

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Monday, April 27, 1981 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **TABLING RETURNS AND REPORTS**

MR. ADAIR: Mr. Speaker, I'd like to file with the Legislative Assembly four copies of a book called *Assisting Regional Communities, Industry and Business*, the 1981 programs for the Department of Tourism and Small Business.

head: **INTRODUCTION OF SPECIAL GUESTS**

MRS. CHICHAK: Mr. Speaker, I have the distinct pleasure this afternoon of introducing to you and to members of the Assembly approximately 30 students of the Grant MacEwan college Cromdale campus. They are accompanied by their instructor and leader Mr. Don Whalen.

I have an apology I would like to communicate to members. Because of my involvement today with citizenship court, I didn't have the opportunity to meet with them, which I always enjoy doing. I particularly enjoy spending approximately an hour with each group that attends from this particular campus, and I wasn't able to accommodate that today.

They are seated in the members gallery. Certainly I want to have them received as we always receive special guests. I would ask them to rise and receive the welcome of the Assembly.

DR. McCRIMMON: Mr. Speaker, it's my privilege today to introduce to you, and through you to members of the Assembly, 18 students from the Chief Jimmy Bruneau school, situated 60 miles from Yellowknife in the Northwest Territories. They are accompanied by their teacher Valerie Walker and are seated in the members gallery. We're delighted they can be here and hope they have a pleasant journey on their sightseeing and educational tour throughout Alberta. We're delighted to have them in the province. I would ask them to rise now and receive the welcome of the Assembly.

MRS. FYFE: Mr. Speaker, through you to all members of the Assembly, I would like to introduce 15 members from the *Mouvement des Femmes Chretiennes*, from the village of Legal in the St. Albert constituency. They are seated in the members gallery, and I would ask them if they would stand and receive the recognition of the Assembly, *s'il vous plait*.

MR. FJORDBOTEN: Mr. Speaker, today it's an honor for me to introduce to you, and through you to members of the Assembly, a grade 8 class from the West Edmonton Christian school in the Edmonton Jasper Place constituency. I'd like to introduce this class on behalf of the

Hon. Les Young, Minister of Labour and M.L.A. for that constituency, who is in Calgary today addressing the Open Doors conference. A Christian school is always unique to introduce, Mr. Speaker, and I'd ask the grade 8 class and their teacher Mr. Peter Leenheer, Mrs. Renee McLaws, and their bus driver Mr. Bill Vanderwoude to rise in the public gallery.

DR. WEBBER: Mr. Speaker, I'm very honored today to have the privilege of introducing to you and to members of the Assembly 46 grade 6 students from the Queen Elizabeth school in my constituency of Calgary Bow, who I think today are also fans of the Calgary Flames.

AN HON. MEMBER: We all are.

DR. WEBBER: They are accompanied by their teachers John Curda and John Rooke and are seated in the public gallery. I would ask that they rise and receive the warm welcome of the Assembly.

head: **MINISTERIAL STATEMENTS****Treasury**

MR. HYNDMAN: Mr. Speaker, today the Alberta Municipal Financing Corporation, more informally known as AMFC, marks its 25th year of successful operation. When it was established as a non-profit corporation by an Act of this Legislature in 1956, its object was to assist municipalities, school and hospital boards in their financing requirements at reduced cost.

Today, 25 years later, the corporation symbolizes the growth and development of the province by satisfying the financial borrowing requirements of its local government customers. These requirements totalled almost \$0.75 billion in the year 1980 alone. Since it began, the corporation has made over \$4 billion worth of loans to shareholders at lower interest rates than they would have had to pay elsewhere, plus bringing significant savings to property taxpayers. There have been no repayment defaults on any of these loans to date.

The corporation's shareholders now total over 500 municipalities, schools, nursing homes, and hospitals.

I pay tribute to this successful venture and to its past and present directors, and table today the 25th Anniversary report of the Alberta Municipal Financing Corporation.

Department of Education

MR. KING: Mr. Speaker, today is the first day of Education Week across Alberta. The theme of Education Week, Alberta Today, has been the catalyst for a variety of activities and celebrations in the schools across the province. It has sparked the creativity and imagination of our students and the enthusiastic involvement of many communities.

This year the provincial Education Week committee sponsored a province-wide crafts competition. The winning entries, one per grade, are on display in the hallway outside my office. I would invite you, Mr. Speaker, all other members of the Assembly, and other interested people, to witness the flair and originality of Alberta's youth in applying the theme. The display will remain here throughout Education Week.

The purpose of Education Week is to highlight educa-

tion in the province, both inside and outside the classroom. A quality education is the basic tool we can give our youth to equip them to be full and contributing citizens. This is why our schools must be an integral part of our communities. It is this reality that also triggered the Education Week committee to place special emphasis on developing volunteer resource programs in our schools. These programs are the product of team effort by teachers and community members to bring the resources of our neighborhoods into our classrooms.

