

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Thursday, April 23, 1981 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

Expression of Appreciation

MR. DIACHUK: Mr. Speaker, today I wish to rise on a point of personal privilege. Today marks the one-year anniversary of when so many of the members of this Legislature joined my family at the funeral service for my son Douglas at St. Basil's Ukrainian Catholic Church. During the time of bereavement there are no boundaries because of our different faiths. The message from all of you was how all have become aware of the tragedy of a suicide.

I wish to compliment the Department of Social Services and Community Health for having a suicidologist on staff, Dr. Mark Solomon — I am advised it is a first in Canada — and for the program of bereavement support groups being founded in Alberta; also my compliments to the Alberta Teachers' Association for devoting their March 1981 magazine to the family, in particular the article by Jo-Ann Kolmes entitled Giving Up Young — Teen-age Suicide.

Mr. Speaker, through me, my family wishes to thank every member of the Assembly for the past year. Thank you very much.

head: INTRODUCTION OF BILLS**Bill 216****The Refined Petroleum Products
Wholesale Price Control Act**

MR. NOTLEY: Mr. Speaker, I request leave to introduce Bill No. 216, The Refined Petroleum Products Price Control Act. The purpose of Bill 216 would be to place the wholesale pricing of gasoline under the control of the Public Utilities Board.

[Leave granted; Bill 216 read a first time]

head: INTRODUCTION OF SPECIAL GUESTS

MR. COOK: Mr. Speaker, today I'd like to introduce 45 grade 9 students from the Cardinal Leger school in the Dickensfield subdivision of the Edmonton Glengarry riding. They're accompanied by three teachers, Mr. Peter Suvill, Mrs. Kay Saunders, and Mr. Jim Emslie. They're here to see the Legislative Assembly in action, to see their public building and public servants conducting the business of the province. I'd ask them to rise now and receive the warm welcome of the Assembly. I think they're in the members gallery.

MR. MACK: Mr. Speaker, it's my great pleasure this afternoon to introduce to you, and through you to the

members of the Assembly, 60 grade 5 children from the Kildare school located in the heart of the Edmonton Belmont constituency. They are accompanied by Mr. Oliver Chernyk, and I would ask them to rise and receive the welcome of the Assembly.

MR. KING: Mr. Speaker, I would like to introduce to you, and through you to the members of the Assembly, 25 students from Concordia College located in the constituency of Edmonton Highlands. Accompanied this afternoon by instructor Mr. Richard Willie, they are seated in the public gallery. I would ask them to rise and receive the cordial welcome of the Assembly.

head: MINISTERIAL STATEMENTS**Department of Advanced Education
and Manpower**

MR. HORSMAN: Mr. Speaker, you will recall that in April last year the government of Alberta announced its intention to establish a major new technology and trades institute in the Edmonton region. A planning committee was charged with making recommendations with respect to location, program offerings, architectural planning, construction, and operation of the institute. The announcement of the government's intention to build a new institute and the establishment of the planning committee generated proposals from 17 communities. A large volume of data was presented by the interested communities, and additional information was gathered independently by the committee. Members visited each of the communities as part of the process of determining the most suitable location.

In its deliberations the committee determined that four major factors have a bearing upon the successful establishment and operation of such a postsecondary institution:

1. The proximity to the student pool. Currently 11,000 apprentices, 43 per cent of the total in Alberta, are located in the Edmonton region. Accommodation of apprentices was a major consideration.
2. The accessibility by the students to the institute. The ease with which students can travel between the institution and their places of residence was an important consideration and took into account the number of alternative routes as well as traffic patterns.
3. Nearness to industrial activity. A close relationship must exist between the institution and industrial firms to generate work experience opportunities for students.
4. The ability of the community to accommodate the institution. The community must be sufficient in size to maintain its own identity while providing basic services to the students and faculty.

The information about each potential location was analysed in terms of each of the four major factors. Subsequently the planning committee submitted its findings and recommendations to the government. Mr. Speaker, I am pleased to inform you and members of the Legislature that Stony Plain has been chosen as the site of Alberta's newest postsecondary institution. The institution is scheduled to open in 1984.

Alberta Housing and Public Works has acquired one quarter section of land at the southeast portion of the town. Cost of the land acquisition was \$2,225,580. When more detailed specifications are prepared regarding the physical complex and the actual programs, further ex-

penditures will be required. Planning funds are included for approval in the current budget.

Before I speak further on the new technology and trades institute, I would like to comment on its location. Stony Plain is 22 kilometres, 14 miles, west of Edmonton on Highway 16 and has a current population of approximately 4,500 people, with a projected growth to 8,500 by 1990. The area was settled in the 1880s, and Stony Plain became a town in December 1908. It is the centre of a large, rich farming community which boasts numerous recreational and cultural amenities. It is well served by a variety of commercial and professional businesses.

Naturally, Mr. Speaker, we expect that the establishment of the new institute will have a positive impact on the economic, social, and cultural nature of the county of Parkland, including the major trading centres of Stony Plain and Spruce Grove. Full consideration will be given to improving transportation access for students residing in the Edmonton area.

While specific programming is still being considered and determined by the planning committee, the new institute will offer a mix of technology and trades training. The goal of the two-year diploma and one-year certificate programs in the technologies will be the preparation of individuals to assume support or paraprofessional roles in the engineering and health fields. In the area of trades, the institute will offer apprentices the theoretical components of their training, varying in length from six to 12 weeks, in a selected number of trades. While some offerings may not fall into either of these categories, the upgrading and training needs of persons already in the work force will be reflected in much of the programming. It is anticipated that advanced technologies will be utilized to enhance learning for students both on and off campus. In addition, innovations in program organization are being pursued.

While it is likely that the new institute will bear a resemblance to its very successful predecessors, the Northern and Southern Alberta Institutes of Technology, it will definitely develop a distinctive character through its programs and methods of delivery. The degree of distinctiveness will depend, in part, on its public board of governors and the involvement and acceptance of business and industry.

Mr. Speaker, I would like to thank the 17 communities which submitted site proposals for their interest and participation. As well I would like to commend the planning committee for its diligence and thoroughness in assessing those proposals. The major portion of their exciting challenge is still to be completed.

In conclusion, I wish to point out that the decision to locate the new technology and trades institute in Stony Plain is consistent with this government's well-recognized policy to decentralize and regionalize major provincial facilities. The county of Parkland definitely will benefit from the continued economic activity this institution will generate.

Thank you, Mr. Speaker.

head: ORAL QUESTION PERIOD

Auditor General's Report

MR. R. SPEAKER: Mr. Speaker, my question is to the Provincial Treasurer. It's with regard to the 1978-79 Auditor General's report. Recommendations were in there with regard to senior financial officers. Recommen-

dations No. 36 and No. 37 have been repeated again in the current report. Why has the government not complied with the recommendation earlier, and what problems have arisen that have made it impossible for the Provincial Treasurer to carry out the request of the Auditor General?

MR. HYNDMAN: Mr. Speaker, the whole Auditor General's report is very important, useful, and necessary for this government. Members well recall that at the first sitting of the Public Accounts Committee last fall I tabled a comprehensive reply of the government to each and every one of the recommendations made by the Auditor General in his first report last year. That will be done again this year.

With regard to the specific item raised by the hon. member: as was mentioned, I believe, in last year's government response, the government has been and, in appropriate cases, will continue strengthening the capability of the chief financial officer. However, there is some doubt as to whether there is a necessity for that kind of capacity in each and every department and Crown corporation at this time. It must also be remembered that, as a matter of fact, there is quite a shortage of qualified people in the accounting and auditing area. However, with regard to all areas deemed to be appropriate, the government will continue to upgrade, where necessary, the qualifications of those who are in the chief financial capacity. That's not to say that today we have some highly competent and capable people in many levels of government who are managing and overseeing the accounts of the province.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In light of the comment with regard to training, has the minister a new program in place with regards to training these senior financial officers of the government? Has the minister changed the format for training that was in place two years ago? Is there a new program, or is the minister planning a new program at the present time to meet the request of the Auditor General?

MR. HYNDMAN: Mr. Speaker, we're looking at that as one of the possibly very appropriate options to follow, insofar as if it's not possible to acquire all the new people that we are able to do so, that the in-service, in-house training, perhaps in connection with an advanced educational institution, may well be the route to go.

MR. R. SPEAKER: Mr. Speaker, to the Provincial Treasurer. Could the Provincial Treasurer indicate what the target date is for putting a recommendation or a program in place so that this recommendation request can be met? Will that be completed in 1981, or will we have another Auditor General's report a year from now where I'm asking the same questions?

MR. HYNDMAN: Well, Mr. Speaker, at the moment it's not possible for me to give a specific target date. We're moving towards the implementation of that recommendation and all of the others as well, as appropriate. I can only say that we'll move ahead with appropriate dispatch. When the response of the government to all of the over 50 recommendations comes forward this fall, we can then debate the matter further. In the meantime, the hon. member can rest assured that we're taking every necessary step to follow the recommendation as appropriate.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Provincial Treasurer. It's going into our second year. I know the Provincial Treasurer always acts with haste. The Provincial Treasurer indicated in October 1980 that the "accounting and financial control manual . . . is being revised to include the recommended responsibilities and qualifications of senior financial officers". Can the Provincial Treasurer table that revised control manual at this time, and specifically could he table the recommendations with regard to qualifications of senior financial officers? Has that much work been completed?

MR. HYNDMAN: I'll take that question as notice, Mr. Speaker, and endeavor to respond to it shortly.

MR. R. SPEAKER: Mr. Speaker, to the Provincial Treasurer. With regard to the senior financial officers, the Provincial Treasurer indicated in remarks of October 1980, that the controller may be consulted on appointments with regard to the selection of senior financial officers. Has the Provincial Treasurer considered that the controller will be consulted and the concurrence of the controller will be required, as recommended by the Auditor General? Has the Provincial Treasurer examined that recommendation, and will that recommendation be put in place?

MR. HYNDMAN: We'll certainly give that renewed and very, very careful consideration, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, to the Provincial Treasurer. What personnel or what persons will look after these recommendations, or will it be the special responsibility of the Provincial Treasurer to examine the 55 recommendations and bring back some positive action in this Legislature? Up to this point in time, a year and a half later, we are only getting generalizations and commitments about haste. I don't believe the Provincial Treasurer can deliver.

MR. HYNDMAN: Mr. Speaker, I think the hon. gentleman should review the report of last fall, which showed positive action on the vast majority of the recommendations of the first report of the Auditor General. I think I indicated . . .

MR. R. SPEAKER: Mr. Speaker, 21 out of 55 recommendations . . .

MR. HYNDMAN: If the hon. gentleman has a point of order, he should make it, Mr. Speaker.

I think though, that we should look at this total report, Mr. Speaker, and remember that, in effect, it indicates that there is a very, very fine, high level and satisfactory accounting performance of the government.

DR. BUCK: That's not what the Auditor General says.

MR. HYNDMAN: That's not to say that a good, excellent form of procedures can't be made better. But that's what is in this document. In many cases, of course, in data processing, Alberta leads Canada in that approach to accounting and auditing.

MR. R. SPEAKER: Well, Mr. Speaker, the Provincial Treasurer can say all he wants about accountability, but I think the answer to my question is delay, and we'll hear

later. Maybe we'll have to wait till this fall and the government will be in greater debt.

Municipal Taxation for Hospitals

MR. R. SPEAKER: My second question is to the Minister of Hospitals and Medical Care, Mr. Speaker. Again it's about the finances of this province, raising funds, and how we bring about greater expectations of local municipalities and hospital boards. The other day the hon. minister mentioned that there is consideration by this government of bringing in local taxation to operate hospitals. Could the minister confirm at this time that that is a serious question being raised and that the government is considering a local tax for hospitalization operating purposes?

MR. RUSSELL: Mr. Speaker, I was quite surprised when the issue was raised a few days ago in the House by the opposition. I guess they're catching up on their reading. I first mentioned this two annual Alberta Hospital Association conventions ago, in my address to them in the fall of 1979.

MR. R. CLARK: Kite flying.

MR. RUSSELL: Again in the fall of 1980, the hon. Premier and my colleague the Minister of Municipal Affairs both mentioned it. I think it is no secret that it is one of the options being considered as a method of providing additional, optional financing to be made available to local hospital boards.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Is consideration being given to implementing such a program in the fiscal year 1981-82?

MR. RUSSELL: No, Mr. Speaker, and I've made that very clear on previous occasions as well.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Hospitals and Medical Care. In view of the consideration of the government on this particular matter of access to requisition, what changes is the government considering with respect to the Hospitals Act with regard to the necessary consultation with local government bodies — towns, municipalities, what have you — with respect to the location and operation of hospitals, if the government in fact is entertaining the possibility of local requisition being an option?

MR. RUSSELL: Mr. Speaker, I'm not sure I understand the intent of the question. In response to an earlier question, I mentioned that I had had consultation on this matter, at the request of the executive of the AUMA. There have also been discussions on the matter with the executive of the Alberta Hospital Association. I've suggested to them that if they're preparing position papers on it — and they've both indicated they would like to — they should get together and prepare a joint position paper, that this would be very useful to us.

The other point we've also made very clear is that an issue of principle to be considered if such a move were implemented is whether or not trustees ought to be elected and/or appointed, as is the present practice. There is a great school of opinion that it is not fair on the taxpayer if an appointed person has the right to levy a requisition on his tax base.

So the two questions would have to be considered in tandem. I wouldn't think a decision would be made on that important issue this fiscal year.

MR. NOTLEY: Mr. Speaker, a supplementary question. Perhaps by way of explanation, approximately a year ago in response to a question in the Legislature, the minister indicated that the location, financing, and administration of hospitals in Alberta are the responsibility of the Department of Hospitals and Medical Care. In view of the consideration now of access to local requisitioning, would the government indicate clearly to the people of Alberta that specifically part and parcel of that proposal would be changes in the Hospitals Act which would then allow the decisions on location, funding, and operations of hospitals to be made locally, as opposed to being made by the Department of Hospitals and Medical Care?

MR. RUSSELL: Again, Mr. Speaker, I have to confess that I don't clearly understand the question. For example, if the province decides it's going to provide 100 per cent funding for new hospitals in Calgary, Grimshaw, Drayton Valley, or Olds, it is then the responsibility of the local board, working in concert with that municipal council, to provide the site and to decide where they want it. So once the decision is made as to which municipality should benefit from the building program, it then becomes the responsibility, on an ongoing basis, for those local jurisdictions to carry out that responsibility.

DR. C. ANDERSON: A supplementary, Mr. Speaker. Would the minister advise the Assembly whether local requisitioning would increase the level of local autonomy to hospital boards, allowing them to purchase equipment and establish new programs independent of the department and ministerial approval?

MR. RUSSELL: Yes, it would do that, Mr. Speaker. You know, this system has been in effect in Alberta for nine years. I've been asked: are you giving consideration to returning to that as a means of providing optional, additional funding to that provided by the province? I have to say that in the list of options under consideration, that is one, and it would do the things the hon. member referred to.

MR. NOTLEY: Mr. Speaker, a supplementary question to either the hon. Minister of Hospitals and Medical Care or the hon. Minister of Municipal Affairs. Given the government's review of access to local requisitioning, in view of the limitation of the property tax base and the move, not only in the case of the hospitals department but also social services, to allow some form of local requisitioning, is there now any formal change in policy on the question of revenue sharing, so that in fact there can be a better tax base at the municipal level to deal with whatever portion of these other programs will have to be assumed locally?

MR. RUSSELL: I should let my colleague answer the main body of the question. I can only repeat what I said in response to earlier questions in earlier sessions: that is one method of providing optional incremental funding to the hospital boards. The whole matter of provincial/municipal funding is under consideration by a special task force reporting to my colleague the Minister of Municipal Affairs.

Edmonton Annexation

DR. BUCK: Mr. Speaker, I would like to address my question to either the acting House leader or the Minister of Municipal Affairs. This is do do with Government Motion No. 1, on the Local Authorities Board annexation report. Can the Acting Government House Leader indicate when the debate on the Local Authorities Board recommendations will take place?

MR. HORSMAN: Mr. Speaker, I don't have a date at the present time. The hon. Minister of Municipal Affairs may have a better idea, but perhaps the question might better await the House leader's return, which I expect will be tomorrow.

DR. BUCK: Mr. Speaker, may I ask a question of the hon. acting House leader? Can the minister indicate if the Legislature will be given at least 48 hours' notice before that debate takes place?

MR. MOORE: Mr. Speaker, it's not my intention to ask the Government House Leader to call that motion for perhaps another two or three weeks. I think it's fair to say that we could undertake to provide members of the opposition with 48 hours' notice of when we intend to begin the debate.

DR. BUCK: Mr. Speaker, to the Minister of Municipal Affairs or the acting House leader. Can either hon. gentleman indicate to the Legislature if there will be a time limit on the debate?

MR. MOORE: No, Mr. Speaker, I haven't considered that at all.

DR. BUCK: Mr. Speaker, to the Minister of Municipal Affairs or the acting House leader. Can the acting House leader indicate if the Legislature will be sitting as the Committee on Public Affairs so that representation can be made to the Assembly, or will it be just a debate?

MR. HORSMAN: Mr. Speaker, as the hon. Minister of Municipal Affairs has indicated, it is not the intention of the minister to request the Government House Leader to bring the matter forward within the next two weeks. I would suggest that I will take these questions as notice for the Government House Leader for his return to the House, which will be very soon.

DR. BUCK: Mr. Speaker, a further supplementary. I believe I read the Premier's lips, and he said "just a debate". I'd like to ask the hon. Premier if he can indicate to the Legislature if there will be a hearing of the Public Affairs Committee, or will it be a debate of the Legislature?

MR. LOUGHEED: Mr. Speaker, I'm pleased to see that the Member for Clover Bar has an ability to read lips. But it could equally be said that it was raised by way of a question to the Minister of Municipal Affairs: just a debate? I believe the proper course will be to await the return of the Government House Leader tomorrow and give an answer on that question.

DR. BUCK: Mr. Speaker; a further supplementary question. Can the Premier indicate to the Legislature and the people of the province, the city, and the surrounding

areas when a decision will be made by cabinet on the Local Authorities Board recommendations?

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

MR. MOORE: Mr. Speaker, as I indicated previously it remains our intention to make a decision by July 1 of this year. That will of course depend on the nature of the debate in this Legislature and other matters that involve coming to that decision. But as far as I'm concerned, we're still on that target.

Meat Industry

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. In view of the high feed costs that cattle producers are facing at the present time, has the minister given consideration to bringing in a stabilization program for cattle producers, the same as he's bringing in for hog producers in this province?

MR. SCHMIDT: Mr. Speaker, we've had the opportunity to meet with various representations of the cattle industry. One of the discussions of course led to assurance programs being discussed with regard to the hog industry itself and how they could pertain to the livestock industry, in other words, the beef industry. Recognizing that the beef industry is a little more complex from an assurance program than the hog industry, a certain amount of work will have to be done. We've done some preliminary work, but at this particular time, I'm not convinced that the livestock people involved are willing to accept a form of assurance in one form or another. So the discussions are ongoing at the present time.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. The minister indicated he had discussions with some of the industry or some of the organizations. Have any requests come from any of the cattle producers' organizations requesting a stabilization program for cattle producers?

MR. SCHMIDT: Mr. Speaker, not a direct request other than some concern of course in talking assurance programs as they pertain to the hog industry and some concerns as to what an assurance program would mean if one were placed to the cattle industry itself, but no direct request at this time.

MR. MANDEVILLE: A further supplementary question, Mr. Speaker. Could the minister indicate what the delay is in announcing the stabilization program for hog producers in the province, and when will a program be announced?

MR. SCHMIDT: Mr. Speaker, a program of assurance to provide some stability to the hog industry is being considered, and one portion of assurance has been before the hog producers and [they] have the opportunity to pass comment. The philosophy of the program itself and what form it would take is still in the discussion stage.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Will the program be retroactive to March 31 when the stop-loss program ended? Will the program relate back to producers who have been selling hogs

between the period it comes in and the stop-loss program is finalized?

MR. SCHMIDT: Mr. Speaker, the stop-loss program of course came to an end on the last day of March. Whether it could be retroactive to takeover on April 1 would depend on what type of program and the timing of the acceptance.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Is it the intent of the minister or the department to go ahead with some of the other recommendations in the Foster report?

MR. R. SPEAKER: Or all of them. They're pretty expensive.

MR. NOTLEY: It'll take about as long as the Auditor General's.

MR. SCHMIDT: Mr. Speaker, there were many recommendations within the report itself. Some recommendations of course were of an immediate nature. I would say, yes, we are considering moving on some of the recommendations.

Grain Marketing

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Agriculture. It emanates from reports attributed to the minister with respect to the possibility of establishing, for want of a better expression, a parallel grain marketing and transportation system in competition with the Canadian Wheat Board. Very directly, is the government at this time considering formal policy initiatives in this direction, or is the minister merely flying a kite?

MR. SCHMIDT: Mr. Speaker, I think I stated some time ago that the Minister of Agriculture has done and does a fair amount of flying. But flying kites is certainly not one of my better attributes in the flying industry.

