs for education and training.

In concluding, Mr. Chairman, I thought members might be interested in knowing that our government employees are distributed throughout Alberta in roughly the following proportions: in the Edmonton region, 53 per cent; in the Calgary region, 14 per cent; in the Red Deer-Ponoka-central Alberta region, about 8 per cent; in the Lethbridge area, about 3 per cent; in other areas combined, 22 per cent. This is not only reflective of the government's policy of encouraging balanced growth, but I believe it's an indication of the provincial distribution of a skilled work force of men and women who, in the main, not only provide Alberta with a dedicated and efficient work force but, as individuals and as part of family formations, contribute to Alberta's growth and development.

If there are any questions, Mr. Chairman, I'd be pleased to take them.

MR. R. CLARK: Mr. Chairman, to the minister. Mr. Minister, I found the remarks most interesting. I was waiting somewhat breathlessly, though, to get some indication as to what progress is being made as far as negotiations between the government and AUPE, when negotiations will start, some sort of overview of those negotiations from the minister.

Mr. Minister, I would like to get some reaction from the minister on three other areas. First of all, Mr. Minister, in the course of discussions earlier in the session with the Solicitor General's Department, specifically the motor vehicles branch, the Assembly was advised during question period that a rate of turnover of something between

20 and 25 per cent — I forget the exact rate — in that department was not surprising. I found that surprising myself. I wouldn't expect this information to be on the tip of the minister's tongue. But, Mr. Chairman, perhaps I might ask the minister if we could get a breakdown as to the turnover per department. I think it would be a very interesting statistic for members to have. I could go the formal route, Mr. Chairman, of placing a motion for a return on the Order Paper. Or, Mr. Minister, if that information is simply available on a departmental basis more recently than the last annual report tabled, perhaps if that information could be made available by means of a memo to my office, that would be helpful.

Mr. Chairman, to the minister. I would be interested to know if that is a reasonable ballpark the government is satisfied with, something between a 20 to 25 per cent turnover within the 33,000 provincial government employees. As I say, I found that quite high. We'll get involved in some of the specific reasons for that department when the estimates of the Solicitor General get to the motor vehicle branch itself. So just to conclude that point, Mr. Chairman, it would be very helpful if we could get a comment on the overall turnover within the government and then that information on a departmental basis.

Secondly, Mr. Chairman, to the minister, in the Auditor General's report reference was made to overtime problems at the provincial institutions, especially Fort Saskatchewan. In the Auditor General's report it points out very clearly that the regulations of the minister's office have been very clearly violated many times. I'm not being critical of the overtime being paid, but I'd like to know, Mr. Minister, what changes have been made in the regulations and what steps the government anticipates to deal with this kind of situation. In reference to areas where it was difficult to hire people, I noted that provincial jails and guards were among the groups.

A second area, Mr. Chairman, where the Auditor introduces some questions — in fact the Auditor went some distance to ask a number of questions — was the whole area of contracts and consultants. Mr. Minister, I'd be interested in knowing what kind of discussion goes on between the minister's people and the various departments before consultant's contracts are arranged. Is the minister's office, Personnel Administration, the central contact point? That's what I thought it would be, but in listening to discussion in Public Accounts and to the Auditor General's discussion, frankly I got the impression that the contact point was Treasury Board and the Provincial Treasurer's Department. That seemed a very strange situation. There may be some logical explanation for it, Mr. Chairman, but I'd be very interested in knowing that explanation.

To the minister, would it be possible to know — I use the term advisedly — a rough breakdown of the number of man-hours or whatever equivalent term the minister would care to use, concerning the amount of time absorbed by consultants' contracts let last year. Ofttimes we throw around the figures as to the size of the public service. It's a pretty easy manoeuvre — if I could use that term — that all governments use, to go the contract route as opposed to taking people on permanent staff. I'd be interested in knowing if we could get some [idea] of magnitude as to the number of man-years or man-hours, or whatever terminology the minister would choose to use, that would give us some kind of manageable view of this whole question of contracts that were taken on.

MR. THOMPSON: Thank you, Mr. Chairman. I have an area of concern for the minister, and that's to do with job applications. It seems like down in my constituency, which is quite a distance from Edmonton, people are not aware, or as aware, of the opportunities to work for the government as they are around Edmonton. I know a young fellow down there who would like to work for the government. He has to get one of his relatives to send the *Edmonton Journal* to him just to see what's available.