I commend the provincial Education Week committee for its sterling efforts. I would like the members, who are seated in the Speaker's gallery, to be recognized by the members of the Legislative Assembly. They are Mr. Ed Kilpatrick, from ACCESS; Mr. David Flower, from the Alberta Teachers' Association; Beryl Ballhorn, from the Alberta Federation of Home and School Associations; and Barbara LaCroix, from the Alberta School Trustees' Association. The co-chairmen were Mary Ricard, formerly of Alberta Education, and Linda Lomax, currently of Alberta Education. I would ask them to rise and receive the welcome of the Assembly.

Mr. Speaker, I would also like to express my appreciation to Mrs. Peter Loughheed, who acted as the honorary chairman of Education Week this year and whose schedule does not permit her attendance with other members of the committee in the Assembly this afternoon.

Department of Advanced Education and Manpower

MR. HORSMAN: Mr. Speaker, our heritage was shaped by Albertans who believed in themselves and in the future of this province. The government of Alberta has chosen to recognize the significant contributions of 10 persons by naming Alberta Heritage Scholarships in their honor.

As I announced last September, \$100 million has been endowed from the capital projects division of the Alberta Heritage Savings Trust Fund to make this unique program possible. Of the annual interest earned, \$5.5 million will be required in this introductory year of the Alberta Heritage Scholarship Fund. Mr. Speaker, I am pleased to announce the names of the people honored and to give a brief description of the individual scholarships.

Scholarships for high school achievement have been named in honor of Alexander Rutherford, Alberta's first Premier and first Minister of Education. He was a founder of the University of Alberta and served as Chancellor until 1927. The Alexander Rutherford Scholarships will encourage and reward more than 1,300 high school students who have demonstrated outstanding academic ability in grades 10, 11, and 12. Students who qualify in each grade for this scholarship will receive \$1,500 during their first semester at a postsecondary institution.

Mr. Speaker, I have brochures which will be made available to each member of the Assembly as to each of the awards.

The Alberta Heritage Scholarships for undergraduate achievement honor Louise McKinney, who in 1917 was the first woman to be elected to a legislature in the British Empire. She was one of the famous five who won the right for Canadian women to be recognized legally as persons.

Upon recommendation of the university, college, or technical institute, the Louise McKinney Postsecondary Scholarships will be awarded to undergraduate students who have demonstrated exceptional academic achievement. Five hundred scholarships of \$3,000 each will be

awarded annually.

The Awards of Distinction for study in Alberta acknowledge the lifelong contribution of Alberta's Lieutenant-Governor from 1974 to 1979. Ralph Steinhauer won more than the respect due his office; he won our respect and admiration as a remarkable individual. These awards, named in his honor, recognize academic excellence and provide a means for Alberta universities to retain top scholars and attract others from across Canada. Awards of \$10,000 will be made to students in masters or extended professional programs; \$15,000 to students at the doctoral level.

Similar Awards of Distinction for study outside Alberta have been named in honor of Sir James Loughheed, the Calgary pioneer who served as a senator and cabinet minister in several federal governments in the late 1800s and early 1900s. He was knighted in 1916 for his services for the government of Canada and was instrumental in preserving natural resources for the Crown in the right of Alberta.

The Sir James Loughheed Awards of Distinction will recognize exceptional academic ability and provide Alberta students with the opportunity for advanced study at the masters, extended professional, or doctoral levels at prestigious institutions anywhere in the world. Twenty awards of \$10,000 or \$15,000 will be made each year.

The Wilfrid R. 'Wop' May Scholarships for Career Development honor a legendary figure in Canada's aviation history. An early bush pilot and founder of Edmonton's first air service, he helped open up Alberta's northern frontier. These scholarships will provide an incentive and means for members of our professional, managerial, and administrative work force to upgrade their education at the masters, professional, or doctoral levels. Ten scholarships of \$10,000 or \$15,000 will be awarded each year.

The Michael Luchkovich Scholarships for Career Development recognize the achievements of the teacher, parliamentarian, businessman, and writer who worked to further understanding of the contribution to Canada made by Canadians of Ukrainian origin. He was a Member of Parliament for Vegreville from 1926 to 1935.

These scholarships will recognize and reward Albertans who have shown exceptional ability in their work. For short-term study, full-time for less than six months, and for part-time study such as evening courses, the scholarships will cover the cost of tuition, fees, books, and supplies.

The Charles S. Noble Scholarships honor the agricultural entrepreneur, innovator, and inventor of the Noble blade cultivator, who became one of Alberta's biggest and best grain farmers. These scholarships offer an opportunity for Albertans to propose creative ways to utilize Heritage Scholarship Fund moneys. Individuals, community organizations, professional associations, and postsecondary institutions are invited to submit proposals regarding disposition of an additional \$75,000 per year in scholarship funds.

The Jimmie Condon Athletic Scholarships honor the man who, for many years, sponsored and promoted amateur sport in Calgary. Mr. Speaker, Jimmie Condon is now 93 years of age and remains keenly interested in sports and activities in his community. These scholarships will acknowledge the excellence of amateur Alberta athletes at our universities, colleges, and technical institutions. These scholarships will provide recognition of the sustained commitment required at this level of competition and encourage students to continue their academic pursuits. Full-time students who maintain graduation

average and are members of designated teams that take part in at least six games or competitions leading to national championship may apply.