The comment with regard to transportation and the opportunity for producers to market grain — I see nothing new in supporting the approach that producers by choice have the opportunity to market either through an open system or through the board. If that's a parallel, new system, why then we certainly have advocated that perhaps that's one route one should look at.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister advising the Assembly that it is the government's policy to see changes made in the marketing of grain in terms of export? Feed grains don't now come under the purview of the board. Are we looking at changes in the Wheat Board Act that would allow the private grain trade to get into export marketing? Is this what the government is assessing?

MR. SCHMIDT: Mr. Speaker, if one looks at the various commodities produced in this province, they are rather unique: three types of wheat, heavy in feed grains, rapeseed, and barley being predominant; and some of the problems that exist because of specialty crops that at the present time perhaps are tied under the purview of the Wheat Board for marketing and because of marketing also for transportation. At times producers find it difficult because of either a lack of quota or lack of the

Wheat Board's marketing a particular product. It would seem only reasonable perhaps that with some consultation in some of the areas of those specialty crops, it may be better handled if the opportunity were available to producers and the private trade itself to withdraw those from the purview of the board and have that option of marketing them separately.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Agriculture. Is the minister in a position to tell the House whether there have been any formal discussions between the minister or representatives of the government and the major farm organizations in the province; for example, Unifarm, Christian Farmers Federation, National Farmers Union, and Alberta Wheat Pool? Have there been any formal consultation with these organizations on the comments the minister made today?

MR. SCHMIDT: Mr. Speaker, certainly not all the various agencies and groups that represent various farm organizations — because there are many across the province — have had the opportunity to discuss ... The philosophy came from producer groups. I guess most of it was voiced during hearings held on the marketing assurance program that freedom of choice by a producer should be followed. It was on that assumption that some of the producer groups have shown interest in that direction, and we feel it has some merit.

MR. NOTLEY: A supplementary question to the hon. minister. Is the minister in a position to be a little more definitive on which groups the government has consulted? We know they haven't consulted Unifarm, NFU, Christian Farmers Federation, and the Alberta Wheat Pool. Has the government consulted with the private grain trade, and is this the proposal that is coming directly from the chairman of the Alberta Grain Commission?

MR. SCHMIDT: No, Mr. Speaker, it does not come from the chairman of the Grain Commission, although the gentleman has some fixed views, on some changes in direction for transportation throughout western Canada, some of which I can certainly agree with. Because it is of relatively short duration since we had some of the meetings and discussions in regard to MAP, we've had some indications from the rapeseed growers, the Palliser group, and the barley growers that they would certainly be happy with a freedom of choice system, because both systems really are available other than in the export market. It would appear that one could achieve an individual choice by producer without too much change in the system that exists, although with a greater degree of flexibility than exists at the present time.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. What discussions have taken place with other western governments, in particular the governments of Manitoba, Saskatchewan, and British Columbia, in view of the fact that changes in the marketing of grain will have a significant impact on all provinces? Have there been any discussions with the other provincial governments on the matter? While I'm on my feet, is the government giving any consideration at this stage to releasing a working document, if one in fact is prepared, so farmers themselves can have some opportunity to review and assess these proposals?

MR. SCHMIDT: Mr. Speaker, truly in the discussion stage, we've had the opportunity, as I've mentioned, on very short notice to have some very short, limited discussion with the province of Manitoba as to whether freedom of choice is feasible, workable. We have also arranged to have an opportunity to meet and discuss some areas of concern with the Canadian Wheat Board and the grain transportation authority, recognizing that perhaps in total the forthcoming discussions may bring forth something one could put down on paper. When we reach that stage, we would certainly be pleased to make it available once we have something we've had an opportunity to discuss and to what degree one would go.

MR. SPEAKER: Might this be the hon. member's final supplementary, followed by a further one by the hon. Leader of the Opposition and one by the hon. Member for Edmonton Glengarry.

MR. NOTLEY: Thank you, Mr. Speaker. To the hon. minister. In view of the very strong views on this matter, both pro and con, that I think all of us recognize exist in the agricultural community, has any consideration been given by the government to having an open, public hearing of the committee of agriculture and public affairs on the question of grain marketing, where groups could come and make submissions, as people in the oil industry did in 1972 on the question of oil royalties? Is there any consideration at this stage to opening that opportunity to the people of Alberta to make direct representation to their provincial members?

MR. SCHMIDT: Mr. Speaker, it's too early in the discussion period. I would think the opportunity exists for producers to discuss transportation and the marketing of grain with their various representatives, and I'm sure many ears have been bent these last two months in regard to individual views on transportation and marketing.

We've reached the stage where one has to look at a system that would recognize the opportunity of land to produce at its capability and of course that has to be tied with the freedom of choice of production of the individual in charge of that productive land. With the pressures on us for increased production, once that production reaches the stage it has, we're charged with the responsibility to look at a system that would get that increased product to market at a price that farmers could continue in the operation as any other business. For that basic reason, there are some very deep concerns in regard to the system as it exists. On behalf of Alberta producers we're certainly willing to sit down to discuss any area of change that will better a system for the future.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Agriculture. First of all, it was about the timing of a formal presentation to the federal government, but could the minister indicate as well the timing of this proposal? Is the minister looking at the possibility of a new plan in place for the 1981-82 crop year?

MR. SCHMIDT: Mr. Speaker, the so-called plan is really just an opportunity for us, as representatives of producers in this province, to sit down with those responsible for transportation in western Canada, to share the views and those areas of change we feel are necessary, recognizing that each province in the productive area differs one from the other because, first of all, of the geographic

locations and make-up of the productive land itself, and in those various areas of productive commodities which differ. We in Alberta are no different from other provinces in production differentials. Those differentials cause problems in marketing, and we feel it is our basic responsibility to sit down to discuss with those agencies that have the regulatory authority of either marketing or moving grain, to achieve some change that will better the system.

MR. COOK: Mr. Speaker, my supplementary question flies on the heels of the suggestion of the Member for Spirit River-Fairview that the Minister of Agriculture is flying a kite. I wonder if the Minister of Transportation would consider regulation of kite flying over Spirit River-Fairview in view of the dangerous level of congestion of kite flying, like billion dollar loans to co-ops without advance consultation. Would the minister consider requiring advance consultation for the Member for Spirit River-Fairview?

MR. KROEGER: Mr. Speaker, not only did I win the rotten tie award today, but I get a question like that. I'll take it on advisement.

MR. SINDLINGER: A supplementary please, Mr. Speaker, to the Minister of Agriculture. The term marketing encompasses a broad range from production through to consumption. I wonder if we could be a little more specific. Could the minister indicate whether the plans of the Alberta government or any of its sponsored agencies include offshore sales of grain?

MR. SCHMIDT: Mr. Speaker, if freedom of choice were to become available to producers in western Canada, there would have to be some changes in the total marketing aspect, and that would be both in domestic and export.

MR. SINDLINGER: A final supplementary please, Mr. Speaker. Inasmuch as the freedom of choice would result in a duplication of costs and also inasmuch as competition with other sellers of grains from Canada, notably Saskatchewan and Manitoba, would result in a decrease in price, how does the increase in cost and the decrease in price enhance the profitability of agricultural producers in Alberta?

MR. SCHMIDT: Mr. Speaker, there's no indication that there would be either an increase in the cost or a decrease in the price.

Constitution

DR. REID: Mr. Speaker, my question is to the hon. Premier. Is it accurate that the Prime Minister is prepared to meet with the premiers on the constitution? Has he so indicated to the Mr. Lyon, Premier of Manitoba and chairman of the premiers, and is it true that the premiers are, in actual fact, avoiding such a meeting at this time?

MR. LOUGHEED: Mr. Speaker, I'm probably as confused as most Canadians with the statements of the Prime Minister with regard to meetings with the premiers. Perhaps the hon. Member for Edson is referring to statements made yesterday in the House of Commons by the Prime Minister in answer to questions from the federal

Leader of the Opposition on the issue of constitutional renewal and meeting with the premiers. Frankly, I have read over the Blues from the *Hansard* of the House of Commons in Ottawa, and I do not understand whether or not the Prime Minister is, intentionally or not, attempting to confuse or distort the situation.

Mr. Speaker, I would like to present through you to the members of the Legislature the position as I understand it today with the eight premiers who met last Thursday in Ottawa. As the communique said, the premiers are anxious and prepared to sit down and meet at a constitutional renewal conference with the Prime Minister of Canada. If the Prime Minister, as the customary chairman of such a meeting, wants to give us only five days' notice for such a meeting, fine. Although we didn't deal specifically with the time frame, speaking for myself, we'd be prepared to meet. I think the position should be absolutely clear, both in this Legislature and across the country: the premiers who met in Ottawa last Thursday are prepared, in fact called for, and would welcome a constitutional renewal conference, and I trust that the Prime Minister would call it.

DR. REID: A supplementary, Mr. Speaker, to the hon. Premier. Is the Premier aware of any communication from the Prime Minister to Premier Lyon, as chairman of the premiers, since the meetings of April 15 and 16?

MR. LOUGHEED: Mr. Speaker, I'm aware of no such communication. I believe it would have been brought to my attention if it had been made. What occurred and what was discussed in Ottawa last week was the communication of the documents our Minister of Federal and Intergovernmental Affairs tabled here yesterday in the Alberta Legislature, which called on the Prime Minister of Canada to call a constitutional renewal conference. As far as I understand, there has been no communication directly through to the premiers by the Prime Minister. There have been the statements made publicly by the Prime Minister after our meeting in Ottawa, and the statements made in the House of Commons yesterday that I referred to in the previous answer.

DR. REID: A supplementary to the Premier. In the event that the communications by the Prime Minister immediately following the meeting in Ottawa and his statements in the House of Parliament yesterday are the only communication that he attempts to make with the premiers, will there be any further communication from the premiers on an official basis to the Prime Minister's Office?

MR. LOUGHEED: Mr. Speaker, that's something I'd like to give consideration to, because I think a number of Canadians may be left with the impression, for one reason or another, that the premiers are not calling for and anxious and prepared to have a constitutional renewal conference. It may be necessary for further communication to go to the Prime Minister on behalf of the eight provinces that met in Ottawa last week and to be made public to reaffirm that position.

MR. R. SPEAKER: A supplementary question to the Premier for clarification. I understand that this evening a vote will be taken in the House of Commons. Under those circumstances, what options are available to the premiers for constitutional renewal or constitutional

change? Has the Prime Minister final authority to move ahead like he is, rather unilaterally at this point?

MR. LOUGHEED: Mr. Speaker, first of all, I believe, to correct the Leader of the Opposition. Insofar as the process by the federal Parliament is concerned, my understanding is that the vote in the House of Commons tonight deals with the question of amendments, disposes of the matter of amendments, and is then held in a suspensive way until such time as the Supreme Court of Canada renders an opinion. Then there is a two-day debate in the House of Commons in Ottawa, and then dealt with by the federal Parliament at that stage.

I presume the thrust of the question by hon. Leader of the Opposition is obviously the position of the premiers of Canada, the provincial governments, in the event that the Prime Minister persists in this steamroller of constitutional change in a federal state. Quite obviously, other than the efforts we've made, we can't alter the votes that will be taken in the federal House of Commons or for that matter the votes that will be taken in the Senate in the Parliament of Canada. Yesterday I thought the Minister of Federal and Intergovernmental Affairs effectively outlined those areas of continued action and response by the provinces, and by Alberta in particular.

Just to overview them quickly, they would be involved with a continuation of communicating to Canadians that we do have a situation in a federal state where the Prime Minister, through his majority in the House of Commons and his control over the Senate, is unilaterally attempting to change the rule book, if you like, for our country; secondly, depending on the circumstances as they evolve, to attempt to convince the Parliament in Westminster in the United Kingdom that they have a trusteeship responsibility to the provinces as well under the Statute of Westminster. At this stage, of course, those have to be the major actions that can be taken by the eight provinces that find this unilateral approach unacceptable, and I think fit with the course of action recommended by this Legislature November 24 on a 70 to 1 vote.

MR. SINDLINGER: A supplementary to the Premier, please. Could the Premier indicate why, on the one hand, Alberta initiated the legal process in Canada, which implies a respect for the judicial system, but on the other hand ignored it by starting a public relations campaign in another country, and by doing so embarrassed all Albertans and Canadians? [interjections]

MR. LOUGHEED: I'd be delighted to respond to the liberal Member for Calgary Buffalo. [interjections] First of all, Mr. Speaker, I think it's extremely important that we do, in fact, draw the important distinction, and it is an important question to that extent, between the legal process and the political process, if you like, that is involved in Canada. The issue of the legal process is a narrow, technical one, whether or not, under strictly legal aspects, the Prime Minister and the federal Parliament can, on a technical, legal basis, proceed with what they are doing through the House of Commons and the Senate in Ottawa.

That is quite a different matter from whether or not — in terms of public opinion in Canada, and in terms of the political responsibilities of this Legislature and of this government, that we continue to resist, despite the technical legal nature that may or may not be upheld by the Supreme Court of Canada — the view that the action being taken by the Prime Minister, as he has said himself

on so many occasions, is a political action as distinguished from a legal action. I don't think one can have it both ways.

We feel that at any time it is appropriate for a provincial government to question the *vires* or otherwise of an action taken by the federal government that affects the provinces. It's quite another and a very separate matter from continuing to influence both Albertans and Canadians that the action taken by the federal Parliament is not in the best interests of Canada. We intend to pursue that approach.

The third aspect of the question raised by the hon. Member for Calgary Buffalo has to do with the question of the issue before the Parliament in Westminster. It is the action taken by the Prime Minister and the Liberal government that is forcing upon the Parliament in Westminster an involvement in Canadian affairs; an involvement that involves and will involve Canadians with a made-in-Britain constitution. Because that's what they're going to be asked to do. The real point that we have, in terms of the accord we have presented, is to avoid forcing the parliamentarians in Britain to become involved in what is clearly a Canadian issue, an issue that should be resolved here in Canada. That's why the accord tabled in this Legislature is so significant. It permits a made-in-Canada constitution. We say to the British Parliament: send us back, patriate, bring the constitution back to Canada; here is the amending formula, and when it's here, we in Canada, within the Canadian family, will determine what the constitutional process should be for our Canadian nation and our federal state. It is Mr. Trudeau who is embarrassing Canadians by presenting this matter to the Parliament in Westminster the way he is.

MR. SINDLINGER: Mr. Speaker, a supplementary question. The patriation resolution is being decided by the Supreme Court of Canada, all the national political parties have agreed to abide by and respect that decision, and in my best judgment the Parliament of Britain will as well. Why can't the government of Alberta do the same?

MR. LOUGHEED: Mr. Speaker, as I said in my previous answer, I think it's very, very clear. Mr. Trudeau has said this on a number of occasions. This is a political question. Legal processes are involved and, as I answered the previous question, those legal processes involve whether or not, on a technical, legal basis, it is possible for the Parliament of Canada to pass a law that changes the constitution in a way that takes rights away from the provinces.

By way of a constitutional reference, we've also asked the courts to respond to the question of whether or not the action being proposed by the federal Parliament in fact takes away rights from the provinces. Even the Quebec court answered that in the affirmative, five judges to none. The issue therefore is quite different. It is whether or not it is legally in order for the Parliament of Canada in fact to proceed with the legislation or the resolution before it. It is quite a different matter whether or not that having been done is acceptable to Canadians in the regions of Canada.

MR. SPEAKER: Might this be the hon. member's final supplementary on this question. We've exceeded the time for the question period.

MR. SINDLINGER: Yes, sir. Thank you very much. My question then to the government, to the Premier in particular, would be: after the Supreme Court decision, after the vote by the Parliament of Canada, and after judgment by the Parliament of Britain, will this government then undertake the normal process of good government and make efforts to rejoin Canada? [interjections]

MR. LOUGHEED: Mr. Speaker, this government, and perhaps this Legislature, under the circumstances of finding imposed in a federal state a constitution which it has resisted, on which there has been no concurrence by this province, will continue in every way it can to resist the change in this country from a federal state to the unitary state obviously favored by the member asking the question.

MR. R. SPEAKER: Mr. Speaker, a supplementary . . .

MR. SPEAKER: On behalf of the hon. leader, I must ask the indulgence of the House as to whether or not there is unanimous consent to continue. We're about four minutes past the question period, and then there's the question of my having recognized the hon. Member for Vegreville.

HON. MEMBERS: Agreed.

MR. R. SPEAKER: A very quick question, Mr. Speaker. It can be yes or no, under the circumstances. Does that mean the Premier would consider or is considering a referendum, if that sequence of events occurs?

MR. LOUGHEED: Mr. Speaker, I thought the Minister of Federal and Intergovernmental Affairs answered that well yesterday. The referendum question relates to the process that is within the resolution before the federal House at the moment. That is a referendum on a different amending formula than the Victoria formula that was discussed in 1971, with which the hon. member is familiar.

If the steamroller by the Prime Minister succeeds, the process therefore is that we would have two years in which there could not be a constitutional amendment except by the unanimous concurrence of all 11 governments. At the end of that time it would either be the modified Victoria formula or some other formula established by referendum. That referendum process, which has been stated by many, many Canadians to be so dividing in terms of national unity, is of concern to us here. So our approach by way of constitutional referendum would be related to responding to that, to assure that the matter was put to Albertans in the fairest possible way. That is the purpose of any question of referendum. If and when legislation is reintroduced, it will clarify that to the degree that it's necessary to do so.

Home Expansion

MR. BATIUK: Mr. Speaker, I'd like to direct my question to the Minister of Housing and Public Works. This arises from a concern expressed by a constituent. Could the minister advise whether he has considered any programs to assist people in expanding their homes as their families expand, rather than sometimes that more expensive alternative of buying a new home? I refer mostly to rural homes where it's impractical for a family to move into another neighborhood.

MR. CHAMBERS: Mr. Speaker, we don't at this time have a program as such that would accommodate the specific request of the Member for Vegreville, as I understand it. But we're always happy to accept advice from every member in the House and would take that question. . .

MR. BATIUK: A supplementary, Mr. Speaker. Could the minister advise whether he has previously had such inquiries from people?

MR. CHAMBERS: No, Mr. Speaker, I don't really recall any specific requests of that type.

MR. MACK: Mr. Speaker, I rise on a point of privilege. . .

MR. SPEAKER: I wonder if the hon. member might just allow the question period to be terminated formally. Otherwise we may have various other items come up under the heading of the question period.

ORDERS OF THE DAY

MR. MACK: Mr. Speaker, I rise on a point of privilege. Yesterday while tabling the report of the Auditor General, I reported that it was for the year ending March 31, 1981. I wish to correct that to read March 31, 1980 — '81, for 1980. [interjections]

I'll take another run at it. I reported it was for the year ending March 31, 1981; I wish to correct it to read, March 31, 1980.

Speaker's Ruling

MR. SPEAKER: Shortly before the Easter recess the hon. Leader of the Opposition raised a question of privilege involving, as I understand it, the early release of the Budget Address to members of the media without its having been released at the same time to hon. members of the Assembly. Sorry, it was the hon. Member for Spirit River-Fairview.

Since the Easter recess I've had the opportunity to have *Hansard* examined with regard to the various points that were raised. I find that the custom seems to vary from jurisdiction to jurisdiction, even within the Westminster tradition. In some jurisdictions there is no release at all until the information comes out when the Budget Address is made. In others there is the so-called lockup, where the persons in the lockup get a previous release of the information. In still others there is the honor system, as is apparently being followed in Alberta.

It would seem to me that in order to establish a basis for a prima facie case of privilege, it would be necessary to show that hon. members had some right to prior release of the information simply because it was previously released to someone else. I'm unable to find any such right anywhere in parliamentary lore or tradition. I must therefore say that there does not appear to be any question of privilege or even of a prima facie case of privilege.

MR. HORSMAN: Mr. Speaker, with regard to questions and motions for returns, I move that Question 111 stand and retain its place on the Order Paper and that motions for returns 113, 116, and 117 also stand and retain their places on the Order Paper.

MR. SPEAKER: Have the hon. members had an opportunity to note the numbers?

HON. MEMBERS: Agreed.

MR. SPEAKER: Are you ready for the question?

HON. MEMBERS: Agreed.

[Motion carried]

head: **MOTIONS FOR RETURNS**

114. Mr. Notley moved that an order of the Assembly do issue for a return showing all public opinion polls commissioned by the government since the last tabling, and associated costs.

[Motion carried]

115. Dr. Buck moved that an order of the Assembly do issue for a return showing the total number of employees, contract, and consultant personnel for every government department, agency, authority, board, bureau, commission, council, and Crown corporation, showing separately in each case the number of full-time, part-time, temporary, contract, and consultant personnel as at March 31, 1981.

DR. BUCK: Mr. Speaker, I'd like to amend the last line, where we remove "consultant personnel". I have spoken to the minister, and he has indicated that that would facilitate answering the question. So I would like to move Motion 115 with the deletion in line 3 of "consultant personnel".

[Motion as amended carried]

118. Mr. R. Speaker moved that an order of the Assembly do issue for a return showing:
- (1) a list of all approved projects for hospital construction or renovation in Alberta as at March 31, 1981,
 - (2) the present status of each project,
 - (3) the size and cost of each project,
 - (4) the change in the number of beds and the types of services offered, resulting from each of the projects.