I also see in the estimates that we've allocated \$866,000 for advertisement and recruitment. I was wondering if the minister would see if it's feasible to make up catalogues of different occupations like heavy duty operators, stenographers, accountants, or whatever, and instead of advertising these things in the paper around Edmonton, have people who are interested in getting a government job apply for a catalogue and pay a nominal fee like \$2 or \$3 to get it. I think that would help solve some of these problems with the advertising and give everyone in Alberta an equal chance at different job opportunities in government.

MR. NOTLEY: Mr. Chairman, in participating briefly in this debate, I'd like to ask a couple of questions and make at least one or two comments. The first question, Mr. Minister. You indicated some moves in the area of advancement of women within the public service. I wonder if perhaps the minister would be a little more definitive about steps being contemplated. It's one thing to hold in-service training for secretaries, but the question I think the Status of Women Action Committee, among others, would put in this House is: what steps are now being undertaken by the government to allow women to move up to top managerial positions in the public service? I know this government is not prepared to go the route of affirmative action *per se*, but I would like to know what other steps the government has in mind to deal with the imbalance I believe we discussed last year in the average income of women working in the public service compared to the average income of men. The figure last year, if my memory serves me right, was something in the neighborhood of \$3,000. That's the sort of thing that I'd like some additional information on.

Similarly, the minister mentioned efforts to encourage the handicapped in the public service. Of course that is a form of affirmative action. It seems to me that how far we go on that depends on what kind of statement we get from the Minister of Labour tomorrow on The Individual's Rights Protection Act, but I'd be interested in the minister's comments there. Those are the two questions.

I'd just like to make three comments. First of all, Mr. Chairman, to the minister, I would say that over the summer the hon. Minister responsible for Personnel Administration will be sitting in the hottest seat in the government of Alberta, because we have a major negotiation under way with AUPE and a very strong feeling on the part of the Alberta Union of Provincial Employees that we have to make some catch-up settlement with that organization. The fact of the matter is that when one looks at public sector settlements probably '72 to '75 — I remember reviewing the statistics — there were several years when public sector settlements actually exceeded private sector settlements. But that has not been the case in the last five years, especially not in a province like Alberta. It seems to me that the problem the government faces . . . When the minister made his initial comments to the committee this evening, he indicated there were shortages in certain areas. He outlined the problems getting

chartered accountants, for example. The provincial Auditor General has made that point vividly clear before our Public Accounts Committee; it's just very difficult to compete with the private sector for chartered accountants. For that matter, it's difficult to compete with other provinces for chartered accountants.

One of the questions I intend to pose to the Solicitor General when we get around to that hon. gentleman's estimates is the difficulties of maintaining staff at correctional institutions. Quite frankly, Mr. Minister, beginning salaries in the neighborhood of \$13,500 are not going to attract people to become correctional officers.

So it seems to me what the government is going to have to face is that we have a large number of examples where catch-up settlements will have to be made and that if this government is saying no, we're going to stick to those guidelines come hell or high water, it's going to be hell for the minister and, I suspect, high water for a lot of backbenchers. It's going to be a rough, tough summer.

I would say to the minister that this government is going to have to look very carefully at comparative salaries across the country, not only with the public sector but with the private sector also. Regardless of the theories I or the minister can put forward from the left, the right, or the middle of the road, the bottom line is that we have to make the system work. And the system will only work if we are paying salaries which are generally competitive in the market place. If our salary levels in the public sector begin to lag behind alternative salaries, we aren't going to maintain the level of staffing necessary to run those programs. We're going to have substantial turnover, as we found in the Solicitor General's Department, where 25 per cent is considered not unusual. In the case of correctional officers, it certainly doesn't surprise me. We have correctional officers coming in one door and going out the next. That's not surprising with the salary levels we're making available to them.

But it seems to me that what this government has to deal with is not the application of an arbitrary guideline, but a systematic process to bargaining so that we can deal with catch-up areas where catch-up areas are required. The Member for Edmonton Belmont is very knowledgeable in the area of collective bargaining. Over the long run I don't think too many people in private sector trade unions, or even in other public sector trade unions who have the right to withdraw their services, would very happily accept arbitrary guidelines.

We have a special responsibility, Mr. Chairman and Mr. Minister, because people employed in the public sector in Alberta don't have that ultimate "or else", the "or else" that Edmonton bus drivers have, CUPE employees in nursing homes have, or most people in the private sector have of withdrawing their services. We've eliminated that "or else" and substituted arbitration instead with Bill 41. It seems to me that as a consequence of that decision — and I haven't changed my mind: basically I think people in the public sector should have the right to withdraw their services. But that's a philosophical argument which I know I'm not going to convince the government of today. But it seems to me that even accepting the government's own premise, then the next step must be a willingness to bargain in the best of faith. I don't see how we can do that if we say: this is the guideline and we're going to stick with it.