Approximately 500 scholarships, valued at \$1,000 each, will be awarded at the university level. Another 500 scholarships, valued at \$500 each, will be awarded at the college and technical institute level.

The Recreation Scholarships have been named in honor of J. Percy Page, Lieutenant-Governor of Alberta from 1960 to 1965, who was coach for 26 years of the world-famous basketball team, the Edmonton Grads. These scholarships will recognize and reward outstanding coaches and leaders in the field of recreation, honoring their contribution to the health and well-being of Albertans. Specific criteria are still to be finalized.

Mr. Speaker, as previously announced, our most prestigious award has been named in honor of Sir Frederick Haultain, who led Alberta and Saskatchewan into Confederation in 1905. The Sir Frederick Haultain Prize will acknowledge exceptional accomplishment by Albertans in the categories of fine, applied, or performing arts, social or physical sciences, and education or humanities. Prizes of \$25,000 will be awarded annually in each of the categories.

I am indebted to the Hon. J.W. Grant MacEwan for his recommendations regarding names for the scholarships, and to Dr. Maury Van Vliet, Dr. Lou Goodwin, and Clarence Venance for their recommendations regarding the athletic and recreation scholarships. Their interest and efforts are greatly appreciated.

Mr. Speaker, the brochures and application forms are in the final stages of production and will be distributed to postsecondary institutions and high schools during the next two weeks. Advertisements are being placed in all daily and community newspapers and selected magazines throughout the province, to inform Albertans of the scope and magnitude of this scholarship program. Material will be mailed directly to the hundreds of people who inquired following the initial announcement of our intention to establish the fund.

The Alberta Heritage Scholarship Fund is the most comprehensive scholarship program in the western world. It is unique in recognizing exceptional achievements from high school through postsecondary levels, career accomplishments, leadership in athletics and recreation, and excellence in the arts, sciences, and humanities. Mr. Speaker, I am confident that for many years to come this province will benefit from this exciting investment in its people and their abilities.

Thank you, Mr. Speaker.

head: ORAL QUESTION PERIOD

Former Alberta Energy Minister

MR. R. SPEAKER: Mr. Speaker, my questions today are again in terms of the accountability of the government. My question is directed to the hon. Minister of Energy and Natural Resources. I'd like to ask whether the former Minister of Energy and Natural Resources, Mr. Getty, is assisting the government in its preparation for the ongoing energy negotiations. As well, did Mr. Getty meet with either the minister or the Premier following the Winnipeg meetings?

MR. LEITCH: Mr. Speaker, the answer to the first part of the question is no. The former Minister of Energy and

Natural Resources, Mr. Getty, was on a consulting contract from March or April 1979, I believe, until the end of 1979, but has not been involved with the government on a consulting basis since that time.

With respect to the second part of the question, Mr. Speaker, I did not meet with nor speak to Mr. Getty subsequent to the meeting of April 13. I do understand that the Premier met with Mr. Getty and others, I think, the day after the meeting of April 13. The purpose of that meeting was other than energy matters, but naturally the question of the Winnipeg meeting came up during the meeting. From speaking to the Premier, I understand that he commented on that meeting in the same terms as I did following the meeting in Winnipeg on April 13, and as I did subsequently in the House.

Finally, Mr. Speaker, I would just make the observation that I notice from a report in the *Journal* following the conversation to which I think the hon. Leader of the Opposition refers, that Mr. Getty commented that his comments were, as I gathered, of a speculative or forecasting nature, based on his own general knowledge, which would be public and similar to the knowledge all Members of the Legislative Assembly would have.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. My second question relates to the comments of the minister. In the comments of Mr. Getty, he indicated that Ottawa could potentially abolish the 8 per cent petroleum revenue tax and raise prices between \$4 and \$6 in June, and that in turn Alberta would possibly lift the oil production cutbacks, plus a couple of other comments. Just to confirm the government's position, would the minister indicate that the government disassociates itself from those remarks at this point in time?

MR. LEITCH: Mr. Speaker, since I referred to a conversation the hon. Premier had with Mr. Getty, I should perhaps add to my earlier answer by saying that the Premier will be back in the House this Friday, following the meeting of the western premiers, and I'm sure he will be pleased to expand on the answer I gave, should the hon. Leader of the Opposition want to pursue it at that time.

I'd simply respond in this way to the other portion of the question of the Leader of the Opposition: there are speculative stories almost daily — in fact, almost more than one come out per day — about what might be done or said with respect to the various energy matters under discussion between the producing provinces and the federal government. I've followed the consistent policy, Mr. Speaker — and I don't think there's any alternate, reasonable policy one could follow — of saying that I simply won't comment on those speculative stories. I think I can add that in any discussions I've had with Mr. Getty, I've certainly not discussed any of those concepts or proposals referred to in the question of the hon. Leader of the Opposition.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. It's my concern that with regard to a continued position of the minister in this Assembly, energy negotiations will not be negotiated in public. As Leader of the Opposition, I've said that we respect that at this point in time. My question to the minister is: can he say to us in this Assembly that no information was supplied to Mr. Getty as a private citizen, behind closed doors, or

in any other meeting, that has not been supplied to us in this Legislative Assembly?