MR. HORSMAN: Mr. Speaker, it's my understanding from the hon. Minister of Hospitals and Medical Care that a slight amendment would have been made to that motion in the same manner as that done by the hon. Member for Clover Bar. If that is not the case, then perhaps we could ask that it be held. Perhaps the Leader of the Opposition might respond.

MR. R. SPEAKER: Yes, Mr. Speaker, I was expecting the minister to make the amendments. I ask that it be held, and we'll move it at the appropriate time with the necessary amendments.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. MANDEVILLE: Mr. Speaker, I would like to move that Motion No. 119 be withdrawn from the Order Paper. I have discussed this with the minister, and I would like it removed.

MR. SPEAKER: The hon. member has an absolute right to withdraw the motion, since it hasn't been put.

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

209. Moved by Mr. R. Clark:

Be it resolved that this Assembly urge the government to establish a practice that where the financial requirements of the Crown exceed the money appropriated by more than 8 per cent in any fiscal year, the Lieutenant-Governor be advised to recall the Legislative Assembly for the purpose of voting on an interim supply Bill.

MR. R. CLARK: Mr. Speaker, I am pleased to have the opportunity to lead off debate on Motion 209 this afternoon. Realizing that the debate must quit at 4:30, I plan to attempt to condense my remarks and make my remarks in basically five areas: first of all, some brief remarks with regard to the motion; secondly, I'd like to touch upon recent trends that have developed in Alberta, primarily in the last three years, with regard to expenditure of funds not first approved by the Assembly; and then ask members of the Assembly, what effect this has on the role of members of this Legislative Assembly, which to me becomes the paramount point. I'd like then to make some comments with regard to the question of accountability, some comments with regard to prudent budget management, and then draw two quick conclusions.

Before commencing my remarks, though, I would be less than straightforward if I didn't acknowledge the help given to me in the historical background work by one of the legislative interns, Mr. Ken Mills, assisting me to put the motion before the Assembly this afternoon.

Mr. Speaker, this motion seeks to restore the accountability of government to the Legislative Assembly. I want to make this point very clear to members on both sides of the House: it doesn't attempt in any way to abolish special warrants. Earlier this session reference was made to the fact, well which of the special warrants passed last year don't you like? To react to that, let me say specifically right now that this motion does not stop the hog stabilization program or other programs which have been dealt with by special warrant. But this motion does lay before members of the Assembly an opportunity to assess the question: how far do we want this Assembly to let spending control slip through the hands of the Legislative Assembly? That really is what's happening. We're finding a situation where spending control, the power of the purse, is finding its way to an alarming degree into the cabinet chamber, and is not being retained here in the Legislative Assembly where that control should be.

This motion also means that the session will have to be called earlier than it has been called this year, so that members of the Assembly have the chance to review the budget prior to one-third of the budget being already approved. I raise the point — and the night the budget was brought down my colleague the Leader of the Opposition did very effectively — that members of the Assembly should assess their position of having one-third of the budget which came down Tuesday night already ap-

proved by the cabinet on March 26. It calls somewhat into question the effectiveness on the House of the debate this evening and tomorrow morning, and of the debate we'll be having in estimate committees, starting I assume next Monday and thereon. Because in fact a commitment has already been made as far as one-third of the expenditures for next year.

Mr. Speaker, there's nothing magic about the 8 per cent figure, that is included really as a cap on special warrants. That 8 per cent is rather a halfway point between the 11 per cent of the budget that was in special warrants this year, compared to the 5 per cent of the budget which was in special warrants last year. There's nothing magic about the 8 per cent. Frankly, it's higher than I think it should be, but we selected the 8 per cent to be certainly reasonable in setting a limit.

I personally would prefer that we establish a practice of coming in each fall with supplementary estimates, so that the bulk of special warrants would be dealt with by supplementary estimates. Three years ago, when the present Minister of Consumer and Corporate Affairs was the Minister of Education, the government did bring in a money resolution in the fall that I hoped was going to establish the practice of supplementary estimates in the fall.

Members will recall that was the time when a large one-shot amount was put into the foundation program so the school boards could get money earlier. That was a good step. What I would like to see, in addition to this cap on the limit of special warrants, is that we move to supplementary estimates in the fall each year. I remind members of the Assembly — and I'm sure members on the government side wouldn't be reminded of this — that in 1967 the Progressive Conservative guideposts said:

We believe that public laws should be made in public. This principle must be protected against the comfortable drift to government by cabinet or through Order in Council.

I remind members that 11 per cent of the budget was handled in that manner last year. A third of the budget for this year has already been handled in that manner. What we're attempting to do here is bring some semblance of order to the drift.

Let's look at this drift for a moment or two. In the year 1978-79, \$131 million were approved as special warrants. In the year 1979-80, \$235 million were approved in special warrants. In the year 1980-81, \$593 million were approved as special warrants. Moneys approved by the cabinet and spent prior to receiving the scrutiny of the Assembly amounted to 3 per cent of the budget for the year ending 1978. It increased to 4 per cent for the year ending in '79. It increased to 5.5 per cent for the year ending in 1980; doubled to 11 per cent of expenditures in 1981. When we see the size of special warrants doubling from 5.5 to 11 per cent in one year, it seems to me as a member of the Assembly that regardless of where we sit in this place, if this place is to be taken seriously, best every member of the House pause for a few moments and say, what is really happening to the control this Assembly has over the financial purse of the province?

I don't lay the blame totally on the head of the Provincial Treasurer. I suspect there isn't a member on either side of the House who hasn't at one time or another gone to the Treasurer or to various ministers and said, look, this has to be done very quickly. I've done that myself. But I think it's important, members of the Assembly, that we ask ourselves where that is leading us in the long run. If each of us as MLAs do nothing else

this afternoon than pause and think about that and what kind of legacy we are leaving for members who follow, then I think it will have been a profitable afternoon from the standpoint of where this Assembly is going.

Regardless of where we sit or how long we've been in this Assembly, all MLAs have to recognize that this is a dangerous trend to let the control gradually slip, not on purpose, through the hands of the elected members so that more and more of the financial decisions are made by Executive Council, whether it's the existing cabinet or future cabinets of whatever political make-up. Then months later the Legislature comes back and goes through the unenviable process of approving special warrants that you can do nothing other than approve anyway. It simply has to call into question where we're going.

As I said, I think MLAs have two choices. We can sit back and see control of the public purse slip away from this Assembly into the hands of the executive, or we can re-establish control of the public purse in Alberta. In doing so, we would be re-emphasizing the importance of this Assembly on matters of finance, which is certainly one of the two major responsibilities any Assembly has. It would also be saying to the public service: when you prepare a budget, it had better be a budget from your branch, agency, or department that means something, as opposed to the situation where in the last year we've had 23 of the 26 departments being able to justify to the satisfaction of the Treasurer that special warrants should be passed. I think that calls into some pretty serious question the kind of budget procedure we're using. I would also say, Mr. Speaker, that to take a firm stand as elected members and take the initiative in this question of legislative control over the budget, would be saying to universities, hospital boards, and local governments in this province: best you not be looking at deficits, best you not be looking at trying to finance yourselves the same way we as a province are, by going back to the table for additional funds after the budget has been set. It becomes increasingly difficult for us as MLAs, once again wherever we sit, to tell our hospital boards, our universities, our colleges, and our local governments that they should be budgeting in a significant, meaningful, serious manner, when in fact we have the kind of situation that's developed, not just last year — last year brings it to a head — but over a large number of years in this House, not totally during the time this government has been there.

Moving along, Mr. Speaker, to the two basic principles that I think are involved. First of all there's accountability of the public purse to the Assembly. Parliamentary control of finances is really based on two principles. One is that "the executive should have no income which is not granted to it, or otherwise sanctioned, by Parliament". Secondly, "the executive should make no expenditures except those approved by Parliament, in ways approved by Parliament". Since that time we've evolved rules and customs around those two basic principles, not detracting from them but merely providing flexibility necessary to make them work.

One such modification has been — and this started in the Mother Parliament in Great Britain — the Governor General's warrant. Initially a Governor General's warrant could only be used for urgently required repairs on government buildings when Parliament was not in session. At the time of Confederation the use of this special warrant was broadened to apply to "any other occasion ... when any expenditure not foreseen or provided for by Parliament is urgently or immediately required for the public good". Initially this Governor General's warrant

was cautiously and prudently used in the Mother Parliament. Then, approximately at the start of this century, a rather well-known Conservative opposition spokesman, Sir Richard Cartwright, spoke to the British House of Commons on this question of use of the Governor General's warrant. I'd like to quote two passages from this eminent Conservative's remarks on that day, because I think they apply equally well to the situation which has developed in this province:

As every honourable member of this House knows, and I presume every hon. gentleman, not excepting the ministry, the very abc of our parliamentary constitution is this: that no money shall be expended by the government of this country without the previous sanction of Parliament. I need not waste words, I hope, in this House in elaborating so simple and well known a proposition as that; but owing to the necessities of the public service, we have by law established a certain exception to this fundamental rule and it is to the very great abuse of that provision, which in itself was a fair and not unreasonable proposition, I desire to call your attention [to this afternoon].

Mr. Speaker, that's the nub of what we're talking about. If we look at the situation in Alberta, in fact if we look at our own Financial Administration Act presented to the province by this government, Section 30 says:

(1) Where at any time the Legislative Assembly is not in session the Treasurer

(a) reports that the Minister having charge of any matter has certified that, in the public interest, an expenditure of public money is urgently required with respect to that matter . . . the Lieutenant Governor in Council may order a special warrant . . .

We have to focus on the words, that an expenditure of money must be "urgently required". What happens when the principle is disregarded? The fears of that prominent Tory, Sir Richard Cartwright, close to 80 years ago were: unless that principle is laid down, unless that principle is enforced, it is obvious that it is utterly hopeless to have any proper control over the acts of government. So the central principle of Parliament's control over supply is thereby violated, and we are left with nothing more than unchecked government by cabinet authority. I say to members of the Assembly that that's the first basic principle, and a principle I think all of us have to protect.

The second principle I want to comment on, in a somewhat briefer fashion, is the question of budgeting practices. It's the second important point, but with regard to the use of special warrants concerned their reflection upon the estimates and budgeting practice. Again I believe it's appropriate to quote the same source in the British Parliament:

. . . when it is necessary to issue eighty-seven Governor's warrants in the interval between two parliaments for a sum of money covering collectively nearly \$2,000,000, it indicates very slovenly preparation of the estimates, and it indicates that the departments that have sent in their requests must have been guilty in many cases of very gross carelessness.

Mr. Speaker, that comment was made, as I said, at the start of this century. What we're dealing with here in Alberta today, as a result of years and years of not placing this Assembly at the control as far as finances are concerned, is that this year close to 140 special warrants were passed. That's virtually one special warrant every second day the government operates; \$1.5 billion dollars a day. Secondly, the \$593 million is a very, very, sizable amount.

Thirdly, Mr. Speaker, 23 of the 26 departments find themselves in a situation where they have gone for and been able to receive special warrants. In the budget that came down last Tuesday night, the Provincial Treasurer indicated that "contingency plans will be further developed over the coming months so that selective stimulative measures can be implemented quickly if the need develops", as far as the province is concerned. Unless the Treasurer is to bring those estimates in this fall, the Legislature is going to have no voice in those discussions until next spring once again, after the decisions have in fact been made.

Some members of the Assembly very rightly ask: but isn't there a need on occasion for the government to have money very quickly? A good example is the program the Minister of Environment — the one my colleague the Leader of the Opposition, the Member for Little Bow, often asks about: getting money in the hands of Vauxhall, if I'm correct. That's an excellent program, and there's need to have money for a program like that when the estimates are overspent. This resolution before the House today makes that quite possible; no question about that at all. But what we have to be concerned about is when supposed new programs come in — and the Treasurer talks in his budget about stimulative measures. If we're to take the job in this Assembly seriously, that kind of discussion should be here, prior to the approval of spending patterns.

Mr. Speaker, I now want to move on to the fourth part of my remarks. That deals with three kinds of special warrants. I have rather arbitrarily picked three special warrants out of the 140 that have been passed. So members will not be able to ask: what about a special warrant for your own constituency, that's the first one I'll deal with. In the special warrants for last year, there was a special warrant of \$2 million for the town of Olds. The announcement for that particular project was made by the cabinet committee when it was in Olds on the cabinet tour last summer in — I was going to say my part of the province, but a more accurate assessment would be the Olds-Didsbury area. The town of Olds could very well have received that money after the fall session, through supplementary estimates. The fact was that without having to wait for the fall session — they still didn't get the money till well after the fall session was over anyway. So why not do the business here?

Secondly, the hog stabilization program. We very well could have, and should have, had that discussion on the ingredients of the program here last fall. Frankly, if I were a government member, having sat now on both sides of the House, I think there is a lot of merit in having that kind of discussion here rather than doing it in caucus and then having to get up later and say, when I was in caucus I got up and really made my point. You can show people what you've said in the Assembly.

The third, and I suppose the most dubious, example would be the McDougall school in Calgary. We were witness to what I regard as a somewhat regrettable spectacle here in the House last week, when the Leader of the Opposition asked the Minister of Housing and Public Works about that project. Without trying to be unkind to the Minister of Housing and Public Works, suffice for me to say that I certainly got the impression from the discussion that afternoon that there was some urgency: the government had to make a decision to get that money quickly to the Calgary public school board. The chairperson of the Calgary public school board has made it abundantly clear that they at no time placed any deadline

when a decision had to be made, when the money had to be available.

I would say to all members of the Assembly, regardless of where we sit, that when we come to that portion of the estimates dealing with special warrants, there had better be some very, very good explanations as to why that \$20 million special warrant was urgently needed. The Calgary public school board, as I understand their response, did not indicate to the province that they had to have the money before the budget was down. Yes, they said they needed a decision. But my information from that body in Calgary is that they did not place a deadline or any gun to the head of government to have that money right away.

In my judgment, members of the Assembly — and I don't expect great hurrahs from members of the government side when I say this — the provisions of The Financial Administration Act were blatantly abused when that special warrant was put through. No member of this Assembly, regardless of where he sits, should sit very comfortably if we're going to be abusing The Financial Administration Act that way. When members of the public service see us members of the Assembly dealing that way with the finances of the province, what incentive is there for members of the public service, hospital boards, school boards, or local government to carry on in a different manner. There's very little. We in this province like to pride ourselves on the new initiatives we take. It seems to me that here we have an opportunity to take a new initiative, once again to put the Legislature clearly in charge of the purse strings in this province. In my judgment it's the kind of initiative that Alberta would be very, very wise to consider.

In concluding my remarks, Mr. Speaker, I simply want to say this. It isn't very often that I quote the *Edmonton Journal*, because frankly I think the *Edmonton Journal* is likely the greatest supporter this government has, basically. [interjections] That's despite the seven or eight people in the gallery from the *Journal*, as far as I'm concerned. But I want to quote the last two paragraphs of an editorial from the *Journal* on April 20, 1981, entitled *Arrogance as usual*; they're dealing with the special warrant for McDougall school, that I referred to:

The cabinet appears to have flouted the law on this special warrant. How much more of the \$593 million was spent with an equal lack of urgency or planning?

One requirement is urgent and obvious: a shakeup of cabinet budget procedures and a commitment to legislative supremacy.

I can put it no better than that.

[Two members rose]

MR. SPEAKER: The hon. Member for Spirit River-Fairview, followed by the hon. Member for Barrhead.

MR. NOTLEY: Mr. Speaker, I'd like to address a few brief remarks to the motion we have before us this afternoon. I certainly support the motion in principle, although I would question whether 8 per cent is not too generous a figure to allow for special warrants. One of the reasons I would do that is that when we address this subject, perhaps it is useful to look at the experience of other provinces, although I know that some members don't like to do that. They seem to think that in this province we're totally an island unto ourselves. I think it is important, from time to time, to contrast what other

jurisdictions in this country are doing. For example, we have the latest figures we've been able to get from the province of Manitoba, a good Conservative government, a budget expenditure of \$1.6 billion for the financial year ended March 31, 1979. Special warrants for that year totalled only \$16.5 million, or a total use of special warrants of approximately 1 per cent of the Manitoba budget. Even in the perhaps more casual Conservative government of New Brunswick: a total budget of about \$1.2 billion; special warrants of \$40 million, or use of special warrants in the neighborhood of 3.3 per cent.

[Mr. Purdy in the Chair]

We had someone mention the province of Saskatchewan. The latest year we have, '80-81: \$66 million out of a budget of little over \$2 billion or 3.2 per cent. Now we have to contrast that with the performance of the Alberta government which in this last year, as the Leader of the Opposition has pointed out, is almost 11 per cent.

I don't think there's any question that when one looks at certain types of warrants — for example, firefighting — one really can't call an emergency session of the Legislature. One of the reasons the province of Saskatchewan had significant use of special warrants was that the Legislature had adjourned, and during the forest fire season there was the need to get money out, as was also the case in the province in Alberta. So that kind of special warrant obviously has to be used. But one has to review some of the other special warrants we witnessed in the last year, and I'll come to that in a moment.

I want to underline the important principle that I think is basic to our entire system; that is, if there is to be supremacy of Parliament, that not only means we pass the laws but have control over the purse strings of the province. In 1976 we had quite a debate in this Assembly over the Heritage Savings Trust Fund. One of the government's arguments at the time was that there's a great difference between an expenditure and an investment. But I think that to the satisfaction of most Albertans, the prevailing view of scholars in the area of parliamentary research is that one of the underlying points of the supremacy of Parliament is the ability of Parliament to have control over major financial decisions.

You really can't have control over major financial decisions if we are asked after the fact to approve all sorts of special warrants. The point of control over financial decisions is the opportunity to have some input before the commitment is made, not after the fact. What we had in this province in the last financial year, Mr. Speaker, is \$593 million that we will now have an opportunity to assess after the fact. The granddaddy of them all was this gigantic \$2.5 billion special warrant, because this government couldn't be bothered to call the Legislature together soon enough so the normal interim supply could be voted by the Legislative Assembly. What you have is a massive short-changing of the Legislative process, government by order in council. We heard quite a bit of that between 1967 and 1971 government by order in council.

Well, Mr. Speaker, we have now established a record of government by order in council. I don't think there has ever been a time in the history of this province when we went through the process of a massive interim supply that large, \$2.5 billion, because the people on the front bench of that government, who have the decision in their hands as to when the Legislature is to be called, couldn't get around to calling the Legislature so they could have interim supply voted during the financial year. Mr. Speak-

er, that just isn't good enough. This kind of slush fund budgeting is completely inconsistent with good government.

Mr. Speaker, what we have is a trend to centralizing power in the hands of the cabinet — power, as it were, by regulation or order in council rather than statutory provision. Some of the bills — and we'll get to that in a moment — for example, fully one-third of Bill 7, that we'll be debating in a few days, sets out all the powers the cabinet is going to have to regulate, rather than statutory provision. I'll have an opportunity to go into that in a little more detail later on.

The point that has to be underlined, Mr. Speaker, is that if we're going to have the supremacy of this Legislature, then the financial decisions that affect the province of Alberta have to be made in the Assembly. It's only in the most unusual circumstances that special warrants should be used.

Mr. Speaker, when the question was first raised in the House a few days ago, the Provincial Treasurer in a very skilful performance responded by saying, which of these special warrants are you against? In other words, from a partisan political point of view, not a bad job to try to say, are you against hog stabilization, regional water and sewer programs, the Dickson dam facility, energy research, roads, airports? But, Mr. Speaker, that begs the point of whether or not other options were available to the government to undertake those programs. One option, as the Member for Olds-Didsbury pointed out, was supplementary estimates.

Surely, when you look at some of these special warrants — the hog stabilization program — does any member of the House mean to tell me, does the Provincial Treasurer tell the members of this Assembly that we could not have had a supplementary estimate in the spring session of 1980? Of course we could. Or we could have had a supplementary estimate in the fall of 1980. There was no need for a special warrant. As a matter of fact, the discussion and the final retreat, if you like, of the government — and I well remember the meetings held all over rural Alberta. At first the government wasn't going to move on a stop-loss program for hog producers, until it got its ear to the ground and found there was a lot of support for this kind of program, particularly after the hon. Minister of Agriculture had a friendly little meeting with about a thousand hog producers in the city of Red Deer.

The session was still on at the time. And when the announcement was made that we were going to have the hog stabilization program and estimates were developed, there was no reason during the spring session of 1980 that we couldn't have had a supplementary estimate on hog stabilization and debated it in this Assembly, or at the very least in the fall of 1980. But, no, it's easier to go the special warrant route. One can be fully in favor of the hog stabilization stopgap program; members of the opposition are. As a matter of fact we called for it all during the first part of the spring session of the House. But you can be in favor of the program and not be very happy with the way it was implemented, because we short-circuited traditional parliamentary control of finances by the special warrant used to bring it in.

Mr. Speaker, we have another special warrant, the additional salary and operating costs for hospitals. Again, that's something that could have been done by way of supplementary estimate. I certainly support that kind of expenditure and would have supported it if it had come into the House by way of a supplementary estimate. In

fact, as members well recall, last spring we had the nurses' strike, when literally hundreds of nurses across the province were making their point very well and very effectively. Then they won the battle of public opinion and all of a sudden we had this caucus meeting and the government changed its mind. Well, after changing its mind it could have done the Legislature the good service of bringing in supplementary estimates so that the entire Legislature could have voted this \$59 million required to meet the additional salary and operating costs of hospitals in the province of Alberta.