I look at some of these comparisons. Mr. Minister, albeit they're selective. But as I look over a number of positions in our public service and compare them even with other provinces, we're not doing very well. A Clerk

III: \$13,896 in Alberta, \$14,900 in British Columbia; a home economist: \$19,634 in Alberta, \$24,396 in Manitoba, \$20,412 in British Columbia — the Saskatchewan figure for 1978 was \$2,000 above the Alberta figure for 1979. Rehabilitation Counsellor: \$16,584 in Alberta, \$26,412 in British Columbia.

There are too many examples like this, Mr. Chairman and Mr. Minister, too many examples that, frankly, are going to get the government of Alberta into some real, serious difficulties unless we can bargain with our public service, with AUPE, free from the constraints of the 7.5 to 9 per cent guidelines. I know that members will say, no, we have to set an example. Well one has to live in the real world, and the real world in Alberta is that there's a boom. When rents are going up by 25 or 30 per cent, and when private sector settlements are higher, we have to meet that competition. If we don't, people vote with their feet. Whether they have the right to strike is irrelevant; they simply leave. They do something else. And that's the problem we find in example after example.

So I would simply make representation to the minister right now that the guideline policy will have to be modified as far as this government's negotiations are concerned, if for no other reason than that it won't work in Alberta in 1980. It might work in Newfoundland, where you have serious unemployment, where the options aren't there. But in a province where you have relatively full employment, you have to meet the ultimate competition of the market place. With our policies to date, Mr. Chairman and Mr. Minister, in many areas — not all of them — but in many areas, we haven't done that.

MR. STEVENS: Mr. Chairman, first of all responding to the hon. Leader of the Opposition regarding the progress of negotiations, I would indicate, perhaps for the knowledge of all members, that we have a process of negotiation on two levels. We begin with the master agreement negotiations, and those negotiations have commenced. At some point during those negotiations, or at the conclusion of the master agreement negotiations, we'll be negotiating on the basis of individual divisions. There are 12 divisions.

I don't believe it's in the interest of the employees or their representatives, the Alberta Union of Provincial Employees, or the government, or the people of Alberta, to comment in detail on the negotiations. But I would say that they have started. They have also commenced in other areas where, for example, the Alberta Union of Provincial Employees provides bargaining agent advice and input, and where the Personnel Administration office is providing input as well on behalf of that agency or corporation. Those negotiations have commenced.

If I might leave the comments of the hon. Leader of the Opposition for a moment to return to them, I would go back perhaps to the Member for Spirit River-Fairview and just indicate that the government's wage and salary guidelines are indeed just that: they're guidelines. They form part of our collective bargaining objectives. And there are many factors that will be brought to the bargaining table. It is bargaining in good faith. There will be factors that both parties will bring forward. I would expect, as has happened in the past, that arguments will be brought forward regarding adjustments, anomalies, comparisons, or job classifications versus other job classifications, because it's not a simple thing to say that a home economist in one area is equated to a home economist in another. One has to look at the level of responsibility, the job content, and all those other factors

that are brought forward at the table. But I would expect that we may find some settlements below, some within the range, and some above. But overall, our collective bargaining objective is to reach the guidelines established by the provincial government in December and announced at that time.

Returning to the comments of the hon. Leader of the Opposition regarding the motor vehicles branch, I can't give it tonight, and I'm not sure I can give it at all, other than as a window on turnover. Turnover changes constantly. It's very difficult to give you that kind of information, but I will do my best to give that information to all members, if we can in fact identify it. I can give you an indication of competitions, which is perhaps a reflection of turnover due to retirement, advancement, promotion, and persons choosing to leave. For example, I can give you that kind of information, and I'll circulate that. For example, just so you'll know, recruitments in the various departments have ranged from a percentage of, say, for the 4,000 figure I mentioned last year, about 18 per cent in the Department of Social Services and Community Health, down to very minimal. The other large areas where we would have heavy recruitment activity would be in Government Services, about 10 per cent; Transportation, about 8.5; Energy and Natural Resources, 7.5; and after that it's down in the 3, 4, 5 per cent range. I think that's reflective of the kinds of activities, the number of employees, the locations of those employees, and their opportunities to take advantage of other job opportunities that may be available in transportation, community health, that sort of thing. If that would be of help tonight, that's the kind of situation we have.