MR. LEITCH: Mr. Speaker, I don't have the slightest hesitation in giving that assurance to the Assembly. I'm sure that if the hon. Leader of the Opposition wishes to put that question to the Premier when he returns to the House this Friday, insofar as he had the meeting with Mr. Getty that I've already referred to, from my discussions with the hon. Premier I'm satisfied that he will provide the same answer I've given.

DR. BUCK: Mr. Speaker, to the hon. minister on a point of clarification. I believe the Minister of Energy and Natural Resources indicated that Mr. Getty has not been paid by public funds as of 1979. Is that what the minister said?

MR. LEITCH: Mr. Speaker, I said that as I recall, the consulting contract Mr. Getty had with the Department of Energy and Natural Resources terminated at the end of December 1979. Since that time he has not been under any contractual arrangement with the provincial government, at least none to my knowledge.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Then could the minister indicate whether continued informal consultation is going on by Mr. Getty to the government, did occur prior to the Winnipeg meeting, and did occur in an informal conversation following the Winnipeg meeting? Could the minister elaborate on the comment he made a few moments ago with regard to the Premier meeting with the broader committee to discuss as one of the informal topics, energy negotiations?

MR. LEITCH: Mr. Speaker, I think the hon. Leader of the Opposition has taken more than he ought to from the answer I gave to the earlier question. I had indicated that the day following the April 13 meeting in Winnipeg, I believe the Premier had a meeting with Mr. Getty and others on other matters, and I didn't refer to it as a committee. My understanding is that it was not a committee.

I simply said that naturally the question of the Winnipeg meeting came up at that time. My understanding from discussions with the hon. Premier is that he simply repeated the essence of what I had said in Winnipeg following the meeting and what I said in the House, namely: some new concepts had been explored; I had felt that some progress had been made, but added the very significant caution that one should not place too much weight on that phrase; that there was obviously a long way yet to go if we were to reach an agreement.

With respect to the reference in the question to "informal consultation", I would certainly not have used those words. Of course I have known Mr. Getty for a number of years and met with him on occasion — I think perhaps once or twice since the termination of his consulting contract at the end of 1979, and did have a luncheon with him sometime within a month or so prior to the April 13 meeting. The discussion then was general. Obviously, because of my present position and his past position, we discussed the energy situation in Canada in general terms, but I certainly wouldn't have described that luncheon or our conversation during that luncheon as of a consultative nature. It was a luncheon at which we discussed a number of things.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister in this area of accountability to this Legislature. Number one, can the minister indicate to us that remarks made by Mr. Getty are not statements of this government and, number two, that the statements are not unpaid kites of this government that we find are made rather regularly by the various ministers. I'd hate to see an ex-minister doing it outside this House.

MR. LEITCH: Well, Mr. Speaker, I'll ignore the offensive barb of the hon. Leader of the Opposition, because he needs to get those little gibes in every once in a while to attract some attention. And it's not a very effective way of attracting attention.

I think the best way to answer that is again to call attention to the report in the *Edmonton Journal* following the program on ITV, in which I thought Mr. Getty made it clear that his views were personal and not based on discussions with the Premier or anyone else. I'm satisfied that refers to forecasting by Mr. Getty, if you like, on information that is in the general public domain.

MR. R. SPEAKER: Mr. Speaker, it was hard to get a yes or no; it would have been a short answer.

Capital Projects Costs

MR. R. SPEAKER: My second question to the Minister of Housing and Public Works relates to the report of the Auditor General and Recommendation No. 34. In there the Auditor General is concerned with regard to the total estimated cost of capital projects. Under Vote 4 of the estimates for the Department of Housing and Public Works, which relates to planning and implementation of construction projects, could the minister provide information to the Assembly with regard to the estimated total cost of projects, costs expended, and moneys unexpended to date with regard to various capital projects. Has the minister looked at this recommendation of the Auditor General, and will it be taken into consideration for the House?

MR. CHAMBERS: Mr. Speaker, we always take into consideration the recommendations of the Auditor General and generally find them most constructive, helpful, and useful. Occasionally there may be some item which, in terms of accounting, might be a matter of a philosophy, where we might not always agree, but in general we find them extremely constructive and helpful. I'll be happy to go into any details on the cost of our projects during the course of my estimates.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. I'm pleased the minister is agreeable. Will the minister then provide for us the estimate of total cost of all the capital projects prior to the study of his estimates in this Legislature?

MR. CHAMBERS: Well, Mr. Speaker, we have a lot of projects under construction. In my budget estimates we're dealing with current expenditures. Given the size of different projects and considering inflation costs can vary over the years, we certainly will try to identify as closely as possibly what those costs are.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In terms of accountability and a recommendation from the Auditor General, will the min-

ister do it or not? Has he considered it? Is it impossible to do it for this study of the estimates and, if so, what other choices will the minister give the Assembly?