I look at some of these other programs — the regional water and sewer programs. You know, if we have a government that is planning ahead, surely we don't have to come in with almost \$80 million in special warrants when we have a spring and a fall session. Why isn't it possible to have supplementary estimates then? But, no, it's much simpler to go the route of special warrants. Mr. Speaker, this government has been able to slide by with this kind of sloppy approach to budgeting in contrast to what other provincial governments are doing.

No one is suggesting that there are not going to be occasional times when some kind of device is needed to get money. That's what the special warrant was essentially designed for in the first place: for the emergency situation where perhaps it isn't practical to call the entire Legislature back. When I look over the almost 150 special warrants approved last year by the cabinet — one need not even get into the MacDougall house fiasco in Calgary, which was really one of the most intriguing ways to circumvent the Legislature that I've seen in a long time. The majority of members of this House would have no difficulty at all supporting most of these special warrants. But they could be brought in, in the form of supplementary estimates.

So, Mr. Speaker, if I have any quarrel with the resolution before the House today, it is that I think we're being too generous in suggesting an 8 per cent ceiling. I think that when other provinces can be much, much lower; for example, let me take a look at the Conservative government of the province of Ontario. The Tories in Alberta don't like the Tories in Ontario, but from a management point of view: 1978-79, no special warrants at all in the province of Ontario; 1979-80, no special warrants in the province of Ontario. In the province of Quebec: an estimated budget for 1979 of \$13.5 billion, special warrants of only \$1.6 million, 0.01 per cent. We're much happier and friendlier with the government of Quebec these days. Well, let's take a look at their financial administration, because they're doing a much better job on this question than the government of Alberta. I've already mentioned Saskatchewan, Manitoba, and New Brunswick.

I think the point I want to conclude on, quite apart from the need to have more efficient, long-term budgeting practices, is that the fundamental issue all members on either side of this House have to address is whether the Legislature is going to make the major financial decisions that affect the future of the province of Alberta. If that is true, we must maintain our control over the purse strings of this province. No matter how one wants to justify it, rationalize it, as we allow more and more use of special warrants, as we move to 11 per cent — not counting the \$2.5 billion special warrant for interim supply because we didn't get the Assembly called in time, just setting that one aside. If we even take the \$593 million, Mr. Speaker, 11 per cent of our total budget is a serious erosion of the principle of legislative control. For that reason I hope members of the Assembly will support the principle of

this resolution, although in closing I would suggest that an 8 per cent limit is probably too high, considering that no other province has anywhere near 8 per cent according to the figures I have.

MR. KOWALSKI: Thank you very much for the recognition, Mr. Speaker. On several occasions during this spring session, I know darned well that I've sprung up before hon. gentlemen from the other side of the House. Unfortunately, being in this corner of the Assembly, you often don't get recognized with the same degree of enthusiasm as perhaps some other members. Be that as it may, I appreciate the opportunity to participate in this debate this afternoon. [interjections]

I've enjoyed both submissions this afternoon, Mr. Speaker. I find it interesting. I have a document in front of me, and I want to quote one statement from it: "It's insane for it to meet behind closed doors." That was a statement by PC M.L.A. Bob Andrew from Saskatchewan about a week and a half ago when he resigned dramatically as chairman of the public accounts committee of the Saskatchewan Legislature. In essence he said he was tired of being associated with a government that did business behind closed doors. That of course is not what this government does. [interjections]

In many ways, Mr. Speaker, the Member for Olds-Didsbury has done the Assembly a very positive service by introducing this motion this afternoon. By doing so, he's afforded members on all sides of the House an opportunity to comment in debate on the government's past record of fiscal responsibility. I must say that I'm impressed with the record of the government in fiscal matters, both in the past year and over the past decade. I want to make it quite clear at the outset that I'm speaking in opposition to the motion presented earlier this afternoon.

Mr. Speaker, over the last several weeks, most members of the House have observed with interest the strategies displayed and the methodologies employed by the new Leader of the Opposition in the House. In his new role as opposition House leader, the hon. Member for Little Bow has attempted on occasion after occasion to embarrass the government on its fiscal policies. For a number of days now we've watched the hon. Opposition House Leader rise and indicate that he had a mission to bring to the attention of all another example of this government's "mismanagement" of the economy. Then he's attempted to introduce debate during question period.

We've all observed a discussion on whether the opposition House leader was actually initiating a debate or raising a question. Finally, in the end, on each occasion several questions were asked. On every occasion, Mr. Speaker, these questions were responded to by a member of Executive Council in a sincere, clear, and responsible manner. Many members of this Assembly and, I know, many people in Alberta, have begun to wonder if the new opposition House leader really has any examples of fiscal "irresponsibility" that he must bring to the attention of the government — I emphasize "must" because in my view that is one of his prime responsibilities in his new role, and I might add that the people of Alberta are affording him significant economic benefits to do so — or does he simply use the popular catch phrase "fiscal responsibility" to raise a few eyebrows? For the past decade this government has shown fiscal responsibility, and its record for the use of special warrants clearly proves that to me.

I think it's important that we reflect again on what a special warrant is. The Member for Olds-Didsbury referred to The Financial Administration Act and pointed out two very, very important phrases in that Act. I want to repeat them: "in the public interest", "urgently required", and money that was not normally available or set aside. It must be emphasized that that Act was passed; it was approved by all members in this Assembly, including members of the opposition. It gives a real test — to repeat again, "public interest" and "urgently required".

Mr. Speaker, it's also very important that we look at the record of this government with respect to special warrants over the past decade, not just the past two or three years. I think it's very, very important that they all be read into the record, and I want to begin in the year 1971-72. In that year special warrants amounted to \$94.8 million out of a total annual, actual expenditure of \$1.26 billion. The special warrants amounted to 7.5 per cent of the total budget. In 1972-73, special warrants amounted to \$30.9 million out of a total budget of \$1,369 billion or 2.25 per cent. In 1973-74, special warrants amounted to \$97.4 million out of a total actual expenditure of \$1,504 billion; that amounted to 6.47 per cent. In 1974-75, special warrants totalled \$323 million out of a total budget of \$2,076 billion or 15.53 per cent. In '75-76, special warrants totalled \$287 million out of a total budget of \$2.72 billion, 10.55 per cent. In '76-77, special warrants totalled \$107 million out of a \$2,920 billion budget, 3.66 per cent. In 1977-78, special warrants totalled \$107.3 million out of a total annual expenditure of \$3.396 billion; that amounted to 3.15 per cent. In 1978-79, special warrants totalled \$141 million out of a total budget of \$3.704 billion, 3.82 per cent; 1979-80, \$254 million of an actual expenditure of \$4.53 billion, 5.59 per cent; 1980-81, the most current year, \$593 million out of an estimated \$5.67 billion budget, 10.45 per cent.

Mr. Speaker, to emphasize again: "public interest" and "urgently required". I think you have to take a look at those occasions since 1971 when these special warrants have actually risen above the percentage mentioned by the Member for Olds-Didsbury. Look at 1974-75 and 1975-76: increases of [15.53] per cent and 10.55 per cent. I hope that no member will forget that on those occasions the people of Alberta found themselves suffering unduly because of some pretty dramatic and disastrous federal policies which significantly negated anticipated provincial revenues. But even more important than the impact on provincial revenues was the negative impact on the revenues of thousands of Alberta families and dozens of Alberta communities, who anticipated a more improved economic environment than the one they actually experienced.

In my view, Mr. Speaker, special warrants are a necessary financial management initiative that must be employed on occasion by a caring government prepared to react in as short a time as possible to pressing public concerns. I don't believe that special warrants have been abused by this government. In no way should anyone suggest they are the result of bad fiscal planning or sloppy budgeting. There are many occasions in which circumstances are such that governments need to react urgently for the public good. If this government didn't care, Mr. Speaker, it would be highly unlikely that there would in fact be special warrants. But it does care, and there are special warrants. This government doesn't go to sleep between budgets. It stays awake. Because it is awake, and furthermore because it has the courage to react, it can react positively when concerns do arise.

Let's take a look at the special warrants raised in fiscal 1980-1981. Several examples from that list of special warrants have been raised. It's been indicated that, boy, they sure don't fit the general criteria. I think that's a subjective view that can be debated. In looking at the list, I first of all want to emphasize and just point out one other thing mentioned a little earlier this afternoon: basically that in the eyes of the public service, the credibility of the government would go down if this government arbitrarily raised special warrants in each and every occasion to fulfil some situation.

I'm a former member of the public service. I'm a former deputy minister of a department highly intensive in capital matters. I can assure all members of the House that when basic budgets of that department were being expended earlier in the year than one would have normally planned or anticipated, and expended earlier in the year because of unduly good weather — and when you are building roads you have no idea what the construction season is going to be . . .

MR. ACTING DEPUTY SPEAKER: I hesitate to interrupt the hon. member, but the time for the debate has concluded.

MR. KOWALSKI: I wonder then, Mr. Speaker, if I can beg leave of the members to continue till I conclude?

MR. ACTING DEPUTY SPEAKER: The hon. member will have to have unanimous consent of the Assembly to do that.

HON. MEMBERS: Agreed.

MR. KOWALSKI: Thank you very much, Mr. Speaker.

I point out that on many occasions in the past, you would begin planning for a transportation budget one, two, three, or four years in advance. You'd then come across the tendering process, you'd initiate the tenders, put the tenders out and, lo and behold, by August of a particular year, because of exceptional progress and efficiency that you tried to instil in the contractors who were associated with you, you had in essence reached the end of your budget. Mr. Speaker, if it was then a case of having to go and see your minister, who would then have to go through the necessary steps in getting approval, finally, from the cabinet and the caucus, and then you would have to call a session of the Legislature, this all might transpire over several months. At that point you may have lost the opportunity to build roads in two, three, or four months of prime construction in one particular year. I think that would have been darned unfortunate.

I can recall that in 1971 the transportation budget of the former government was \$116 million, but only \$112 was really expended. I suppose there was some criticism at the time, saying why, on the basis of good, efficient planning, were you not able to do that? But let's take a look at the special warrants for the 1980-81 fiscal year. I think many questions can be asked on the negative side, perhaps already have been, but there are certainly many more questions on the positive side. If you take a look: \$593 million worth of projects. Let's just simply look at some of these lists.

Restricted development area lands purchased for utility and road corridors: \$130 million. Anyone who's ever been in a position to have to go and attempt to purchase land knows full well — on the basis of current expropriation

procedures in this province, that this Assembly dutifully approved several years ago, which in essence put the onus and the benefit of expropriation in the hand of the landowner — negotiations on some items and concerns can go on for two, three, and four years; an almost impossible situation for any particular department to budget for in a particular fiscal year. When an individual decides he wants to sell, you have to be in a position as a government to have the funds to purchase it, otherwise you may set back your planning many years. I can't see any negatives at all attached to that.

Regional water and sewer programs for municipalities and rural areas. Heaven knows, I was one of the ones who went and hammered on the desk of the Minister of Environment saying, I've got some critical situations in my constituency and you've got to help me. We finally got a contractor up there. If you think it's easy to get a contractor to go to Swan Hills, and to plan for him to be there by May 15 of a particular year, forget it, it doesn't happen that way. In some occasions, you're fortunate to even have him arrive in a particular year. When that happens, if you have a commitment with a government agency, it's got to be in a position to provide the funds with which you can pay off the contractor. There's no way that contractor would show up in that community and then say, sorry, we have to go back to the government, it has to call another session, we have to get it through the mess, and nine months later you might get paid. We wouldn't have water and sewer in many places in rural Alberta if we had to go through that kind of rigmarole all the time.

Special warrants of \$29.13 million for natural gas facilities extension to rural areas. There's no place in the world that has natural gas extended to all its farm homes like Alberta. That's a proud thing. I don't know anybody who has natural gas in rural Alberta who wants to criticize this government because it had to raise a special warrant to enable it to fulfil the program in a given time. Financial assistance to postsecondary educational facilities: \$24 million. I sat in this House last spring and heard members on the other side of the House say, what are you doing? How come you're not providing more money? Lethbridge railway relocation facility project: \$17,745 million. That's project's been in the planning mill for four, five, and six years. When you have an opportunity to fulfil it and resolve the problem in the manner I described earlier, you must jump at that occasion. I can't believe anybody in Lethbridge is concerned about that kind of situation. The Dickson dam facility, an expenditure of \$16.6 million, provided some excellent earth-moving opportunities for a lot of people. Energy research, 11.26 million; roads and airports, \$26.06 million.

If I've heard any kind of criticism coming from several hon. members on the other side, basically they're saying why aren't you providing more? Well I don't think any government should basically tell a department, here's an extra \$400 million a year, you try and spend it. I think the more appropriate way is that you make efficient usage of the funds that have already been appropriated to you, and if you need more come back to us, prove to us that you can handle it, and then maybe they'll be provided. As a former deputy minister, I can assure you that the hoops were very significant, and the maybes were very, very difficult. Fortunately, I was always associated with very excellent ministers of Transportation who fought the battles very well.

Funding for the 1980s advanced education endowment fund: \$5 million. The town of Olds — well, the Member

for Olds-Didsbury has already talked about that \$2 million. I have to believe that the people of Olds are satisfied. Hospitals additional salaries and operating costs: \$59.3 million. That was a lot of extra wages for a lot of extra people in this province who said that basically because of economic circumstances in other provinces, not in this province, it would have been unfair if their wages had not risen to provide some compensation so that in fact we did not lose these very excellent and needed people in hospitals.

Forest firefighting: \$35 million. I sat here for several weeks and heard several hon. members address questions to members of Executive Council and say, look the forests are burning, why don't you have money to hire forest fire fighters? Well if we had to come back here last December to have a session to debate the merits of a forest fire fighting special warrant of \$35 million, we wouldn't have any forests left in Alberta. Social services programs, day care, handicapped, preventive social services, vocational rehabilitation, special child abuse, and extra social workers to reduce child care workloads: \$33.081 million. I've got no problems with that, Mr. Speaker.

Stop-loss stabilization program for hog farmers: \$25 million. Let me tell you, I was one of the ones who was pushing to get the Minister of Agriculture to be in a position to raise that special warrant so we could react, stabilize, and continue with a hog program in this province. Gone is the day when a government can be so uncaring that it allows an industry to die. The natural gas price protection plan for Albertans, a new program to help those who could not normally be connected in the immediate, urgency type that others were expecting it: \$7 million.

The temporary employment programs, the summer one and the priority employment programs, \$5.45 million; financial assistance to students, \$5.3 million; crime prevention and policing, \$4,088 million; dairy incentive programs, drought contingency programs — all members should recall that we had a drought in Alberta last year. Fortunately the farmers in this province who were assisted by our program were in fact assisted. Many of my constituents, who unfortunately fall within a federal government designated drought area, are still wondering what the heck the details of the program are. Ours has been resolved. Our farmers at least can say with some degree of pride that they've been helped. The hail and crop insurance program — we can't wait 12 months to help out some fellow who has payments. Emergency housing for treaty Indians: \$2,405 million. No one can deny that that was necessary, urgent, and important.

Remember the excellent work of a large number of volunteer Albertans last year, who responded dramatically, within a matter of days, to raise money to help those very unfortunate people who fell victim to earthquakes in southern Italy. Because of the excellent work of a large number of Albertans, they raised \$1.5 million in a matter of weeks. This government reacted immediately with an additional \$1.5 million. Shortly after that unfortunate earthquake, members of the Italian community in all parts of Alberta were able to respond to their relatives, friends, loved ones, and fellow Italians. Mr. Speaker, that's what this government is about. It's caring for people and reacting when emergencies are there.

Mr. Speaker, flexibility is consistently needed. I grew up in northeastern Alberta in the '50s and 1960s. We had pretty good government in the 1950s. It grew a little tired in the 1960s because it wasn't flexible, it couldn't react when people had concerns. This government does react.

How could the Provincial Treasurer possibly have budgeted \$1.5 million last spring for disasters in southern Italy? That's an impossibility. We have to have the situation whereby a caring government can react if it has the courage to react and is prepared to react and help people.

From time to time, Mr. Speaker, the question of public accountability comes up. It's often stated that all members of the Assembly, rather than just Executive Council, should approve surplus government spending. Well all members of the Assembly do approve government spending. There is accountability. All special warrants are the subject of a vote of the Assembly. They come after the Committee of Supply, and there's going to be full opportunity for all members once again to debate the warrants at that time.

DR. BUCK: The money's spent, Ken.

MR. KOWALSKI: Mr. Speaker, I know the hon. Member for Clover Bar disagrees; I can hear him shaking his head. [interjection] For many decades special warrants have worked satisfactorily in Canada in 10 provinces and even in Ottawa. The urgency test is generally uniform across the country.

Finally, Mr. Speaker, I don't quite understand the 8 per cent mentioned in the motion. I appreciate the clarification the Member for Olds-Didsbury provided. But one thing troubles me about whatever percentage figure any hon. member wants to allocate: where, then, is the principle of the debate of urgency? Does that mean that those items for special warrants that fall under the 8 per cent are really more or less urgent than those that fall on the other side of the 8 per cent level? Does that mean we should have a debate only on those that go above 8 per cent, because they're somehow more or less important than the ones under the 8 per cent? Are they more important or less important?

I want to give you an example. I have to go back to my previous involvement with the province as a deputy minister of Transportation. If you talk about whatever percentage figure, 8 per cent, 9 per cent, 6 per cent, 4 per cent, presumably that percentage will be reached — if it ever goes that high, and it was only used in emergency situations in the past — by the ninth or 10th month of a particular fiscal year. Now what happens if you're the Minister of Transportation — and it's not at all uncommon in Alberta in January, February, or March to have blinding snowstorms that might go on for days and even weeks. It's not at all uncommon in the history of Alberta for the Minister of Transportation to say, look, if you want us to clean off the roads, I have to have more funds from the province. When you're cleaning off roads, you do that today. You don't wait three weeks or three months. That's an emergency. The ice is there, you send out the yellow trucks with the red blinkers, they clean it all off, and at the end of the day people can travel.

If we follow the principle that's been mentioned, presumably all members have to be notified, the Minister of Transportation has to go through the whole process, the House has to be reconvened, we come in here, and three weeks later we pass a special warrant. But how can anybody get to Edmonton if the roads are blocked? That may be an extreme example, but it follows the whole gist of the matter. [interjection] The hon. Member for Vegreville says the snow might melt by then. Perhaps so. Mr. Speaker, it would seem unnecessary to me to call the Legislature back to [approve] that kind of situation.

In conclusion, Mr. Speaker, my understanding of the

fiscal policies of this government causes me to be satisfied that special warrants have not been abused. In many, many ways I'm extremely pleased that the government has in fact raised special warrants to resolve urgent matters in the public interest. As a member who represents a constituency that oftentimes has urgent situations, it affords me great comfort to know that as an elected person I can in fact resolve the concerns of my constituents, because I can deal with a government that is flexible. I hope it will continue to be flexible and to ensure that we have flexibility. One of the ways we can ensure that we have flexibility is to have this Assembly reject the motion put forward by the Member for Olds-Didsbury.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Question.

MRS. CHICHAK: Mr. Speaker, I move to adjourn debate.

head: **PUBLIC BILLS AND ORDERS
OTHER THAN
GOVERNMENT BILLS AND ORDERS
(Second Reading)**

Bill 203

An Act to Amend The Ombudsman Act (No. 1)

MR. ZAOZIRNY: Mr. Speaker, I'm delighted to have the opportunity to move second reading of Bill No. 203. I'd like particularly to thank the hon. Member for Barrhead for affording me that opportunity.

I am able to advise the Assembly that in no way does the proposed amendment constitute the introduction of a new principle or philosophy to this Legislature. In fact the proposed amendment is simple and straightforward. It will afford individual municipalities in Alberta, which so choose, the opportunity to avail their constituents of the services of the Ombudsman on municipal matters. Thus the same principles that moved this Legislature to create the office of the Ombudsman back in 1967, apply with equal force to the amendment before us today.

It is important to emphasize, however, the enabling nature of this proposed amendment. Whereas in 1967 this Assembly submitted the government of the province and its agencies to watchful eye of the office of the Ombudsman, it would be inappropriate, in this member's opinion, if this Assembly arbitrarily submitted municipalities to the jurisdiction of the Ombudsman without their expressed consent by way of resolution of the municipal council in question. I believe such an arbitrary imposition might well be regarded as an infringement on the autonomy of local governments and a denial to each local council of its right to debate the substantive principles inherent in a decision to introduce the concept of an ombudsman to its sphere of jurisdiction. This legislation makes no such intrusion into the autonomy of local governments.

Notwithstanding the important caveat that the proposed amendment constitutes only enabling legislation, it is still appropriate to point out to members that the need for this extension of the service of the Ombudsman is clear. I believe that that need was amply detailed in the 14th annual report of the Ombudsman, which indicates that in 1980, some 185 citizen concerns were taken to the office of the Ombudsman in respect of municipal government matters ranging from tax assessment to licensing

problems. Mr. Speaker, the sad thing is that the office of the Ombudsman had to send these people away without being of direct assistance because it lacked the jurisdiction to help out.