On an overall turnover rate, I do agree with the member that 35 per cent, 25 per cent, or 15 per cent is obviously of concern to anyone in management. I can remember my days in Fort McMurray where in the initial stages of a new town, new construction, and so on, companies would be faced with 65 per cent turnover figures, and the tremendous wastage of training, travel, replacement, housing, and all those other factors, not to mention the personal and human problems. Generally, our termination rate was estimated last year at about 19 per cent on average. That includes retirement and death. The voluntary termination rate is about 17 per cent, on average. That is below major cities in Alberta, and below some of the other public sector employers. In other words, we are doing well — even though I don't minimize the impact that has on training and other pressures for teaching and so on.

I might also say that I'm sure the turnover is a concern to each minister, and his or her deputy obviously is interested in that. It has an impact on recruitment and other pressures on any department which may be under stress and strain as we grow. That would perhaps give you a better feeling for Alberta's position. Exclusive of retirement and death, it's an average of about 16 per cent, which is low. [interjection]

I beg your pardon, Mr. Chairman. I didn't hear that.

MR. R. CLARK: Mr. Chairman, I wonder if I might ask the minister: Mr. Minister, is it possible to give some kind of comparison with neighboring provinces or the province of Ontario?

MR. STEVENS: I can do my best, Mr. Chairman, to get that information. If I may provide it subsequently to all the members, I would be pleased to do that. Again, you'd have to consider the validity of the statistics and how they

were put together. But I'll give you our statistics and try to get what we can from the other provinces.

On the matter of overtime in the Auditor General's report, if I might take a moment here to put my finger on his report. The hon. Leader of the Opposition raised two concerns. One had to do with the situation faced by the Solicitor General and his department, where a large number of staff are involved in shift work, long hours, and so on, and a small number of staff appeared to be assigned the overtime, either through their availability or their volunteering. I can advise you that as a result of the Auditor's report, both our office and the Solicitor General are reviewing that situation in order to try to resolve that matter specifically identified at the Fort Saskatchewan Correctional Institution. I would have to allow you the opportunity for that minister to comment on any operational programs he may have in mind when you're at the estimate time with him. But we certainly understand the position taken by the Auditor General, and will work together with that department or any other department to try to find a way to achieve a solution.

On the other matter, the member mentioned the area of contracts. It is probably a confusing matter for members. There are two kinds of contracts: one is an employment contract, where the government would be contracting with someone for a service as an employee. The Personnel Administration office does in fact regulate, co-ordinate, and approve those kinds of contracts. There are any number of them in the government that I can identify for you subsequently. But I think the member may be thinking of other contracts of a non-employment nature. I'm not sure, but that may be partly the question. Those are not covered by the Personnel Administration office, and are covered by Treasury. Perhaps that is where there may be some confusion in all our minds. The number of man-years in the estimates: you'd have to consider each department and determine that from the budget before you. It will be indicated clearly in that case. The other, non-employment contracts are shown as fees for services. I hope that would clarify that situation.

The Member for Cardston, I believe, had a question that has been very intriguing to me. That had to do with: why can't we find a way of letting people who want to work for the Alberta government and live in rural areas find an easier way of obtaining information about jobs and perhaps providing their candidacy? We have a number of ways of providing information to Albertans. First of all, we do it basically through a job bulletin. The reason we do that is because under The Public Service Act we have the requirement to give our employees career development, career opportunities. So we provide these job bulletins throughout the province. I believe those bulletins come out every Friday. In various positions where these are posted of course you can see line-ups where it's convenient for those people.

The member has brought up the problem of rural areas or areas that are not as close to the major areas. So a second thing we do, besides sending out all those bulletins — I think over 1,000 bulletins go out every week to 1,000 locations — is have a public advertisement campaign. The member has mentioned the cost in the budget, and I was mentioning before the increased lineages rates which have grown tremendously, although our average cost per position has stayed relatively the same over the past three to four years by stringent control and by reducing the wordage and, making sure we hit or rifle in at the market at the right time or the right location. Basically, we do have the main dailies in the metropolitan areas of

Edmonton and Calgary, which cover about 370,000 readers including 100,000 readers scattered in the northern, southern, and central parts of the province who do take the two major dailies or either one of them. We also send our bulletins to the Canada Manpower offices — and I think some other offices receive these bulletins — so that people who walk in to receive government service will have the opportunity to see a bulletin posted at perhaps what they might consider a strange location. But it is there.