MR. CHAMBERS: Mr. Speaker, I'm not really sure just when my estimates will be before this House. I'll certainly take that under consideration.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Would the minister consider this format for estimates presented in this Legislature in future years? Is the minister accepting as a principle putting total capital costs in the estimates, so members of the Legislature have that information before them?

MR. CHAMBERS: Mr. Speaker, I said I would be happy to look at that recommendation and consider it.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer with regard to the capital projects in the Heritage Savings Trust Fund. Has the Provincial Treasurer considered the principle of putting in the total capital cost for a project? That doesn't mean, as the Auditor General points out, that we approve that total cost; it means that members in the Assembly know what it is and know the projected total capital cost at that time. Has the Provincial Treasurer taken that into consideration for estimates under the capital projects division?

MR. HYNDMAN: Not yet, Mr. Speaker, but I'll certainly be doing so prior to consideration of the capital projects division estimates this fall.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Has the government or the Provincial Treasurer considered implementing this program or recommendation of the Auditor General across the board in the total budget wherever capital projects become involved, and not only listing what will be expended in a current year but over the total cost of a project?

MR. HYNDMAN: Mr. Speaker, the report of the Auditor General is still very recent. There are some 55 carefully thought out recommendations. Neither I nor the government have considered them in depth. But as we consider them — and that is one which we will consider — we'll certainly bring back our response and approach to the Assembly.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Would the Provincial Treasurer undertake the responsibility to attempt, where possible, to provide that information for the study of the estimates during this spring session of the Legislature?

MR. HYNDMAN: Well, Mr. Speaker, I thought the question was with regard to capital projects division estimates, which won't come until the fall. But I think no. The government firstly has to consider the implications. There may be a significant number of implications with regard to each and every recommendation. So in fairness and in order to look intelligently at the recommendations, I certainly have to say it would not be possible to say yes, no, or maybe to any of them this soon. We'd want to consider, weigh, and balance them; then we'll certainly respond to the Assembly with regard to each and every recommendation, whether the government will or will not

follow them or modify them. That would be a later conclusion.

MR. R. SPEAKER: Mr. Speaker, would the Provincial Treasurer undertake the responsibility of bringing a recommendation to this Assembly in the fall Legislature so that we have a principle established prior to setting the 1982-83 budget, with regard to listing the total capital cost of projects?

MR. HYNDMAN: Well, Mr. Speaker, I think that's the point: I can't bring a recommendation to the Assembly unless I formally endorse a particular position. Neither I nor the government have yet had a chance to review and say whether or not the approach will be to endorse each of the recommendations in whole or in part.

Private Schools

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Education. I'd like to know if the minister is in a position to indicate if there has been a significant increase in the number of private Christian schools in the province in the last year?

MR. KING: It's difficult to know what we would consider to be significant, Mr. Speaker, but there is an increase in the number of Class 1 private schools organized by churches. Those schools use certificated teachers, follow the Alberta curriculum, and receive a grant from Alberta Education. Not only is there an increase in the number of schools, but each of those schools is also enrolling increased numbers of students. So it is true that a greater proportion of our students are now being educated in the Class 1 private schools of the province.

There has been virtually no change in the number of Class 4 private schools, which do not use certificated teachers and use a curriculum approved by the minister but not the standard Alberta curriculum. Class 4 schools do not receive any financial assistance from the provincial government.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. In the case of Class 4 schools, the minister indicated the percentage of non-certificated teachers is relatively high. Can the minister indicate how closely the Alberta Department of Education curriculum is followed by Class 4 schools?

MR. KING: The so-called core curriculum is really followed quite closely. The most noticeable difference between conventional schools and Class 4 schools is probably that Class 4 schools do not teach the elective component of courses or elective courses. They concentrate on what we refer to as the basics.

DR. BUCK: Mr. Speaker, can the minister indicate if any studies are being done by his department, in conjunction with the Alberta Teachers' Association and the Alberta School Trustees' Association, as to projections of what will happen to the public school system in years to come as our private-school system increases in size and number? Can the minister indicate if any studies are being done to look down the road at this question?

MR. KING: Not at the present time, Mr. Speaker, although we as a government have made a public undertak-

ing that in two years a major study would be undertaken along the lines suggested by the hon. member.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. This has to do with the so-called voucher system. A school close to the city of Edmonton, the Sherwood Park Alliance Church school, has made an offer to look at being a pilot project for the voucher system. Is the minister in a position to indicate if the government is looking at implementing the so-called voucher system?

MR. KING: Mr. Speaker, I can remember having a meeting in my office about a year ago, I think, with the administration of the Sherwood Park Alliance Church, attended by Mr. Henry Woo, who is the MLA. The voucher system was discussed, but at that time I indicated to Rev. Throness that I didn't consider an experiment with the voucher system viable if it involved only one school, particularly only one private school. Because obviously the purpose of the voucher system is to enable the parents and children to make choices about where their children will go. If the voucher can only be spent in one location, you don't have any choice.