It may be argued by some hon. members that it would be more desirable to enact legislation allowing the establishment of municipal ombudsmen, separate and apart from the existing Ombudsman. In response to that possible argument, let me simply say that our major goal should be to ensure that provincial legislation provides a vehicle for municipalities to establish the services of an ombudsman in relation to municipal affairs. Therefore if it were the wish of this Assembly to proceed with legislation allowing for separate municipal ombudsmen, I would happily support such legislation in preference to a continuation of the present situation, whereby absolutely no mechanism of any sort is in place in relation to municipal affairs.

By the same token, I believe there are sound reasons why it would be more appropriate simply to extend the jurisdiction of the office of the Ombudsman. Those reasons are as follows: firstly, the matter of cost. The cost of simply extending the jurisdiction of the existing office of the Ombudsman in Calgary, for example, is estimated to be approximately one-third of establishing a separate office of municipal ombudsman. In this regard I think it's significant that the vast majority of citizen concerns arise in the Calgary and Edmonton regions, which is not surprising of course, given the fact that over 65 per cent of Albertans reside within these two metropolitan areas of the province. Secondly, the office of the Ombudsman has a proven record of independence from government, and experience which has been developed over the past 15 years, and therefore has the necessary confidence of the public which is an integral part of the effective functioning of that office.

Thirdly, many citizen concerns have aspects that touch not only on municipal jurisdiction but on both municipal and provincial jurisdictions. It would seem rather duplicative to have two separate offices of ombudsmen involved in such cases. By way of example, I would suggest local tax measures and tax assessment, which are of course municipal matters. However, by the same token the final appeal mechanism with respect to tax assessment is the Alberta Assessment Appeal Board, which is a provincial body. It would seem unfortunate in situations like that to have to call upon two costly, in the absolute sense, functionaries as opposed to having one office which has the necessary experience and can help deal effectively with that matter.

Fourthly, the existence of separate provincial and municipal ombudsmen might well tend to create some confusion in the mind of the public as the proliferation of ombudsmen grew throughout the province. Fifthly, the office of Ombudsman itself has confirmed a willingness to take on the modest additional workload that would result from such an amendment and is satisfied that it can do so without impairing its efficiency or its ability to deal effectively with individual citizen concerns. This is an important fact to bear in mind in response to those who might argue that the effectiveness of the office of the Ombudsman would be impaired. The fact is, it is not a one-man show, and that simply wouldn't be the case.

So on balance, Mr. Speaker, it would appear more desirable to simply extend the jurisdiction of the Ombudsman rather than create a series of municipal ombudsmen. There may also be those who might argue that this extension of jurisdiction could erode the role of the

Farmers' Advocate in rural Alberta. This was a concern of the Alberta association of rural municipalities. In response to that possible concern, it should be pointed out that the legislation is not only optional, but as well the two offices should complement one another in rural Alberta in the same way as with the Ombudsman's existing jurisdiction. And as mentioned earlier, the vast majority of citizen concerns arise in our metropolitan areas, which of course are not served by the Farmers' Advocate.

In terms of community support for this proposed amendment, members will recall that the Alberta Urban Municipalities Association passed resolutions in 1974, 1978, and again in 1980, calling for the extension of this jurisdiction. A similar resolution has been adopted by the city of Edmonton council. Notice of motion of a similar resolution is now before the Calgary city council, and is expected to be dealt with within the next three or four weeks. The Alberta Association of Municipal Districts and Counties has no quarrel with the concept of enabling legislation only.

One may well ask, in light of the foregoing, why the 1975 select committee on the Ombudsman did not advocate this amendment. The fact is, at the time that the committee felt there was not an overwhelming demand for the extension of service but did go on to state that in the future if the municipalities collectively felt they wanted to be within the jurisdiction of the Ombudsman, they could request this of the Legislative Assembly. Mr. Speaker, it is respectfully submitted that the time for such extension of service is now. It has arrived, and I say that in light of the community support just outlined and the apparent need as detailed in the Ombudsman's recent 1980 report.

Finally it should be noted that provincial ombudsmen in both Nova Scotia and New Brunswick already have such jurisdiction, even though Alberta was the first province in Canada to appoint an ombudsman in July 1967. Surely it's time for Alberta to return to the forefront in this important area of legislation.

In summary, Mr. Speaker, it is respectfully submitted that there are compelling reasons to make this important service available to Alberta municipalities at their option, that it ought to be provided via the office of the present Ombudsman, and that there is widespread support and very little opposition by affected parties, provided the legislation is enabling only. Mr. Speaker, with those few words I move second reading of this Bill, look forward to hearing debate, and urge support from other hon. members.

Thank you very much.

DR. REID: Mr. Speaker, in rising on the Bill presented by my learned friend the member for Calgary Forest Lawn, I would like to address some remarks partly in answer to what he has said and to initiate some additional debate on this very interesting proposal. I said "my learned friend" because his presentation almost requires a similar presentation for the defence. His career in the law is quite evident in his presentation, and I feel somewhat inadequate as a medical person to answer a learned lawyer. [interjections] Here it comes, John.

AN HON. MEMBER: Here comes the scalpel.

DR. REID: In spite of the comments of some of my neighbours, I would like to say that I find he expressed his concern with sincerity, and was his usual eloquent self.

[Mr. Speaker in the Chair]

Several problems apply in relation to the Ombudsman at the moment. One is the problem of jurisdiction and the lack of the jurisdiction in municipal affairs. It's a problem of jurisdiction that applies, because there are difficulties with municipal services and municipal employees just as there are with provincial services and provincial employees. The fact that we have an ombudsman for provincial areas of jurisdiction, and that there has now been an ombudsman for, I think, some 13 and one-half or 14 years in this province, is an indication of the concern of the previous government and of this government that the citizen of the province, when he has a difficulty and has gone through all the appeal processes available, should still have one last chance. And that last chance should be someone who is, and is recognized as being, independent. For that reason, the Ombudsman is an officer of this Assembly, and he reports to this Legislature. Of course that of itself will create some difficulties if, in addition to his provincial jurisdiction, he has municipal jurisdiction. It's very difficult to see how the Ombudsman could be reporting to this Legislature on the problems he dealt with in the municipal sphere. We would therefore have to give him some answerability to the city councils.

Another difficulty with the proposed legislation of course is that it only applies to the cities. Whereas we have several cities in the province — 11 at the moment, I think — only two of those are of true city stature. I'm not taking away from all my confreres who represent the smaller cities in the province, but the two large cities, Edmonton and Calgary, provide services to numbers of people who are equivalent to the populations of some provinces in this country, in each case in excess of half a million. They provide a considerable number of services to those people, from garbage pick-up to snow clearing, police and fire services, and many other services. Consequently there are many interfaces between their employees and the citizens of those two communities. But those two communities are getting so large that that feeling of distance and lack of approachability that has been alleged to occur in provincial jurisdiction is now also occurring in these city areas.

The lack of involvement of the rural areas and the towns and villages in the proposed legislation of the hon. Member for Calgary Forest Lawn really doesn't concern me all that much, Mr. Speaker. I'm not setting up a straw man to demolish. But in those smaller communities most of the residents feel an approachability to their town or village councillor, or their county councillor, that many residents of the big city are beginning to lose. I think it's for that reason that the city of Calgary has proposed they should have access to the provincial Ombudsman. What's happening in those two cities is the introduction of a bureaucracy, if you wish, which again seems to be rather distant from the man in the street. For that reason I can well appreciate the interest in having an ombudsman type of officer for those people.

My main concern with the whole proposal — and I would like to say before my next remark that I think there may well be need in those two cities for an ombudsman. But my main difficulty with the proposal is in the very nature of the Ombudsman's office. I have addressed this subject once before in this Legislature in the last two years. At the moment, the Ombudsman has a staff of some 20 people. In his wisdom, he says he could cover the additional municipal load with two or three other members of his staff. But, Mr. Speaker, I have a

feeling that once the availability of ombudsman service in those two cities becomes a fact, the load in those two cities will grow just as it has at the provincial level. Reported cases by the provincial Ombudsman have already increased fivefold in a decade. That load will increase very considerably once there is municipal access to the Ombudsman. We will then require a larger staff in the provincial Ombudsman's office and, of necessity, will dilute the involvement of the Ombudsman himself. By its very nature the office of an ombudsman has to have some involvement of the person who holds that office with the individual case that is brought to his attention.

Wiser people than I have written what is involved in being an ombudsman — and we will use the term "man" or "he" where it applies to both sexes. He should be so carefully selected that there could never be a question of his honesty, integrity, ability, or motive. Indeed this is to ask for perfection or pretty close to it, but it should be aimed for. Currently we have had only two ombudsmen in the province, Mr. George McClellan and the incumbent Dr. Ivany. I feel that both of them have come close to that ideal. It's somewhat like asking for a judge who is approachable without going through the judicial court process. Two thousand years ago a judge was defined as requiring four characteristics: to hear courteously, to answer wisely, to consider soberly, and to decide impartially. In court, one judge is listening to the case. The same should apply in the ombudsman's office. If we dilute the Ombudsman by including the municipal jurisdiction, I feel that some of the usefulness of that office to the people of Alberta in areas of provincial jurisdiction, will be lost.

I feel there is a need for ombudsman service in the two large cities. I do not feel there is such a need in the smaller towns and cities, and in the rural areas. But I have a real concern that the proposal of the hon. Member for Calgary Forest Lawn, while providing a service that is needed, will in actual fact have a deleterious affect upon a service that exists. For that reason alone, Mr. Speaker, I feel I cannot support the proposal that has been put forward to us.

Thank you.

MR. PAYNE: Mr. Speaker, I welcome this opportunity to indicate my support, in second reading, of Bill 203. I do so, quite simply, because I believe it's good legislation. As legislators, we're of course expected to review a great deal of legislation and arrive at personal positions on proposed legislation as it comes before us. In the course of doing that, I found it quite useful to ask myself one very fundamental question: has a need been demonstrated for the legislation that's being examined? In this instance, I feel such a need has been very clearly demonstrated. I'm advised, Mr. Speaker, by a Calgary city council member that a number of his ward constituents feel there is a clear and definite need for an ombudsman. That view, of course, is borne out by the Member for Calgary Forest Lawn in his quite appropriate reference to the provincial Ombudsman's report of last year, wherein he indicated that in 1980 he received no fewer than 185 written and oral questions. Regrettably, these were deemed to be under municipal jurisdiction and therefore beyond his jurisdiction. One other factor I might relate to members to demonstrate the need for this amendment: the Alberta Urban Municipalities Association, presumably reflecting the views of their respective constituents, passed resolutions favoring or supporting the extension of the Ombudsman's jurisdiction to municipal areas on no fewer than

three annual occasions: 1974, 1978, and 1980. For these two reasons, Mr. Speaker, and a number of others that I won't detail today, I feel the legislation is proper and, in fact, is needed.

Another useful procedure I would suggest in evaluating the 'worth-whileness' or value of proposed legislation is to examine the experience of other jurisdictions. In my admittedly brief review of the experience in other jurisdictions, it's quite apparent that where similar legislation has in fact been enacted, it's been done very successfully and with widespread acceptance by those municipal residents. To cite two illustrations today, Mr. Speaker, in Nova Scotia the Ombudsman in that good province has jurisdiction over municipalities. In 1979, the most recent year with results I was able to obtain, no fewer than 76 municipally oriented complaints were received and dealt with. In New Brunswick, another maritime province, the Ombudsman, who also has jurisdiction over municipalities now, received 142 such complaints.

Mr. Speaker, the hon. Member for Calgary Forest Lawn has advanced a number of quite persuasive arguments in support of his Bill. I suggest that those arguments I regard as particularly persuasive are, first of all, after his recitation of the statistical experience here in Alberta — that is to say, the large number of municipal matters that have been referred to the Ombudsman by citizens, that the Ombudsman was utterly unable to deal with. It seems to me that that inability, and the expression he has given to it, would be motivation enough to gain widespread support in this House for the proposed amendment.

I suggest that a second persuasive argument advanced by the sponsoring member, the Member for Calgary Forest Lawn, is that citizen concerns frequently do not lend themselves to a neat and tidy jurisdictional allocation; that is to say, a great many concerns by people in cities do not lend themselves to clear identification as a "provincial" problem or a "city" problem, but in fact are, if you like, multi- or duo-jurisdictional. I think the Member for Calgary Forest Lawn made a very useful illustration in his reference to tax assessment matters. It seems to me that that illustration and others effectively demonstrate the value of a single ombudsman office whose jurisdiction is extended to municipalities that desire such extension.

The hon. Member for Edson, who quite deceptively suggested to us that he was not up to the debating skills required to challenge the case made effectively by his colleague trained in the law, I suggest was not a very credible case. He is indeed a very learned member, and I suspect his training in medicine has equally qualified him for debate in the House. But having said that, I would like to suggest — and I hope this will not be taken as an offensive observation — that some of his arguments are supported neither by the facts nor indeed by very much logic. The time given to me today is somewhat limiting, Mr. Speaker, but perhaps I could just pluck at random two observations made by the hon. Member for Edson. I suspect he prioritized his arguments starting with the weakest, and his initial argument was some reference or vague allusion to the difficulty the Ombudsman might experience if in fact he were now faced with the need to report to the municipal level as well as the provincial level. I have to regard that as a question of prioritization beginning with the weakest, because it really doesn't hold very much water. Could I humbly submit, Mr. Speaker, that it would be a very simple clerical matter for the Ombudsman's staff to deal with that problem. As well,

could I suggest that it is potentially very useful to us as members of the Legislature to receive copies of the municipally related reports as well as the provincially related report. It seems to me that those two parallel or companion documents would be extremely useful particularly to members from the larger cities in keeping abreast and apprized of matters that are of concern to our constituents. Need it be said that the constituent of a civic alderman is in fact the constituent of a provincial MLA.

A second observation the Member for Edson advanced was that the extension of the Ombudsman's jurisdiction would in fact be needed only in the larger cities. I regard that not as an argument against the Bill but really as a supportive argument. It's one that was made by the sponsoring member, in which he very clearly demonstrated that this is permissive legislation and that it's up to the municipal jurisdictions, at their option, to indicate whether or not they are interested in extension of the jurisdiction of the Alberta Ombudsman. I hope, and would assume, that such expression would come only if it truly reflected the views of the people represented at the municipal level.

In conclusion, Mr. Speaker, it might be appropriate for me to make one or two other observations with respect to Bill 203 that perhaps have not been made in the speeches in this hour. I think it is very clear that Alberta has been well served by the province's two ombudsmen. It's equally clear that our incumbent Ombudsman enjoys in this province a solid reputation for objectivity and credibility. For him, there would not be the problem that would face a municipally appointed, separate ombudsman in gaining credibility initially for the office and then, secondarily, credibility and respect for the person within that office. Reference has already been made in this hour's debate to the economies of employing the Alberta Ombudsman as opposed to establishing a separate office. If I could just make a parenthetical comment to that earlier argument, the provincial Ombudsman already has an office and decentralized staff in the city I come from. Those facilities and staff members are already in Calgary, and it seems to me that the economies would be obvious.

With those brief comments, Mr. Speaker, I would like to emphasize that we as legislators have the recurring task to evaluate legislation, and to adopt personal positions with respect to that legislative review. In this particular instance, I think we have before us very sound, very appropriate, deserved legislation. I encourage all members to support it.

MR. PURDY: Mr. Speaker, it's my pleasure to be involved in this debate today on Bill 203, which extends the power of the Ombudsman to municipalities in the province. As a member of the select committee of the Legislature in 1975, which reviewed The Ombudsman Act in the province, this was a subject of many hours of discussion within our committee, chaired by the hon. Member for Ponoka.

I'd just like to look at the history of the ombudsman throughout the world. A number of jurisdictions have had ombudsmen in place. Apart from New Zealand and the Scandinavian countries, Canada has been a country within the world that has placed a lot of emphasis on the office of the ombudsman. It has been said in this House today, and I think it bears repeating, that the province of Alberta, under the previous administration, saw fit to set up The Ombudsman Act in 1967 and put in place the office of the Ombudsman, under Mr. George McClellan, retired commissioner of the RCMP. The next province

that fell into place was Quebec, which started discussions in 1962. It took them till 1968 to actually put in place the office of the Ombudsman. Then Manitoba had a discussion, and it wasn't until October '69 that the office of the Ombudsman was appointed. Nova Scotia passed a statute in 1971 establishing the office. Saskatchewan moved in 1972 and, finally, Newfoundland moved in 1975. British Columbia moved to an ombudsman in 1975. So all provinces in Canada have ombudsmen, except Prince Edward Island. Within the nine provinces that have an ombudsman, only three have municipal jurisdiction. Through my research, that's the information I have gained.

It's also interesting to note that many federal MPs and members of the federal government have tried to establish the office of a federal ombudsman. To this date, it hasn't come to pass. I quote an interesting item from a particular piece of research I've done:

The stumbling block appears to be the present Prime Minister's personal opposition to the idea. He is reported to have said at one time that the Minister of Justice plays the Ombudsman's role.

It also goes on to say that the Prime Minister of Canada, Mr. Trudeau, supposedly said — and it's through a newspaper clipping — they did not need the office of an ombudsman federally; that they had the Liberal Party of Canada. I don't know what the Prime Minister was referring to there.

I look at the Bill presented by the hon. Member for Calgary Forest Lawn, and some of the amendments to Section 2[c.1], which defines "municipal agency". I look at the law enforcement end of it and at the province of Alberta, that has municipal contracts with the RCMP at the present time. We have an appeal in front of the courts right now to determine if the province of Alberta in fact has jurisdiction over our federal police force which is hired to administer and enforce the laws of the province. I saw the hon. member shaking his head when I mentioned the RCMP. Maybe later he can inform me what he means by law enforcement. Is it the appeal mechanism set up within The Police Act, or what the case may be.

I also look at educational services. If we got into having the Ombudsman investigate educational services, I think the local boards of education would lose their autonomy. The local boards of education are elected representatives, as are members of this Assembly; they are elected by the same people. I think they have their duty to make sure educational services are provided as per The School Act and other enabling legislation.

I remember the debate held within the committee at various times regarding rural municipalities. The hon. member says counties and MDs would now accept enabling legislation but not legislation put onto them. My concern is that if we allow the Ombudsman to become involved with rural municipalities, I feel very strongly that it would infringe against the excellent job the Farmers' Advocate is now doing in the province of Alberta to help farmers with the different problems they have with various agencies of government and of some municipalities. But I don't think the Farmers' Advocate actually gets involved there.

It's interesting to note that urban municipalities have asked for the legislation. It appears they would be allowed to go with that. I could support that. But I would not support the role of the Ombudsman as it is now constituted, being extended into the municipal end. I could support another office of the ombudsman to look at particular municipal problems; that is, if the municipal-

ities accepted that role. I'm sure some municipalities will, such as the city of Calgary and maybe the city of Edmonton, and other urban municipalities may not. I think it would stand also with the rural municipalities [that] have just indicated they may not accept that legislation.

If the hon. member could convince me that we should set up another office of the ombudsman, I could agree with that. But I would not agree with extending the powers of the present Ombudsman into municipal areas, as the office would have to be expanded. I don't have the figures in front of me, but I imagine a number of complaints of a municipal nature would come to his office. I'm sure many residents of Alberta now understand that the provincial Ombudsman does not have the power to investigate municipal complaints, so they do not come his way. The Ombudsman says that his office should only increase by two or three. After a year in operation, I think you would see the Ombudsman back in this Legislative Assembly asking for a larger appropriation of money to hire a larger staff to look at the many new complaints that I think would come across his office.

With those few words, Mr. Speaker, I've enjoyed the debate this afternoon and look forward to other participants.

MR. COOK: Mr. Speaker, I promise to be brief. I know my colleague from Calgary McKnight wants to participate in the debate this afternoon. We have seven minutes, so I will just make a couple of quick points.

Previous speakers have gone over the value of the ombudsman and the office, the fact that it's the last appeal for many citizens to review administrative decisions. Alberta has a distinguished record in this regard. Several years ago we set up the first office of an ombudsman in North America. The AUMA, the Alberta Urban Municipalities Association, has requested the opportunity to have the Ombudsman's office extended to serve citizens at the municipal level as well. In contrast to the Member for Stony Plain, I suggest it's better to have one ombudsman in the province rather than trying to duplicate that office, because most citizens in the province now appreciate the value of that individual and his office. I think it would be a confusing relationship to try to re-educate the public. To create another office would simply require a great deal of duplication of time and manpower trying to educate the public that there is an office to go to if you have problems.

I'd like to make one point. If you review The Municipal Government Act and appreciate the broad range of activities a municipality can be involved in, you see that in many respects the government closest to the people is the municipal government. The activities they're involved in are far-ranging and open to administrative decisions. The average citizen might have some difficulty in seeking what he or she thinks to be justice if they disagree with the decision handed down.