If we were to send out bulletins to individuals who requested them, I think I would probably be back before the Assembly looking for additional staff to monitor, administer, collate, and mail them out, and at some additional cost. What I might propose, Mr. Chairman, for the member and all members interested in that kind of solution is that if any time a citizen is interested in working for the province or submitting his or her candidacy, he or she would write to us, we would put that application in a particular area of interest that that person might identify. We will hold that for a period of time and make sure that person gets information on job activities that would be of interest to that person. That might be an approach we could follow that would help persons such as have brought that to your attention.

Mr. Chairman, I believe there was another question as well from the Member for Spirit River-Fairview regarding women and their advancement, and handicapped employment in the provincial service. In the area of handicapped and other socially disadvantaged Albertans, we have not taken an "affirmative action" approach, which some people define as a reverse discrimination approach or the golden hand. What we have done instead is recognize the difficulties handicapped persons have in obtaining employment. We've created a program since 1975, which I think has provided leadership in the province. It doesn't make work, but it provides assistance to people by integrating them into our work force. They are hired on the basis of their ability, not their disability.

I was asked recently about how many handicapped people we have working for the government of Alberta. I couldn't begin to tell you, because of course we don't keep a record of handicaps, whatever they may be. What we do is: when people approach us and identify that barrier, we try to counsel them in finding a position within the service or referring them to other areas in the public or private sector. We've done this by accommodating the facilities to meet the handicapped person's needs, in other words, their working environment; or we've had special programs with managers to help managers realize the tremendous human resource there. Just to give the member some information about numbers, since 1975 we have assisted 853 handicapped people in seeking employment with the provincial service; 50 per cent of those have been employed by the Alberta government. So I think it's a very positive program of counselling, referral, and making the two parties meet.

In the area of women's career advancement, I have held a series of meetings with representatives of the Alberta Status of Women Action Committee, council of women, native women, Native Outreach — I can go on and on — and representatives of SAIT and NAIT. I think basically we have tried to show that our program involves a number of approaches which involve training opportunities for women who choose to take them, programs that help women become assertive in developing their own skills and showing those skills. Many women employees in the provincial government have entered the service

through clerical or stenographic training, and they've not had those job interviews other individuals have taken. So we have a program that provides them with that kind of understanding. We also have a special pamphlet out now which is going to all female employees, and other employees who wish it, which shows them how they can take advantage of these training programs.

We also have awareness programs for our managers, which have been quite interesting. I hope one day perhaps I can show to all members, at a convenient time, the slide show indicating to those managers who have the opportunity to see the program, how they should look into themselves and make sure they're not missing the resource available to them. I think you would find it very informative.

We have programs also that have identified a co-ordinator in each department. That co-ordinator and his or her department is now developing a work plan for that department. We'll be reviewing those work plans. With the approval of this budget, over the coming year we also hope to establish a statistical information-gathering system which will show us how many men and women apply, at what levels, and where we can see areas where perhaps we are not seeing recruitment in a particular group or class of people.

Mr. Chairman, I hope those answers have been of sufficient help for the members.

Agreed to:

Total Vote 5 — Personnel Administration \$6,242,301

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, and reports as follows:

Resolved that there be granted to Her Majesty for the fiscal year ending: March 31, 1981, sums not exceeding the following for the purposes described: Department of Housing and Public Works: \$1,767,000 for departmental support services; \$900,000 for operation and maintenance of waterlines; \$82,010,000 for planning and acquisition of accommodation; \$205,316,000 for planning and implementation of construction projects; \$51,374,000 for policy development and financial assistance for housing; \$44,113,000 for housing for Albertans; \$12,504,000 for mortgage assistance. In addition, the following supplementary estimates, Mr. Speaker: \$15,440,000 for policy development and financial assistance for housing; \$9,000,000 for housing for Albertans under the Alberta Housing Corporation; and \$2,250,000 for mortgage assistance under the Alberta Home Mortgage Corporation.

The Committee of Supply has had under consideration certain resolutions, reports progress thereon, and requests leave to sit again.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, I've had some inconclusive consultation with the hon. members of the opposi-



tion with regard to the scheduling of business tomorrow. I might say that with the intention of doing a number of second readings tomorrow night, we felt that we might discuss the prospect of doing Committee of Supply in the afternoon. My inconclusive consultation made it appear that the second reading of at least one of the Bills would be preferred in the afternoon, but I'm not in a position to say until tomorrow whether or not we would agree to that. I wanted to say that now, and indicate that whatever

is done with regard to second readings tomorrow at whatever time, the intention would be to do Bills 29, 31, 41, 42, and perhaps others if there is time. For the portion of the day that we may be in Committee of Supply, we would continue with estimates of Executive Council.

[At 10:58 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]