I do know that in another municipality in the province, a school jurisdiction is considering an experiment with the voucher system. They are trying to involve the other school jurisdiction and the private schools. So if they can get the co-operation of the two tax-supported systems and the private schools, I think we would have the basis for an experiment with the voucher system, though not in the case suggested by the Sherwood Park Alliance Church.

MR. R. CLARK: Mr. Speaker, I'd like to direct a supplementary question to the minister. It flows from the earlier portion of my colleague's question regarding private schools, and the number of students going to the private school, and therefore fewer students being in what's referred to in general terms as the public system, especially in rural Alberta. My question to the minister: at this time is the department giving any consideration to some sort of special financial assistance to those rural jurisdictions which, for a variety of reasons, are finding an increasing number of students enrolling in private schools, the result being that in a rural system, where there's only the one public system, that is having a detrimental effect on the financial support boards receive from the province?

MR. KING: We do have such grants in place at the present time, Mr. Speaker. We have transitional grants that are payable to a public school board that loses students to a newly formed private school. We also have declining enrolment grants, small school grants, and small jurisdiction grants.

Now the hon. member may be making the representation that we should look at the numbers that are plugged into the formula, that we should look at enriching the grants. We're doing that on an ongoing basis. I might also relate it to the Stage 2 finance study on education that is going to be commenced this summer and will run through the last half of 1981 and 1982. So there may be additional changes there.

On the other hand, Mr. Speaker, I would remind all hon. members that we should look carefully at the development of private schools, because in at least some cases they are simply reflecting dissatisfaction with the public

school system. It could be that if public school boards were more sympathetic to the concerns being expressed by parents, other viable alternatives could be found that would not result in the development of a new private school. For example, in Edmonton a number of concerned parents operate their program as an alternative program within the public system, rather than as a private program. They are able to do that because the parents and the board have worked out an accommodation that is advantageous to both parties.

Highway Construction

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Transportation. Could the minister indicate what progress has been made with the 10-year program to twin the Trans-Canada Highway and Highway No. 16?

MR. KROEGER: Mr. Speaker, we did develop an outline for a 10-year program, which of necessity would break into 10 parts. We're embarked on the first part as we designed it for the 1981 year. The 10-year package has not been accepted as a total factor.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Could the minister indicate what sections of the Trans-Canada Highway are scheduled to be twinned this coming year?

MR. KROEGER: Mr. Speaker, I'm developing a ministerial statement now, and I'll be bringing that in in the next couple of days.

MR. MANDEVILLE: A further supplementary question, Mr. Speaker. Has the minister or his department taken any surveys on the supply of contractors for highway construction this year, also as far as the supply of asphalt is concerned?

MR. KROEGER: Mr. Speaker, we have assurances there'll be no problem with the supply of asphalt for this year. The contractor supply is a different thing. We gauge that without doing a survey. Actually, we can tell what sort of situation we'll have by the number of bids we get on various contracts. So far, we have had more bids than we really expected.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Has the minister conferred with the Provincial Treasurer to see if he could get a matching grant to match the little donation he has, so he could speed up the twinning of the highways in the province?

MR. KROEGER: No, Mr. Speaker, but I'll take it under advisement.

DR. BUCK: Mr. Speaker, a supplementary question to the minister, not to do with the particular number of miles of road to be built but with government policy. Is the minister in a position to indicate at this time if the road to Fort McMurray is going to be twinned in its entirety? Is that a long-range policy projection of this government?

MR. KROEGER: No, Mr. Speaker, we don't have that kind of plan. In the twinning area we've been concerning ourselves more with Nos. 1 and 16. However, we are

aware of the lack of shoulders on No. 63. We are working on developing, and will be building, some passing lanes this year to make it a little easier to manoeuvre. But we do not have plans to twin.

DR. BUCK: Mr. Speaker, then as another policy area, is the minister in a position to indicate if that road to Fort McMurray — if the minister's department is giving active consideration to linking up the Cold Lake-Lac La Biche-Highway 63 roads so that if the government ever gets its act together and gets the tar sands project going in Cold Lake, those two areas will be linked by all-weather roads?

MR. KROEGER: I'm sorry, Mr. Speaker, I don't recognize the specific area. Could you give me clarification?

DR. BUCK: Mr. Speaker, to the minister. I believe that sometime in the future we will be going ahead with the Cold Lake oil sands project. In light of the fact that some of the personnel and equipment will be used in the Fort McMurray and Cold Lake areas, we have to have a road to join those two projects. My question to the minister: is the minister giving active consideration to connecting the road from Cold Lake, through Lac La Biche, to Highway 63?

MR. KROEGER: Yes, Mr. Speaker, we've been in consultation, particularly with the energy-related projects that are going on in the general area described by the member. We're doing some work in identifying a route, but we haven't any plans at the moment of going into construction.

Stanley Cup Playoffs

MR. OMAN: Mr. Speaker, my question is directed to the Minister of Recreation and Parks. The events of this past week now clearly indicate that there's not going to be a classic all-Canadian, all-Alberta final in the Stanley Cup. It looks like there's only one team bearing the flame for all Alberta and Canada. Would the minister consider sending a communication from all members of the Legislature indicating a sort of "go Flames go" spirit of support for the Calgary team?