Just a quick review of the features of The Municipal Government Act: provides for powers of municipalities to govern policing; property taxation; land development; building permits; expropriation; building safety; licensing and inspection of businesses; provision of basic services like ambulance, water, sewer, public utilities in some communities, rapid transit; construction of roads; regulation of the transport of goods and services on those roads; provision and regulation of taxi services, recreation facilities, health facilities, social services, and municipal hospitals. I think it is self-evident that a number of

administrative decisions are made in those areas of activity that can be arbitrary, that don't have the opportunity right now for an impartial review and appeal of decisions made that may be prejudicial to the interest of a citizen. I think the office of an ombudsman is, in a sense, a safety valve. It's an opportunity for a citizen to let off some steam and vent his or her feelings.

I support Bill 203, proposed by the hon. Member for Calgary Forest Lawn, the distinguished lawyer of our Assembly. I will simply go on record as supporting this legislation, and confine my remarks to that so my colleague from Calgary McKnight can speak further.

MR. MUSGREAVE: Thank you, Mr. Speaker. I appreciate the Member for Edmonton Glengarry allowing me this time.

I hate to take exception to a Bill presented by my honored colleague on my left, but I suggest that in order to be effective the Ombudsman's office should remain small. I think he has enough work to do at the provincial level. I know one alderman in particular in Calgary has been promoting this idea, and perhaps the gentleman is not aware of what his prime responsibility is. There's no question that any document, data, or information can be obtained by an aggressive councillor at a local level of government. Each alderman and councillor is to be a steward of the responsibilities of the citizens. In our society I think we need fewer inspectors, not more. We need more responsible elected officials who know their job and are prepared to do it.

I beg leave to conclude debate, Mr. Speaker.

MR. HORSMAN: Mr. Speaker, by way of advising as to House business when the House resumes at 8 o'clock, we will resume the budget debate. By way of notice, we can advise members of the House and the opposition — I hope that message will be passed on to them by the sole member of the opposition now in the House — that tomorrow morning it is proposed to go to Committee of Supply, commencing with the Department of Agriculture.

MR. SPEAKER: I omitted to deal with the motion by the hon. Member for Calgary McKnight. I take it the Assembly has agreed to his motion to adjourn the debate.

HON. MEMBERS: Agreed.

[The House recessed at 5:30 p.m. and resumed at 8 p.m.]

head: **GOVERNMENT MOTIONS**

6. Moved by Mr. Hyndman:

Be it resolved that this Assembly approve in general the fiscal policies of the government.

[Adjourned debate April 22: Mr. Pahl]

MR. PAHL: Thank you, Mr. Speaker. When I finished my remarks the other day, I was remarking on the impact of Ottawa government actions on our province. Certainly the negative effects in economic terms are dramatic. Referring back to the key statistical indicators in the Budget

Address, capital investment, the primary driving force behind our growth, has increased at an average annual rate of 23.2 per cent over the past 10 years. This year the rate of growth in capital investment will drop to about 50 per cent of the 10-year average. The reason that growth in investment in Alberta has flagged can be found in the disastrous national energy program proposals introduced on October 28, 1980, by the Ottawa government. None of us would quarrel with the purported central goal of the national energy program, which is to achieve oil self-sufficiency by 1990. However, most assessments of this so-called national program have indicated that such a goal will not be reached by 1990, mainly because of the national energy program itself, which will prove a major hindrance to reaching energy self-sufficiency. To say that the national energy program is merely deficient would be extremely charitable, and time would not permit a full outline of this national tragedy. Thus I will comment only briefly and generally on the major flaws of the national energy program as follows.

First, the price of oil has not been increased enough to promote conservation on the demand side. On the supply side, the price has not increased enough to stimulate or maintain exploration and development. Indeed, as has been projected by our Provincial Treasurer, exploration capital investment in Alberta has already been reduced. Secondly, the national energy program mirrors the unrealistic and unsympathetic treatment of western Canada by the Ottawa government. The Ottawa government fails to look upon the development of the west as a great opportunity for all Canadians, but instead presents a highly politicized, and therefore divisive, proposal. Finally, the move to vastly increase federal government involvement in the petroleum industry is a backward step. The petroleum industry needs entrepreneurial talent and profit oriented goals to produce continuing successful exploration and development. Mr. Speaker, I will thus close on the dreary subject of the national energy program.

In completing my remarks I would observe that in the face of ever increasing needs in the priority areas of housing, health care, and social services, and in the face of shocks caused by wrong-headed Ottawa proposals, this budget does strike a balance between the goals of providing first-rate services for Albertans today and building for continued economic prosperity and jobs in the future. I would urge this Assembly's support of the motion.

Thank you.

MR. PAYNE: Mr. Speaker, I must confess that I've had some difficulty in preparing my comments and views with respect to the Provincial Treasurer's recent Budget Address. That difficulty derives in part from the paradoxical elements of the budget. On the one hand, estimated government expenditures for the 1981-82 fiscal year will be up over 22 per cent. Of course these expenditures appear to be well justified. Yet it is difficult for me to reconcile such massive expenditure increases with concurrent references to realistic expectations in the 1980s.

I must admit as well, Mr. Speaker, to a certain paradoxical element in my own personal reaction to the Budget Address. Although in one breath I endorse and support appeals to Albertans to lower their expectations, in another breath I express disappointment that the budget did not provide more generously for the staggering expenditures facing the large urban centres that will increasingly be unable to implement their LRT and roadway solutions to extreme traffic congestion.

Another difficulty I experienced, Mr. Speaker, was on the revenue side of the budget. It's a difficulty I suspect the Provincial Treasurer experienced as well. The budget revenue forecasts appear to have been developed with little optimism for the current federal/provincial energy negotiations. For budgetary purposes it would of course be imprudent for the Treasurer to work under any other assumption, yet like many Albertans I hope the current energy negotiations will result in a new deal that will provide even greater revenues for the province and increase producer netbacks. That lingering hope makes it difficult for me to adopt a firm personal position with respect to the revenue side of the 1981-82 budget.

Despite these assorted paradoxes and difficulties, Mr. Speaker, and despite my suspicion that with a nearly empty press gallery we are largely talking to ourselves, I very much want to participate in the debate on the Budget Address. I'm anxious to enunciate as clearly as I can some deep-seated feelings on three matters: the Alberta Heritage Savings Trust Fund, the national energy program, and the current federal constitutional initiatives.

First, with respect to the heritage fund, the Budget Address quite appropriately describes the Heritage Savings Trust Fund as one of the Alberta government's key fiscal policies. Unfortunately it is also one of the key points of criticism and misunderstanding in central Canada. For example, *The Toronto Star* has editorialized that the heritage fund "is now becoming legitimate cause for concern" and quotes a university economist's incredible description of the heritage fund as "a means for this local bourgeoisie to grab federal power". The heritage fund and perceptions of Alberta's greed have even found their way into eastern newspaper cartoons. A few months ago *The Globe and Mail* carried a cartoon which has two individuals on a street, apparently in a central Canadian city. One — I presume a radio reporter or an on-the-street interviewer of some kind — has what appears to be a tape recorder strapped around his shoulder and is clutching a microphone. He's interviewing a gentleman in a three-piece suit with a white Stetson, obviously from Alberta. The caption of this regrettable cartoon reads: as an Albertan I sure do love Canada, but I love the heritage fund more.

Mr. Speaker, I recognize that cartoons are not necessarily an accurate reflection of the community and that cartoonists, particularly in the area of social and political comment, rely on extreme characterizations for the thrust of their humor. Nevertheless there's no doubt in my mind that cartoons of this nature, and this cartoon in particular, do mirror an element of reality. Others in this House and elsewhere in Alberta have recognized the growing antipathy and misunderstanding in central Canada about the fund, and have suggested that if we could only communicate more in central Canada about the fund, that antipathy would be reduced and possibly even eliminated. It's a somewhat simplistic analysis that I confess I have made myself. However, after considerable reflection, Mr. Speaker, I feel the communication solution may be a lot closer to wishful thinking than to sound communications theory.

Without wishing to derogate any current or proposed communication programs with respect to the heritage fund, I want to emphasize my view that central Canadian perceptions of the fund may in fact disguise a more fundamental concern that wealth, in financial and other forms, is shifting to Alberta. The heritage fund is a symptom of the fact that the status quo for central

Canada has ended. The decision-making, the economic and social development: these things are moving to the west. The fund is a very convenient and highly visible entity to serve as a target for those who resent that transfer of wealth and influence.

I'm perhaps even more concerned, Mr. Speaker, about perceptions of the fund as it increases in size, seemingly in jumps of billions of dollars at a time, and as central Canadian criticisms become more voluble and more pointed, that growing numbers of Albertans will become apologetic and perhaps even embarrassed about the fund. To these Albertans, who understandably are intimidated by allegations of greed, I would like to recommend a careful reading of a recent column by a former Lieutenant-Governor of this province, Grant MacEwan, wherein he claims that the fund

... should bring satisfaction rather than embarrassment to Albertans.

The Fund will help to win forgiveness from those generations yet unborn if we have something better than city towers, national debts and stories of high living to pass on and share with them. The billions in the Heritage Fund will help greatly, provided the set-aside money is safeguarded tenaciously for its appropriate use.

Surely the tenacious safeguarding and responsible fiscal management that have contributed to the fund's magnitude should be a source of pride and assurance, and never embarrassment.

Before I comment on the national energy program and the constitutional resolution, I'd like to draw the attention of members to the cover of the 1981 Budget Address. Of course beneath the title it carries the recently redesigned provincial coat of arms. The Latin motto that forms an integral part of the provincial coat of arms reads *Fortis et Liber* — strong and free. It's in the context of Alberta's strength and freedom that I'd like to comment briefly on the national energy program and the federal constitutional resolution.

Six months have now passed since the federal budget and national energy program were introduced by the federal ministers of Finance and Energy and Natural Resources. It's now quite clear that the strength and vitality of Alberta's economy and the oil and gas industry have been severely compromised by the national energy program. I'm prepared to reserve judgment as to whether this was a planned objective of the national energy program, but surely no further evidence is needed to determine the negative effects of the national energy program on Albertans' economic strength. Reduced producer cash flows and earnings, and the inevitable corollary of reduced reinvestment and exploration activity, are now clearly the single major factor in Alberta's weakened economy. As pointed out in the April edition of the Bank of Montreal's *Business Review*,

Alberta is in for its poorest economic year in a decade ...

The bank blames the national energy program for a forecast 50% drop in the growth rate of investment in the province's oil and gas industry

As serious as these concerns are, Mr. Speaker, another aspect of Alberta's diminished economic strength, the outward flow of our economic lifeblood, our skilled and trained people, is even more disconcerting for me. A growing per cent of our geologists and geophysicists are now working on projects based in foreign countries, notably the United States. The loss of these oil industry professionals is much less publicized than departures of

oil rigs and may not even be mentioned in industry casualty reports, yet these losses are far more serious in the long run. It's difficult for many to return.

Visualize, if you can, the experienced and able geologist who has sold his Alberta home and moved with his wife and children to perhaps Houston, Tulsa, or Denver, purchased a new home, enrolled the children in new schools, taken up new community activities. Then presto, just because we may somehow magically transform the NEP into a positive document and the industry can be turned around ... It's one thing to achieve that turnaround, as impossible as that seems; it's quite another to expect that geologist once again to uproot home and family and relocate. It's difficult for them to return and contributes significantly to the gradual erosion of Alberta's economic strength.

It's estimated, Mr. Speaker, that the Canadian-owned oil and gas well service and supply industry — and I emphasize the adjective "Canadian-owned" — employs over 20,000 people in western Canada, with 8,000 of these people expected to be unemployed by mid-1981 if the projected downturn in the industry is realized. The industry feels that the retention of skilled workers and the technical expertise oil companies depend on to develop new reserves is at stake.

As just another illustration of the problem, Casualty Report No. 4 of the Canadian Association of Oilwell Drilling Contractors reports:

1. Half of Canada's 1980 rig capacity will be idle or in the U.S. by mid-1981.
2. \$850 million worth of Canadian rigs will be in the U.S. by mid-1981. They won't be back [to Alberta].
3. Cost in jobs: 20,000.

It's patently obvious to me, Mr. Speaker, that the national energy program, perhaps by design, attacks in a very fundamental way the strength and vitality of Alberta's economy where it hurts most: our skilled people.

Just as surely as the national energy program is undermining Alberta's economic strength, so will the federal constitutional initiatives, if successful and unchanged, undermine our freedom. If the constitutional resolution in its present form becomes law, significant rights that distinguish a democracy from a dictatorship will be lost by Albertans and indeed by all Canadians. Time tonight does not permit a thorough review of those rights, but I would like briefly to mention two. The first right is the individual's guarantee of the enjoyment of his property without fear of confiscation by the government. The second is the individual's freedom from being imprisoned by the government for mere political opposition. The potential loss of these and other significant democratic rights, combined with the unilateral nature of the process and the absurdly unrealistic deadlines imposed by the Prime Minister, hold very ominous implications for the freedoms earlier generations of Albertans toiled for so valiantly.

Mr. Speaker, today I'd like to express my support, and that of Calgary Fish Creek constituents I have spoken to in the past week, for the basic argument of the eight premiers who participated in the Constitutional Accord. That is that all Britain should be asked to do for Canada is send us our constitution, with an amending formula agreed to by Ottawa and the provinces, and that any changes to the constitution should be made on Canadian territory. Quite simply put, the eight premiers of the Constitutional Accord are proposing a continuous process that admittedly will take time. But surely we all

agree, that is time we need to take.

There is no pressure in Canada for that resolution to become law right now. I have seen no logical argument for insisting that it be passed for Canadians by Britain. Canada has time for another federal/provincial conference as a national debate. Surely we need to take that time.

In conclusion, Mr. Speaker, I urge all hon. members here tonight — indeed, I urge Canadians everywhere — to reject the federal constitutional resolution in its present form, especially the Charter of Rights, so-called, and the amending formula, so-called, and to a major overhaul of the national energy program. In all candor, I have to admit I'm not too hopeful. But despite the absence of that hope, we ought not to diminish our resolve under any circumstances, for we must succeed if Alberta is to remain *Fortis et Liber*, strong and free.

MR. BATIUK: Mr. Speaker, in rising to participate in the budget debate, I would like to congratulate the Provincial Treasurer on the very fine budget he brought down and compliment him on how eloquently he presented it. Over the last few years I had the opportunity to view several legislatures across this country, and the House of Commons. I must say the decorum in each place has far to go to be comparable to Alberta. I would also like to compliment you, Mr. Speaker. I'm sure sometimes the feeling is that you hold quite a stern hand over this Legislature, but I think it helps to provide the decorum it has. Also, I believe the recent appointment of Mr. Lacombe as the Sergeant-at-Arms has added significantly to the decorum of the Legislature.

Mr. Speaker, in his opening remarks, the Provincial Treasurer stated "1981 — A year to stabilize and move ahead" and mentioned there is an exciting 75 years ahead for the province of Alberta. I could not go by without mentioning that last year was the 75th Anniversary in the province of Alberta. I think the celebrations across the province were extremely successful, particularly in the Vegreville constituency. There were many celebrations. I had the opportunity of attending 23 celebrations from the beginning of June to November 22; 21 of these were right in the constituency. I really appreciated the contribution of very many community organizations, many parishes, and others. Even though the former Leader of the Opposition stated on several occasions that the 75th celebrations were a fiasco, this was not right in the Vegreville constituency. Sometimes I wonder whether those members who felt it was a fiasco were at all involved in their constituencies.

At just about all those celebrations what intrigued me most was that somebody from the youth organizations or a student group spoke and each one paid tribute to the pioneers, those present and those already passed. They expressed their appreciation to these pioneers who had the courage to come to this country and make many sacrifices so they could have a better and easier life.

Mr. Speaker, even though I have confidence in young people, this past year I held extreme confidence in them. Even though our young people are slandered, abused, criticized, and condemned, I think this is wrong. I believe that even the General Assembly of the United Nations saw that in 1959 and proclaimed the rights of the child, setting out 10 principles. Looking back in history, 3,000 years ago Socrates said how bad the children are today; how is the future of the world going to be entrusted to this generation. Yet there have been many generations in the past 3,000 years, and the world is going ahead.

Mr. Speaker, the Ukrainian community in Alberta, which is the third largest in population, decided they should also participate in a celebration to show their appreciation to the province for benefits they derived during that time. The provincial council of the Ukrainian-Canadian Committee formed an organization — and asked me to head that organization — for the sole purpose of providing a celebration on this occasion. Last August 10 at the Ukrainian Cultural Heritage Village, just about 50 kilometres east of here, was almost the biggest celebration in the province. I wouldn't be surprised if it was the biggest celebration outside the cities. Approximately 14,000 people were in attendance. In appreciation, the Ukrainian community provided a sculpture which was unveiled by the Premier that day. The Premier received it as a gift to the province to commemorate this. I might also say that this year is the 90th anniversary of the Ukrainians coming to Canada and Alberta. I expect a similar celebration and invite everyone to come.

Mr. Speaker, another very important function in the 75th Anniversary celebrations was the presentation of gold medallions. I received a list that I would have 246 medallions to distribute, the second highest in the province. The highest went to the representative from Wetaskiwin-Leduc. I thought this job shouldn't be too big, but it was. In a rural constituency, I had to make maybe four or five trips to some areas before I was able to find people at home.

There was also another big problem. As I mentioned, 75 and more years ago the Vegreville constituency was a predominantly Ukrainian area. Many of these people who came from Europe settled in groups. Once they had a home of their own and the bare essentials, the first thing they thought of was having a church and community hall built. There were many communities throughout the area, and they had to name them. What names did they use? They used the names they had in the Ukraine, such as Paraskevia, Kolomea, Ukraina, and you name it. When these people were making applications for their gold medallions, it was written on the application, where were you born? So they put in Ukraina, Paraskevia, and names that happen. When it came to the commission, they looked at the place Kiev — that's in Ukrainian — immediately rejected that application, and sent them a silver medallion.

It was very interesting that about 15 miles south of Mundare there's a community with the name Borschiw, which comes from the Ukraine. As these people settled, they had their community hall and church. More people came and settled just a few miles from there. They too named their community Borschiw. So there were two communities with a similar name. Within a few years, one had to change. The one farther to the north changed to Moscow, and it still holds that name. But I had a tough time getting four people's applications straightened. Because where were you born? Well, the 75th commission rejected Moscow. Anyway, all in all it was a good experience, and the recipients of these gold medallions were very thankful. Many of them even went to the cost of little chains so they could wear them as a necklace, rather than store them. So, Mr. Speaker, I believe the 75th Anniversary in this province was a success story.

Since the biggest commitment of this government, when we formed in 1971, was to bring help to the handicapped and relief to senior citizens, there is much in this budget that is intended for senior citizens. Having a great number of senior citizens in the Vegreville constitu-

ency — as I mentioned, the second-highest in the province — you know that this budget is going to be very meaningful to the people in the constituency. At present we have three lodges, and a fourth one under construction. When that is finished, we will have enough senior citizen lodge accommodation to last for quite some time. The senior citizen self-contained units have become very popular over the past years, maybe because of the shielded rent. The senior citizen does not have to pay as much for it. We all agree that the best place for the senior citizen is home sweet home. But there comes a phase in life when they no longer can, or maybe want to, remain in their own homes. Of the 2,600 units proposed in this budget, hopefully a number will be coming into the Vegreville constituency so I will feel, as of the end of this year, that there will be enough accommodation for our senior citizens. I do hope — and the Minister of Hospitals and Medical Care is looking, because there seems to be a continuous list of people for nursing home care.

I am glad that the maximum benefits have been increased for our senior citizens under assured income. Even though the Member for Spirit River-Fairview said this was a measly \$10 increase, when we looked it was increased by \$35 a year ago; \$10 this year makes a \$45 increase, or 100 per cent, over the last two years. So I think this is well accepted by the senior citizens.

The property tax reduction, being increased by 50 per cent, from \$400 to \$600, is going to mean a lot. I know that for a lot of senior citizens who live in homes that need not be much more elaborate, the \$600 will cover most or all their tax. So this is going to be a big help for the senior citizens. In the Vegreville constituency senior citizens constantly say they are very happy. Many of them say they have more than is necessary. However, maybe it could be a bit different in the cities, where the cost of a home, the upkeep and so on, is so much greater.

Mr. Speaker, I am starting to have a little more concern for those who are on minimum wages. Maybe those need more attention, because some of them may be in a worse position than senior citizens. I had asked the Minister of Housing and Public Works — he's not here today. But I think and hope that he would look at another plan. Very recently in my constituency a couple who started farming a few years ago, and have several children, needed their home expanded because the two-bedroom home is too small. Their home is still good. It's 30 years old, but it's in really good shape. They made an application for assistance under the Alberta Housing Corporation but were turned down. They also made it to the Ag. Development Corporation and were turned down because there is no policy for expansion of homes. They were told that if they wanted to build a new home, there would be no difficulty with the provision. So, Mr. Speaker, I hope the Minister of Housing and Public Works will look at that. All this couple needed was \$30,000 to expand their home that would be good for probably another 30 years. If they wanted to build a new home, they would need \$75,000 or \$80,000.

I am also very happy to see what there is in this budget for hospitals and hospital care. The Leader of the Opposition mentioned that hospital care in this province is behind, and maybe it is. But if it is behind, it is only because our government did not have enough time to catch up for what it was behind many years ago. I served on the hospital board in our home area of Mundare. I think back to 1966, when the fire commissioner made an inspection of the hospital and recommended renovations or else consideration of closing the hospital. The renova-

tions were going to cost approximately \$200,000. The hospital commission rejected the idea of spending \$200,000 on a hospital that is 40 years old and cost only \$28,000 to build 40 years ago. It was rejected, but still no approval was ever given to replace that hospital. It's fortunate that it was able to carry on, with extensions from year to year, until the former minister of hospitals provided approval. I might also say that the Leader of the Opposition at that time was the minister of social services and health, who was responsible for hospital administration.

I mentioned that there is a need for nursing care in several places in the constituency. Provision has been made for a new addition of 30 beds in Two Hills. However, in Vegreville there is a waiting list. I hope the minister will review this carefully.

The rural gas program: I had the opportunity of serving on a caucus committee. I think this is one of the finer programs we have in rural Alberta. Back in 1973 the minister of utilities and telephones at that time cited that 80,000 families in Alberta did not have the opportunity to use this clean and low-cost fuel, and proposed a program for the province. We as a committee tried to seek information from every province in Canada on what programs there were. There weren't any. We did likewise in the United States and found there weren't any. So I might very positively say that Alberta must be the only area in the North American continent where there is a rural gas program.

The price protection plan: if anybody looks at the amount of money put for that, we have to realize that consumers are paying very little for natural gas. When we look at what the royalties to the province are and what our contributions to the price protection are, actually the province of Alberta is getting very little for natural gas from its consumers. In my days I burned wood, coal, diesel fuel, and propane, and when the day came that I was able to get natural gas I was very happy. I know my costs went to only about half. I am very happy and am glad that many others ...

Both the Member for Spirit River-Fairview and the Leader of the Opposition stated that we should get on and provide some support for agriculture. Mr. Speaker, we all know that the transportation of grain is and has been the responsibility of the federal government. But our province had to commit itself and purchase 1,000 hopper cars to help the agricultural industry.

What about the Canada grain terminals? The federal government considered shutting them down. Here again, the province had to get involved. What about the some \$200 million commitment to the Prince Rupert terminal; the beginning farmer program that has been in existence for a while and was greatly improved last year? I think this program has helped Alberta to reduce the average age of the farmer. The average age of the farmer in Canada is 56, and in Alberta it's 44. I believe that because of assistance with the Ag. Development Corporation, programs such as the beginning farmer program have helped a far way to reduce the average age of the farmer.

Mr. Speaker, I can't go by not mentioning environment. I have always strongly supported the support our government has given irrigation. Serving on the caucus committee, I had an opportunity to view the benefits from irrigation, and I think our government deserves all the credit it is getting for its commitment to irrigation. On the other hand, the northern half of the province, 180 degrees difference, has a problem. We have many sloughs throughout the fields in the northern half of the province.

They could be drained with not very much additional cost. I am sure that when you look at my area and very many areas, a creek is running on every section of land. Those creeks are all headed for the rivers. However, I believe that because of the fashion of farming over many years — threshing, letting the straw pile go into the creek bed, and so forth — much of this water has been diverted. I would strongly urge the Minister of Environment to try to initiate programs for reducing or draining water which would help bring much of this fertile soil back into production. Recently the Wheat Board announced its intention to bring MAP to increase production of grain. I'm sure that by draining these surplus waters we would be in a much better position to provide an increase in grain.

I am also very glad that a regional water system is going to Vegreville. When I think back to 1974 when the Vermilion river flooded its banks, several million dollars of damage was caused in the Vegreville area. The following year, because there was so little precipitation throughout the winter and spring, the town of Vegreville had to pump water from farm sloughs into the river to get their supply. So I am glad that a regional water line from Edmonton to Vegreville is on its way. I know there are going to be some difficulties. I'm very much disappointed that sometimes some people get very greedy, and this is where some problems are in attaining the easements. I feel that if anybody is getting \$600 or up to \$1,000 per acre for allowing the water line to go, he is receiving reasonably good compensation because land of that area does not sell for \$1,000 per acre. Furthermore, it's just a lease to put a pipe into the ground, and the farmer will be able to seed his land after that. However, I will regret it very much if this pipeline is going to be stalled any bit because of this.

I must go into transportation, because at least three times since this budget was brought down the Leader of the Opposition stated that our road system in this province is 10 years behind. Mr. Speaker, I wouldn't argue with that. If it is 10 years behind, it is only because we did not have enough chance to catch up. If it is 10 years behind today, may I say that prior to 1972 it must have been 50 years behind.

I would like to make a few comparisons. I served on the county council for many years, and some prior to 1971. The hon. Leader of the Opposition mentioned that it was their government that initiated the regional road study. I can agree that they initiated the study. The former representative from Drumheller, who had been part of the Social Credit party for almost 40 years and a minister for 21 years, initiated the regional road study. I was a delegate from the county of Lamont. His plan was that the province borrow \$300 million to build a network of secondary roads. Whether it would have worked or not — I don't know whether there was enough equipment. But back in 1966 the then Minister of Highways was of the opinion that he could have a network of secondary roads built within three years and have them repaid in 20 years. Not that I always agreed with the Minister of Highways in 1966, but at that time the municipalities throughout the province did agree that it looked like a good program. But it didn't move ahead. It initiated a study and stopped at that study, because the provincial cabinet would not give Mr. Taylor the go-ahead with that program. So they continued with the same program they had for years: providing each municipality with a grant of \$45,000 known as the contingency grant. Now that \$45,000 could be used for the amount of road it would

build.

I know that in the early '60s a person could have built almost four miles. But I recall very well that in 1971 — and I'm referring to secondary 637, which is in my constituency — with that \$45,000 we were able to build just slightly under three miles. Maybe there was an eighth of a mile left, but we were cut off right there and then. We were not provided with another dollar to finish that road up to the corner. That's the way it was. Now when the Leader of the Opposition says we're 10 years behind, my God, in 1972 the balance of that 637, 11 miles of it, was tendered and built in one year. Today that is one of the best pieces of road on that 637. Prior to '72, when a contingency road was built the Department of Highways would put on a thin coat of gravel and the county was totally responsible after that. Since we formed the government it's been quite different. These roads are built, not piecemeal, two or three miles a year; they are built in larger sections. They are gravelled, regravelled, oiled and reoiled when necessary. I must say, Mr. Speaker, that I even have a couple of miles of paved road in the constituency — municipal roads that are paved. It's not very much but it's going ahead, and I hope someday we'll get there.

DR. BUCK: What about the road from Tofield, John? Where've you been?

MR. BATIUK: The road from Tofield? That's your constituency.

DR. BUCK: My part's done. Where's yours?

MR. BATIUK: But it wasn't done when you were in the government. There was no road yet.

Mr. Speaker, in 1979 the former Minister of Highways in the Social Credit government left the party and sat alone. He spoke at Holden. After his presentation in Holden, one of the questions to him was: why did you leave the party you were with for almost 40 years and on the Executive Council for 21 years? He made only one remark. He said: we were directed to oppose everything the government does; how can I oppose anything that's good for my people? Now it seems the opposition is going in that direction. If they intend to do it they should form a coalition with the Member for Spirit River-Fairview and even appoint him for their speaker. He is much more effective in criticizing than the present . . .

DR. BUCK: He didn't set up ADC. Tell us about all the socialism . . . [interjections]

MR. BATIUK: Mr. Speaker, I think the hon. Member for Clover Bar asked just the other day, is the location of the correspondence school for Barrhead going to cost \$8 million? Whether it's going to cost \$8 million or \$16 million — I thought it was going to cost only a portion of that \$8 million — that was a commitment of the Progressive Conservative Party prior to 1971.

I recall very clearly when the Premier of today, who was the Leader of the Opposition, in 1970 spoke to the Alberta Association of Municipal Districts and Counties at their annual meeting. He stated: should our party form the government, that trend will be reversed. It's going to be difficult, it's going to be costly, but it can be done; and when it is done, it will stabilize and provide a balanced growth for Alberta. He also stated that it is not the intention that the two metropolitan cities will not grow.

But when they do grow, they should not grow at the cost of rural Alberta.

How well I remember 1965 when the Premier of the day spoke to about 700 of us at an administrative seminar in the Jubilee Auditorium, and the trend already was to move into the cities. He very bluntly told us that within ten years 85 per cent of the population was going to be in Edmonton and Calgary, and nothing could be done about it. It was a sad day to hear, but it would have to be accepted. But because of the decentralization programs, it was this government that reversed the trend. Hearing the Leader of the Opposition at the Macdonald Hotel at that time made me want to become an M.L.A., one of a team that proposes such decentralization programs.

Maybe I was blessed with that, Mr. Speaker, because one of the biggest decentralization programs is in the Vegreville constituency: the Vegreville environment centre, which I understand is to officially open this June. I hope all members of this Legislature will take the time to go to the official opening. I think it's something that's not only good for Vegreville, not only good for the province of Alberta, but an interest in the environment centre was shown throughout Canada and the United States.

DR. BUCK: Do you know what they're going to do with it yet?

MR. BATIUK: True enough, maybe it took just a little longer than we had hoped. In 1974 it was intended that the opening should come in 1979, but when the developer builds a home that is only 1,000 or 1,200 square feet, sometimes he gets four or five months behind in that construction. With a complex such as this, which has several million square feet of floor space, a delay of this type could have been expected. Mr. Speaker, other things held back construction, whether they were strikes in the labor unions, or there wasn't enough . . .

MR. SPEAKER: I regret to interrupt the hon. member, but he has exceeded the allotted time.

MR. BATIUK: All right, very good, Mr. Speaker. Since this is the case, I want to thank the hon. members for being so attentive. I think this is a good budget, and since I couldn't get through everything, I think there will be another time.

Thank you, Mr. Speaker.

MR. MACK: Mr. Speaker, I wish to add my congratulatory remarks to the Sergeant-at-Arms. I feel rather compelled to do so. I know that when he was at the front door each morning, as I would walk in he would say, are you looking after my interests? I would assure him I was, and that's why I was here so early every morning. Because after all, he is a constituent of mine. So it's a doubly pleasurable time for me, Mr. Lacombe, to offer my congratulations to you in your new appointment and look forward to serving with you. I can assure you that I will obey your commands, and I have no difficulty in hearing them.

Mr. Speaker, I wish to express personal appreciation to my colleagues and all hon. members who have participated in the budget debate to date. They have brought a wealth of information from the various regions of our province which I think is very vital — certainly appreciated by me — because here we represent all Albertans and not only Edmonton Belmont or specific constituencies, even though we do have specific obligations to those

constituencies. I certainly welcome receiving information. The regional disparities, the various regional concerns that are brought and shared in the Legislature by the various hon. members, are greatly appreciated. It gives us a much broader scope of appreciation of the needs of Albertans, and I'm certain that when we make decisions which affect all of Alberta rather than regions, we can do so with a greater degree of intelligence.

I would also like to express a personal appreciation to the hon. Provincial Treasurer for the manner in which the budget has been prepared — it's not an easy budget, I'm sure, coming from a surplus to a deficit — and of course the very professional way in which he presented it to us last October. Mr. Speaker, the budget continues to reflect a very healthy Alberta economy. Of course this is in spite of the disruption of the revenue flow, which I believe can be directly related to the Ottawa government's imposed national energy policies of last October.

We have experienced, and certainly have read and know, the economic impact and the negative impact it has had on Alberta's cash flow. Not only that, but it has had an effect on the orderly development of Alberta — if not profound, at least to a degree where it has been slowed down and there has to be some retooling in this pause. It has had a negative effect on the exploration area, where we have experienced a large number of Albertans who had jobs in the oil industry and either had to seek employment elsewhere or are unemployed today. We have service rigs lying idle today because work for them is no longer available.

These are of concern, and I think rightly so, to those of us who are the legislators in this province, because the livelihood of Albertans and their families has been placed in jeopardy. I think too that the decline in the oil exploration areas, even when there is an agreed to energy policy in place, is going to have a period of start-up time. Again this will present to each of us tremendous challenges, and probably greater frustration to those in the business for a period of time.

I particularly would like to single out — because to a large degree I think they merit singling out — the private sector with the risk capital. In many cases we're talking in millions of dollars where the risk capital was invested, obligations undertaken because of at least the reasonable and fair assurance that there was the market for the energy. We had the resource to develop, and then the entire thing came to a very sudden halt. But my recognition of them, Mr. Speaker, is in the vein where I think they have shown and proven their resilience, resolve, and determination to ride with the storm rather than abandon the ship. It's in this context that I have a tremendous amount of appreciation for those people who put up millions of dollars of capital at tremendous risk to themselves, because they are the people who provide the real jobs. I think our province is wealthy and rich, and we have all appreciated the heritage and enjoyed it. This was given to us by that free enterprising spirit, by the people who came here not asking, what is Alberta going to give me, but what can we do to carve and build a life style? All we want is that opportunity.

I think we should applaud them today, because some of them are going through very difficult times. It may not be the originals. It may be the sons or daughters of the original pioneers who came here and have developed our energy resources in this great province of ours. As they were buying out, and probably adding to, the parent companies, in many cases they were faced with some pretty dire financial circumstances. So I applaud them,

Mr. Speaker. I think they are the salt of the earth; they are the people who have built this country, this province, to the position it is today. It certainly enjoys wide knowledge today not only in Canada but around North America, and in fact I think it's fair to say around the world. Because Alberta is the hub. This is where the action is and where the opportunities are. In that vein and with that in mind, I think we must be ever mindful, sensitive, and conscious of those people who made all this happen. There are people who watch things happen, there are those who make things happen, and there are the vast majority who really don't know what happened. I'm not talking about the latter. I'm talking about those who made things happen, and are still making things happen under some very extreme conditions. They're rising to the challenge. I felt compelled to recognize them, because they certainly deserve that recognition.

Mr. Speaker, the hon. Treasurer brought down a deficit budget. The deficit budget is basically difficult to accept with any degree of logic when we take a look at our heritage trust fund. It has something in the order of \$8 billion. The people tell us, who are you trying to snow? How can you honestly say that you have to bring down a deficit budget? But I would like to recall 1977 when in fact the proposal was made to establish a savings trusts fund which 30 per cent of all energy revenues would go into.

I think we can all understand a chequing account and a savings account. If a savings account is put in place for a specific purpose, and we're working on a day to day basis from a current account, then of course we don't touch the savings account. Personally I have no difficulty in accepting the Heritage Savings Trust Fund. It was designed for perhaps two main purposes: one, to diversify Alberta's economy so that it's not so totally dependent on energy and those by-products of energy. I think we have had fairly great success in that area. The other part was that it was to be put into a savings account for those Albertans who perhaps are just born today so that they too can enjoy some of the good life we have enjoyed over these many years. So I don't really have any difficulty with the Heritage Savings Trust Fund. I think it's been put to good use. It's been used for the medical foundation which ultimately will bring the finest medical research people in the world to this part of our country. It's been used in agricultural ways to move grain with 1,000 hopper cars. It's been used in many other ways, which I think are very, very positive because they have that diversification element in them. It's keeping Alberta's economy moving.

I believe that even today Albertans are enjoying the highest standard of living anywhere in Canada, or possibly it's fair to say in the world. As an average, we are enjoying a very, very high standard of living. The province's buoyant economy translates into success of the private sector and provides opportunity for many to participate in the growth of this great province and economic and job opportunities where we can apply our own skills. Normally we have little unemployment, except during this period of the slowdown. I believe that the economic foundation under which this province has been established is certainly well founded. Those who have played such a major role over the past decade in capitalizing and getting the maximum of the natural or energy resources for Albertans certainly should receive the kind of recognition they rightly deserve.

There are spinoff effects from a strong economy. Mr. Speaker, I believe the benefits are in the form of the creation of strong family units. The breadwinner who has

a job, is fully employed, is a worker who is satisfied and has rewards. He settles in a community, and within that community not only provides for his family, but provides the kind of element that builds a healthy, strong environment and a community that certainly creates the kinds of citizens who reduce the necessity for an expanded law enforcement agency and all those other difficulties and problems that arise from a distraught community or nation.

I believe that this government should continue to resist those who would advocate that government involvement in the private sector should be enhanced. Government should only be a catalyst to assist in those areas where it is necessary, but it should not play a leading role and be a substitute for the private sector. I mentioned earlier, Mr. Speaker, that Albertans enjoy a high standard of living. They also have some of the highest and best educational facilities, second to none in the country. I believe that we should also recognize the educators in our province. So often we only remember them or reflect on them when they're in a situation of negotiations. But really they are the people in the forefront educating our young people. I would like to recognize them as professionals and pay tribute to them, because they are doing an extremely credible job for the young citizens, the heritage of our province. Certainly I appreciate that.

This government continues to place a high priority in expanding health care facilities in Alberta. In the '81-82 estimates grants to active care and auxiliary hospitals and nursing homes will rise to \$922 million, an increase of 25.4 per cent over the '80-81 estimates. Funding will be provided for the operation of 10 brand-new hospitals in the province, health care facilities that will come on stream this year in various sections of the province. New technological diagnostic equipment will be purchased at a cost of \$6.6 million to provide greater capability for testing patients. As of this year many private clinics providing physiotherapy will become insured under the services of the Alberta health care insurance plan. This service will also be expanded to eight additional rural hospitals. For hospital capital construction, which is a multi-year program, \$1.5 billion this year; \$177.3 million has been budgeted, an increase of 40 per cent over last year. There is also a nursing research fund of \$1 million to study that very important area of health care delivery. Alberta continues to strive for excellence in health care. A special fund of \$250,000 has been established this year for nursing refresher courses, an additional \$250,000 for future years.

Albertans enjoy other benefits, such as no sales tax, no energy tax, an energy shelter. I believe that we should reflect on these periodically, particularly when we have — and perhaps these are legitimate complaints if we do not communicate with the people what some of their benefits are in relation to other parts of Canada. I think many of our people do not travel a great deal and therefore are under the assumption that all conditions that prevail here prevail in other parts of the country. But if they had to pay light or heating bills in other parts of the country, perhaps they would understand with a greater degree of appreciation that they in fact do have some of the better and certainly less expensive living conditions across Canada.

I think too that there has to be a degree of responsibility so that Alberta's economy is not overbalanced in relation to other provinces. Otherwise it could have a deleterious effect in various ways. It could either bring an influx of people into the province where we would not be

able to provide them with jobs or, conversely, it could upset the balance in the country, and the criticism which is directed our way would be in much stronger tones than it is today. So there is that fine balance we have to be sensitive to and conscious of, and make a conscious decision to ensure that we don't have an out-of-balance economy in the province of Alberta as it relates to other regions of the country, more particularly those regions within the proximity of our province.

Mr. Speaker, the Treasurer made the remark of Albertans having to lower their expectations. In light of some of the benefits we have, I find that a timely comment, even though I recognize it's not going to be appreciated by a lot of Albertans, particularly without the other elements of information so required and necessary that they might be able to appreciate the total sum. A deficit budget is really translated into a deficit position because of the general revenue cash flow throttling down, directly related to the national energy program which is designed to surreptitiously take funds from Albertans and transfer them to other parts of the country.

The budget is people oriented. Under the family home purchase program, 8,000 homes will be built in this fiscal year. Another 6,000 units will be financed under the core housing incentive program. Another 4,000 units will be constructed by Alberta Housing, which will provide 2,600 units for senior citizens, in addition to 1,100 for low-income families. Together these two Crown corporations will represent approximately one-half the total housing starts expected in the province this year. I believe that where private industry does not respond and the need is there, the government must be the catalyst to have the kind of motivation within the industry to provide not only the necessary housing but also the necessary capital.

The International Year of the Child as proclaimed this year by the United Nations will also receive substantive assistance, and I certainly applaud that: "some 14,000 Albertans providing \$7.7 million for special aids, such as wheel chairs, respiratory equipment" and so on. Another 9,500 handicapped individuals will receive \$57.9 million under the assured income for the severely handicapped. This year the budget of the Department of Social Services and Community Health has been increased by 29.8 per cent over the previous year.

This is a little scary and gives me some concern. The government growth in terms of people is increased in that one department by 1,145 new permanent positions. Child welfare services reflects a 55.4 per cent boost in funding; \$19 million is budgeted for the new day care program to improve child/staff ratios. Senior citizens minimum benefits under the assured income have been increased by \$10 to \$85 per month, at a total cost of \$64.8 million.

Mr. Speaker, while visiting the constituency of Edmonton Belmont, I visited a profoundly handicapped home which is operated by the Department of Social Services and Community Health. Although I went with a degree of trepidation because I realized that the young people in the home were profoundly handicapped, to my surprise and delight I couldn't believe the kind of progress I saw was achieved with young people who are profoundly handicapped. They could not talk, walk, or sit up, but they could appreciate music. They go to school every day. It was just a delight to see what could have been such an unfortunate existence, a life style carried out by these profoundly handicapped young people, cared for with love by young professional social workers. I certainly was very, very pleased. And again, the much maligned, much criticized, Department of Social Services and Community

Health — so unfairly. There may be inequities in certain areas. But I think by and large 99.44 per cent of people working with those people and supplying those needs are just super-professional, empathetic people who provide great care.