MR. TRYNCHY: Mr. Speaker, the last time they asked for that, we did send a telegram and it worked. Maybe we could send another one.

MR. OMAN: Mr. Speaker, a supplementary. I believe those communications were only batting about .500. Perhaps you should send a letter of congratulations to the Edmonton Oilers as well for a good job done. But let's see if you can bat 1.000 this time.

Seat Belt Legislation

MR. BATIUK: Mr. Speaker, my question is to the Minister of Transportation. In view of the police association's annual meeting in Nova Scotia over the weekend, strong opposition was expressed to mandatory seat belt legislation. Even though there is legislation in Nova Scotia, could the minister advise whether he has had any information why this has not been acted on?

MR. KROEGER: Well, Mr. Speaker, I'm not sure that I'm prepared to go into a debate on seat belt legislation at

the moment. If the question is as it relates to Nova Scotia: no, I've had no information from them.

International Trade

MR. R. CLARK: Mr. Speaker, I'd like to direct my question to the Minister of State for Economic Development — International Trade. What will be the three major areas of the minister's activity be this fiscal year, from the standpoint of travel?

MR. SCHMID: Mr. Speaker, in general we try to contact nations which have already explored, or are about to drill, for natural gas, oil, or other hydrocarbons.

MR. R. CLARK: Mr. Speaker, a supplementary to the minister. Perhaps the minister could be somewhat more explicit and indicate what specific locations, what nations, the minister will be focussing on this year?

MR. SCHMID: Mr. Speaker, among the nations we hope to contact are countries like the Philippines, Malaysia, Indonesia, and others which are possibly interested in Alberta expertise and technology.

MR. R. CLARK: Could the minister indicate to the Assembly the kind of follow-up that takes place when the minister returns from one of those exchanges?

MR. SCHMID: Mr. Speaker, if I may use Pakistan as an example. First of all, as a follow-up of our mission there, one of the Alberta companies signed a \$2.5 million contract for an oil field development. In fact, [they] are presently negotiating with an Alberta company for the speed-up of delivery of work of a rig in the value of between \$2 million and \$3 million. As well, Pakistan is interested in getting a crew to work that rig at the same time. We also have followed up with a company interested in manufacturing some of the auxiliary equipment for these rigs in Pakistan and, in fact, we have involved several engineering companies of Alberta in a reservoir engineering study. Some of the Alberta companies doing so are on a short list for that reservoir engineering. This is an example of the follow-ups we have done of one particular country.

MR. R. CLARK: Mr. Speaker, perhaps a more specific question to the minister. Could the minister indicate to the Assembly specifically what steps he and his staff, or whoever travels along with the minister, take when they come back to Alberta? The reason I ask the question — and I'm not complaining about the work done in those countries, but I'm very concerned about the follow-up that's done. How is that follow-up facilitated within the provincial government itself? Very specifically, who is responsible here at home in Alberta while the minister wings away on the next junket? I say "junket" in a positive manner.

MR. SCHMID: Mr. Speaker, each area of the globe is divided into sectors for which we have international trade directors responsible. It is the responsibility of the international trade director, who normally travels along with me on those missions, to then work on the follow-up. Maybe I'll give an example: not very long ago we were in Nigeria, a mission with an additional five to eight Alberta companies leaving to go back to Nigeria within the next week as follow-up work. When we returned, we immedi-

ately contacted the companies, which either went along with us or were promising to receive contracts in the respective countries. We continue to follow up until either a contract is signed and negotiated or at least until we are satisfied that the follow-up work is completely finished to the satisfaction of either the country involved or Alberta companies.

MR. R. CLARK: Mr. Speaker, one last question to the minister. Mr. Minister, would it then be fair to conclude that the international trade director responsible for the various sectors the minister visits is responsible for the follow-up work done at home? And to whom is that trade director responsible: the minister or one of the other departments?

MR. SCHMID: International trade directors are responsible to the minister through their superiors, who in this case would be the assistant deputy minister of trade development, the deputy minister, then to me.

Highway 16 Cave-in

MR. PURDY: Mr. Speaker, I'd like to ask the Minister of Transportation a question, and it's not related to the minister's pothole challenge.

A very dangerous problem occurred on Highway 16 west of Wabamun on Saturday night, where part of the highway fell in, causing a hole about 5 feet in diameter. A large number of loads of gravel and asphalt had to be dumped in to make the road safe after that. I understand this problem also occurred last year. Will the minister consider having the area tested ultrasonically to determine if any other worked-out coal mine pits are under that particular piece of roadway?

MR. KROEGER: Yes, Mr. Speaker, we are aware of the cave-in. We're not totally sure what's causing it. I don't know about the ultrasonic testing. We are bringing in some drills to see what's going on down there, but apparently there was a similar cave-in two years ago. We are on the job now, and at the moment that part of the road is being detoured under supervision.

ORDERS OF THE DAY

head: GOVERNMENT MOTIONS (Committee of Supply)

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of Supply will please come to order for consideration of the Department of Advanced Education and Manpower.