Mr. Speaker, the municipalities have a problem, particularly in the urban centres. I think I would be remiss if I did not reflect briefly on it. I recognize my time is rapidly slipping away. But I feel and trust that every effort will be made in the not too distant future to address the unique needs of those large urban municipalities, particularly in the area of transportation, so they would have some consistent form of funding on an ongoing basis and could plan, rather than a hit and miss kind of situation. Certainly they cannot fund it from the property tax base. And they have this great need.

I hold the view — and trust that I have the support of my colleagues in that view as I solicit it — that transportation in an urban centre is a right and not a privilege, particularly to our senior citizens and young people who do not drive an automobile. Because of the geographical location we live in, we cannot have hourly service where these people depend on that kind of service. The service must be of an upgrading form. Again, I believe we have to address the real needs of the large urban centres in the area of transportation.

Thank you, Mr. Speaker.

MR. KROEGER: Mr. Speaker, I've avoided this for over two years. But finally the whip got to me, and I made the decision that I should spend about 15 minutes talking about transportation. I don't intend to use a lot of statistics or miles or dollars, because everything I see happening in the department I represent really converts into people. So I'm going to talk about people. Oh, I'll make some reference ... For instance, I could easily say the department's budget for this year is \$750 million. Nobody's going to take me up on it. I paused for about 10 seconds. Not even the sharp ...

AN HON. MEMBER: Fifty-one.

MR. KROEGER: Thank you. He said 51.1 dropped the million, hoping somebody would pick it up so I could use C.D. Howe's expression "what's a million?"

AN HON. MEMBER: Ten miles of road.

MR. KROEGER: I appreciate the sharpness from the member. The \$751 million doesn't come about with any magic that I add to it. The fact that I was invited to be head of a department didn't make me an instant magician. But there is some magic to it behind the scenes. Again that converts into people.

I think about some 30 years ago when the former Member for Drumheller, Mr. Taylor, was the minister — the wrestling matches I used to have with him over that 20-odd years. I think he did a pretty good job. Then we had the late hon. Mr. Copithorne for four years — I used to meet with him — and my immediate predecessor, the hon. Dr. Horner. I was part of this system. I discovered that I not only didn't have to see the Premier about problems; I didn't have to see Dr. Horner about a lot of those problems. His former executive assistant, who now sits as a member in the House, used to iron out a lot of these things for me. I began to get an appreciation of the people in the department.

I'm going to name a few names, because I still recall so

well the horrifying experience of a Friday night when the Premier said, you're Transportation, and on a Monday morning finding an empty office, no people, very little furniture, and no instructions. The only thing I inherited was Doc Horner's telephone number. When that thing started to go about 8 o'clock, in about 15 minutes I said, this is it. I shut down the office and left. I hunted the now Member for Barrhead and said, there's got to be some way of approaching this differently. I'd better have a few ideas. So he gave me some ideas. I discovered then that some people in that department really did know something about it.

There was a chief deputy minister by the name of McFarlane. Then there was a very key person by the name of Bob Cronkhite. I think Bob Cronkhite deserves mentioning. He's been in this system for over 30 years. He's an engineer, now a deputy minister, and is a bit of a magician. Then we've had other people, such as Mr. Alton and on down. I won't go through the whole system. But I began to get a real appreciation of the kinds of things these people do. What do you think happens to \$750 million that is thrown into a hopper? Do you think bridges, roads, and airports come out the other end?

I've had the experience of sitting through discussions on what we should be asking for, what we would do with what we have, and how we would convert it into these marvelous things everybody asks for. The process starts in late July or early August. This year we came out with our numbers in March. So the process takes a long time. Then the money finally is confirmed, and what are you going to do with it? Well, you know you can't just pile dirt casually in rows all over the province. If you take a look at the map of Alberta, try to imagine that in the settled part we try to have a road every mile north and south and every two miles east and west. That makes quite a latticework. But every move that's made has been planned by engineers, and the work has been developed very carefully. It takes a great deal of effort. I guess something in the order of 150 engineers in the Department of Transportation contribute to this. And what do we do with it? Well, we listen to members of this Assembly and to municipal bodies, counties, and urban areas. And we get a lot of mail. We feed all this together and try to match it to the amount of money there and to the demand that seems to indicate how best to use it. We have a tremendous primary road system, a secondary system, and a variety of other kinds of roads all over the province. Every one of them converts into something people really need and really use. And we get into a bit of competition between people.

Lately I've heard some comments that funding for the cities this year is \$155 million, so the rest of it must be for rural Alberta. Well, first of all, the rest of it isn't all roads through the province in any event, because you do have bridges, airports, and many other factors. But there shouldn't be a competition, because those roads away from or leading into the cities are also being used by people in the urban centre. The \$155 million for urban centres this year is the equal of what we spent on the primary system last year and not far below what we'll spend on the primary system this year. So we try to spread this around the province in a very equitable way. We don't ask what the politics of a constituency are. We simply look at the need and the use, and respond accordingly.

The resource roads are another factor, and a very useful one. There we do have some flexibility. Lately I have taken to surprising the Minister of Energy and

Natural Resources a bit. When I've had people from the energy field or from the constituencies of Fort McMurray or Grande Prairie coming to me talking about Highway 40 south of Grande Prairie or doing the Conklin Road on the other side, I've said: "Spread the good will around a bit. Why don't you see the Minister of Energy and Natural Resources?" The answer is, "Well, the question is about roads." "Well, yes, because he's interested in resource development. We're talking about resource roads; tell him about it." I think this has happened — I know it's happened, I think to his surprise in the early stages; nevertheless the point was made. When the argument on what we should do in the way of expanding funding for transportation became pretty hectic from the members, I said, "Great, get together and let's talk about it. But don't just talk to me about it, because it's not totally my decision." And they did, and a lot of good work was done by the MLAs who helped develop the kind of budget we now have. They can take the credit for having expanded it to the degree it has been expanded.

So we have looked at a growth from the first budget I saw in 1979 — that is, in being responsible for the department — of \$441 million, now to \$751 million; almost double. That's '79, and now we're into 1981. So we are doing some things. I find it interesting, Mr. Speaker, that in spite of the marvellous things we do, we get some funny comment, some funny telephone calls, and some strange mail. I remember getting a letter from somebody in New York City, if you can imagine that. I didn't think they even knew where Alberta was. The fellow wrote me a letter and said, "specifically Highway 36. It's a menace. I understand you have holes in that road that you lose school buses in." What he didn't know is that I live on Highway 36 and drive over it at least twice a week. I did respond to it. But that's the nice kind of coaching you get from not only out of province but out of the country.

I think we have an unusual situation here in the province of Alberta, in that from out of the country you can cross the 49th at the south end in three different places and hit a paved road. You can work your way up through central Alberta, depending on the route you select, and drive for a thousand miles and wind up in the Northwest Territories, and you're on pavement all the way. It's the only province in Canada where you can do that. I didn't do that. You people did, the people who went ahead of me, the people who have lived here for a long time. It isn't possible to do that anywhere else in Canada.

I want to comment for a few minutes about not the big \$190 million on primaries or \$155 for urban development. It isn't the big things that make the system work. It isn't even the big things that make people hostile to you. It's usually little things. One of the small things that I think will be very useful — and I mentioned this once before — is the decision that we were going to have some hardship on part of the construction industry, specifically those people who have been working in the oil patch. You've heard it referred to. We developed a proposal in our department. I took it to priorities, and was surprised at how quickly it was accepted. That was to identify \$30 million that could be spread through the province not just to build roads, although that's what they'll be doing with the money, but to build roads and at the same time relieve the anxiety and stress that come from not being able to pay your bills when you're an operator of a piece of road equipment. You're too small to bid on contracts, but you are capable of doing some work. So \$30 million

did become available to us, and we're going to allocate it very carefully. It's going to go to people who can't bid on major construction, and they're going to build rural roads. They're going to be able to meet their payments to their suppliers. You're going to be thinking about the fellow who crawls underneath an A frame on a cat, greases the outfit himself, makes it work, has to worry about his own accounting, and at the end of the month pay his own bills. This is going to work. We know that the impact will be far more than just the \$30 million worth of roads we will build.

One of the things I've heard mentioned in this place many times, I've heard reference to in many ways, is the fact that those of us who are in these marvellous jobs we hold are difficult to get at. I guess the term is "arrogant" or "inaccessible". There's an easy answer to it. Ever since the spring of '79, I have made it a practice to be in 418 — and I'm advertising this now — at 7 o'clock in the morning. Anybody who wants to see me doesn't need an appointment. They can walk in; I'm there. The door is not locked. So accessibility isn't a problem. I know of other ministers — I have breakfast every morning with the Minister of Tourism and Small Business. I know that the Minister of Municipal Affairs is unlocking his door long before the place opens. I could name others. So I think if you really want to get at some of the people who are supposed to be inaccessible, there's an easy way to find out. But it means you have to get up in the morning.

Mr. Speaker, I'm going to terminate on a different note. When we spend hours, days, weeks, and so on doing the things we are responsible for — and sometimes we think we do them rather well — we may be tempted to lean back and wait for the applause. It doesn't very often come, but yes, sometimes it does. Now sometimes when you think you should have it, it takes a funny turn. I remember specifically last year. Having the great flexibility of the department now, I was very parochial and went into the south end of my constituency, which incidentally is quite new to me. This part had been attached to a constituency south and a stretch of 30 miles of secondary 555 wasn't built. You could drive on both sides of it, but you couldn't get across it very well. Totally unsolicited, no pressure, I discussed it with the department and made the decision that now we would go and build the 30 miles. We would do this very quietly, and when it was all done and gravelled, I would sit back in my desk and wait for the phone to ring and the letters to come in. By gosh, finally one letter did come in. A nice lady from Buffalo, about the middle of where this new stretch was, wrote me a letter. I guess she waited about two months after we finished it, and her comment was: why don't you cut the damn weeds? That was the accolade. I thought that was marvellous.

I'm going to finish up with another letter, though, Mr. Speaker. It came today. There's a memo attached on the face of it. I think this is addressed to me from my executive assistant. He says, I think this one should go into the Hall of Fame. Well that made me curious, this little green slip, so I go to the next layer and there's an envelope. It says, Alberta Minister of Highways, Legislature Building, Edmonton, Alberta, but no return address. The stamp says something about Lloydminster. So I pull that off, and then I'm horrified. There's a \$20 bill. Look at it. I think it's genuine. Then I read the letter. It says: Thanks for good roads. That's all: four words, no signature, and it's cash. [interjections]

Would you please hold your tongue. I have already made plans. Now what can you do with \$20?

AN HON. MEMBER: Cut weeds.

MR. KROEGER: I would like whoever sent the \$20 to know that it arrived, that I didn't just take it and put it in my pocket. Now if it had been \$200, it would be quite simple. You can do something with \$200. But \$20 presents a challenge. So I'm going to issue a challenge to those people who pretend not to listen, pretend not to be aware. They sit in that little row up above, and sometimes they criticize, sometimes they laugh, and sometimes they do useful things. I've written out a cheque for \$20 to the legislative press corps. I've asked Jim Dow — he's not sitting up there because he wanted to. I sent him a note and said, be in the House. He's really the only fellow in the group that I know very much about. I avoid the press generally, and I guess they avoid me equally as generally. Now I'm going to challenge that group to think of something useful they can do with 20 bucks. I've made the cheque payable to you.

One of the useful things that doesn't have to cost you anything is that you might find out who sent the \$20, because I would like that person to know that I didn't just shove it in my pocket, even though I could have; it was anonymous. But the \$20 itself — surely there is something that a group of about 30 of you could get your heads together on and decide to do with it. When you make the decision, I would like to hear about it. So with that, could I have you deliver the cheque to Mr. Dow? We'll watch with great interest what they do with money.

Mr. Speaker, I thank you.

DR. McCRIMMON: Mr. Speaker, I appreciate the opportunity to speak on the Budget Address. I'd like to compliment the Provincial Treasurer on a fine budget in difficult times. I'd also like to compliment Mr. Lacombe on his new position. I'm sure with his background he'll do honor to our House.

I'd like to start off with a few words for my own constituency, Mr. Speaker. With respect to Ponoka, we have a new hospital under consideration, which is in the planning stage and very necessary. The present edifice has been there for 40 years. It's outdated. It's doing a reasonable job on an interim basis. We're overdue for one, and I appreciate the fact that one is on the drawing board. With respect to the Alberta Hospital, Ponoka, the announcement in the Speech from the Throne to bring this hospital under board management and control, with board members selected from southern Alberta — by southern Alberta I mean the area south of Edmonton to the southern border of the province. I feel it's a real progressive step forward, and the planning for the new brain damage research centre appears to be progressing pretty well on schedule. These announcements of the brain damage centre in conjunction with the new municipal hospital should make the Ponoka area one of the best medically serviced areas in the province in a few years. With respect to Rimbey, the hospital and the new provincial building are on schedule and the new parks building should begin construction this fall.

One area of concern in the Ponoka-Rimbey area, Mr. Speaker, is the cattle industry. My constituency probably has the highest cattle concentration of any area in Canada. During the past year the cattle producers have suffered severe losses through a combination of factors: Crow rate and transportation costs, the fumbling efforts of the Canadian Grain Commission, low prices in comparison to production costs, and competing with the subsidized hog market industry for the red meat market. I

believe that if one red meat industry is to be subsidized then the other must be, or neither one subsidized. It is obviously unfair to assist one at the expense of the other.

I'd like to speak now for a few moments on my Department of Native Affairs, Mr. Speaker. With respect to my department and the Native Secretariat, we've been through a process of rebuilding for the past eight months, the policy being increased access and communications between the native people and the Native Secretariat. I'm pleased that the budget just presented will allow us to hire a few more people to increase our lines of communication. At present we are advertising for the necessary staff. When these people are hired, the staff of my department will be two-thirds native people. During the past year I feel that considerable progress has been made in the lines of communication between the department and the native people in the province. With respect to the reserves in the province, a program has been established on a pilot basis to put senior citizens' lodges on reserves this year. We will be starting one in the south and one in the north. A portion of the \$30 million rural road program will go to service outlying areas and settlements and for native people in the outlying hamlets. Consideration will be given to recommendations of the joint task force between the MLAs of caucus and the native people appointed by the president of the Indian Association of Alberta.

With respect to economic development and the native people, during the past year we've been working very hard with the native people in the private sector to develop a realistic and workable economic development program. The first portion of this is the Business Assistance to Native Albertans Corporation, or BANAC as it is called. This corporation is in the process of being formed at the request of the president of the Metis Association of Alberta and his board. The purpose of this is to give business assistance and expertise in the various areas of setting up, operating, and managing small business. It will work in conjunction with the venture capital project set up 10 per cent by government and 90 per cent by private enterprise. Over the next two months, we hope to have a financial commitment of \$6 million to \$9 million. This venture capital enterprise will be operated by the private sector.

We have had excellent support and backing from all sections of major industry in the province, industries that have interests in some way associated with the native and Metis people in the province. These include oil companies, timber, pulp and paper companies, pipeline companies, construction companies, financial institutions, and banks.

Mr. Speaker, I feel the combination of the BANAC and venture capital project should give business opportunities to a large number of native people in the province, hopefully increase native employment, and train people for meaningful jobs. We are disappointed with the position taken by the president of the Indian Association of Alberta, who is against both BANAC and the venture capital propositions, claiming that in some way this will affect treaty rights. This is a complete red herring, and why a leader would attempt to remove opportunities from his own people is difficult for me to understand.

A short time ago an economic development conference was held in the Edmonton Inn by industry and native entrepreneurs. I feel that it was a most constructive, exciting, and progressive step, hopefully the first of many, with excellent support from the private sector, the native businessmen, and all working toward a common goal. This is the first time I can recall when a venture of this sort has not come to the government for funding to

operate a convention and a business proposition. There were roughly 70 businesses and approximately 125 native entrepreneurs. I think just the lines of communications opened between the two groups themselves justified the convention, and it was a real success.

About six weeks ago Alberta was host to a conference of ministers responsible for native affairs, with all 10 provinces and the two territories represented. This was the first conference of this type ever held. Basically we exchanged information between the provinces and the territories and found common policies across the nation. At present we are having our officials set up another conference between the ministers of the provinces and the federal government. Hopefully this meeting will be held this summer. The purpose of the officials' meeting is basically to find what, if any, policies the federal government has with respect to land claims, self-government for native people, the methods of financing, and whether or not they're in the process of implementing their five-year plan.

Mr. Speaker, during the discussions at the ministers' conference, it became clear that one of the main concerns across the nation is the matter of land claims. From the various types of land claims, which include aboriginal rights claims, entitlement claims, claims in the courts, and additional treaty claims, it is seen that over 50 per cent of the land mass of Canada and the territories is under some type of native land claim.

In yesterday's paper I was glad to see the report that made reference to the firming up of native rights in the constitution. Hopefully this will be followed through. Another point made yesterday was equality between native men and women. This will be a point of considerable controversy in many of the reserve areas of western Canada.

Mr. Speaker, this past year has been an exciting one for me. I feel that we have made some progress. I feel that we have some good plans and policies for the native people of the province. I am looking forward to bringing these plans and policies to fruition and, hopefully in that process, to assist the native people in becoming more self-reliant, better trained, and to reduce the percentage of unemployment among our native people.

Thank you.

MR. MAGEE: Mr. Speaker, it's a pleasure this evening to rise in support of Motion No. 6. A truly outstanding budget was presented to us by the Provincial Treasurer on Tuesday, April 14, a budget which in my opinion did many things in providing not only monetary benefits but guidance for Albertans in just about every human endeavor and walk of life in this province, if one wants to look beyond just the dollar figures.

Firstly, it established in my mind that we do have depth in the strength of our economy. But also it pointed out that planning is necessary to keep a balanced approach in levelling out good times with poorer times for the benefit of Albertans. A budget of the magnitude of \$6.7 billion which represents \$3,100 for every man, woman, and child has to give people pause for thought, to realize that in fact we are a powerful force in the economy of Canada, particularly central Canada where so many spin-off jobs are directly affected in their manufacturing sector.

Mr. Speaker, it also should give people pause for thought in that this sort of monetary injection into our economy in this province — that of spending 22 per cent over the comparable 1980-81 estimates — is only possible

because of the planning and foresight of this government to save up liquid assets in time of plenty and spread them out in leaner years to avoid severe peaks and valleys, without having to resort to higher taxation or create a debt load to be borne by the generations that follow after us.

This good fiscal planning translates into more jobs for Albertans despite the severe setbacks in our declining oil and gas industry, brought about by the ill-advised national energy program. Notwithstanding, it is estimated that there will be a 4 per cent increase in employment during the coming fiscal year. The balance represented by government will translate into 1,145 new job positions, to again keep a balance in the growth between government and private enterprise in this province.

Particularly important in this budget, Mr. Speaker, are the great efforts which are apparent and the many programs to assist the disadvantaged in our society to keep pace with the economy in general. This in itself is a great balancing exercise. It takes a good deal of effort to be constantly aware of the slippages and holes in the various programs to be sure that our society will be balanced in its growth and well-being, so that some segments of our society do not suffer unduly from the rapid growth within the province.

One example of this awareness is the projected \$19.7 million expenditure in the new family and community support services program, up from \$10 million spent the last fiscal year, which I am sure will be welcomed in every community in this province, Mr. Speaker. In my constituency the city of Red Deer will be no exception. I was pleased to be part of the assessment process that brought about this new Act, The Family and Community Support Services Act, along with my colleagues, members from Edmonton Whitemud, Drayton Valley, and Vegreville, who so ably assisted in the assessment process.

To turn now to my constituency of Red Deer, in 1980 that city was recognized as Canada's fastest growing city, notwithstanding the growth of Calgary and Edmonton. With expansion of this magnitude, many housing and social problems emerged as well. It might be of interest to hon. members to know that in 10 years the population of

the city of Red Deer has increased from 27,000 to over 43,000. Much of this increase, of course, has taken place during the last five years, with annual growth rates in the order of 8 per cent. Commercial business has grown dramatically to provide the regional shopping facilities. Red Deer has truly become firmly established as a regional centre for 70,000 people who now live within 20 minutes of the downtown area, and with at least 110,000 persons living within a 45-minute drive of the centre core. While many economists claim that we are in fact providing a market area for 220,000 persons, these persons are beyond that perimeter of a 45-minute drive.

The recognition by this government of the potential for more than average growth has resulted in a corresponding need for regional services for central Albertans. The citizens are very pleased with the recent official opening of the new \$58 million Red Deer and District Health Services Facility, which of course is part of the mass of programs, as exhibited in the budget, to build new hospitals and health care services everywhere throughout the province. This facility in Red Deer will serve as the referral hospital for 22 surrounding community hospitals in central Alberta, will employ an additional 500 staff members, and will bring many specialities to the medical field in this city.

Mr. Speaker, in view of the fact that it will probably take another 15 minutes to complete my notes, I would like to suggest that we adjourn debate.

MR. SPEAKER: Does the Assembly agree with the motion?

HON. MEMBERS: Agreed.

MR. MOORE: Mr. Speaker, as indicated earlier by the Deputy Government House Leader, tomorrow it's proposed that the Assembly move to committee study of certain estimates, namely the Department of Agriculture followed by the Department of the Attorney General.

[At 10:02 p.m., on motion, the House adjourned to Friday at 10:00 a.m.]