Department of Advanced Education and Manpower

MR. DEPUTY CHAIRMAN: Has the minister any opening comments?

MR. HORSMAN: Mr. Chairman, I appreciate this opportunity to introduce the 1981-82 estimates of the Department of Advanced Education and Manpower. The budget estimates which you have before you anticipate a 22.1 per cent increase over the forecasted expenditures for

1980-81, to a total of \$663,731,084 for operating and capital purposes. In addition, the estimates for Alberta Housing and Public Works will provide \$13,332,000 for the construction and furnishing of new facilities for the provincially administered institutions.

The 1981-82 estimates reflect a continued emphasis on the regional expansion of postsecondary education. The public colleges are assuming a more significant role in providing training for Albertans in the trades and technologies, which of course is so necessary for our developing economy. Instructional facilities and student housing projects are under construction or in the planning stages. Temporary instructional facilities have been provided at Fairview, Medicine Hat, and Red Deer, and new apprenticeship programs are already being offered.

In addition to the expressed local needs of people in growing Alberta communities, Advanced Education institutions are being assisted to provide courses and programs on a co-operative outreach basis. Funds are being provided for the lease of local facilities and the establishment of a local presence through regional co-ordinators. This aspect of regional expansion is bringing educational services to Albertans in Brooks, Crowsnest Pass-Pincher Creek, Drumheller and area, Drayton Valley, the Yellowhead region, Peace River, and MacKenzie North.

The estimates also reflect operating and capital costs of new program initiatives throughout the Advanced Education system. Support for new course development is increasing from \$4.2 million to \$16.2 million. As I announced on February 19 this year, we expect that up to 113 new programs will be in place by September 1981. Those will be in universities, public colleges, technical institutes, and vocational centres. This new program development has been focused upon provincial and regional needs for a well-educated population with a broad range of occupations relating to important social, cultural, and economic priorities.

As noted by the hon. Provincial Treasurer in his Budget Address, government spending on capital projects at the postsecondary institutions will increase by 41.6 per cent to exceed \$148 million this year. The total capital commitment is in excess of \$250 million. Other major new initiatives reflected in the estimates include the 1980s Advanced Education endowment fund. An amount of \$8 million is included for the fiscal year we are discussing, and already several major commitments have been made to match generous gifts to our institutions.

This matching grant program, which you will recall involves a total commitment of \$80 million over 10 years, has met with wide acceptance and presents an opportunity for donations from the private sector to be matched by government. I should also mention the Alberta Heritage Scholarship Fund, legislation for which is currently before the House. And of course today in a ministerial statement I announced in more particulars the 10 divisions with the names of those we are recognizing as pioneers in this province. This major new investment of the heritage fund in human resources or capital — I don't really like that term — perhaps in our citizens of this province, will be administered through the Students Finance Board. Together with expansions of financial aid to students, this important new program requires additional administrative support services, which are provided for in the budget.

With specific reference to the budget estimates, the scope of the department's responsibility is outlined in four votes. Vote 1 covers general support services. Vote 2 deals with operating and capital support to the postsec-

ondary institutions and further education councils throughout the province. Vote 3 covers apprenticeship, employment development, career development, and special manpower programs. Vote 4 deals with financial aid to students, including the administration of the Alberta Heritage Scholarship Fund.

Mr. Chairman, with these few words, I'll be pleased to respond to any questions and comments as we proceed through the estimates.

MR. R. CLARK: Mr. Chairman, I'd like to make a few general remarks with regard to an overview of the estimates for the Department of Advanced Education and Manpower, and then say to the minister that when each vote is called it's my intention to ask a number of specific questions with regard to the figures in the estimates book and the elements book.

I'm not sure whether I should start with my pleasures or my disappointments, as far as dealing with the estimates of the Department of Advanced Education and Manpower. But I think I'll make the decision, Mr. Chairman, and say that I'd be less than frank if I didn't mention on behalf of my own constituents in Olds-Didsbury, especially those people in Olds, their very real disappointment that it wasn't possible, for reasons which I hope will become obvious — the minister will explain here this afternoon — to include the Olds student services facility in the capital budget. When one looks at the kind of budget available there, recognizing that the Grant MacEwan college facilities are . . . Well, that huge column of money there has diminished somewhat. But it was certainly my hope, and I guess I'd say the expectation of many folks, that that project would have been able to get a go-ahead this year. I'd be less than responsible to my own constituents if I didn't raise that matter in the course of estimates and ask the minister to reply specifically to that during the course of the debate here this afternoon.

On a broader front, and on a somewhat questioning note also, I would ask the minister if we could have some sort of discussion this afternoon on this question of wages. I relate back to the group on the front steps of the Legislature a week or some 10 days ago. During the question period that afternoon, I made the point that this isn't a group we see very often at all on the front steps of the Legislature Building. Basically it has been my experience that the faculty in our universities are a pretty responsible group.

Mr. Minister, I'm not advocating for one moment, and I wouldn't want you to attribute this to my comments, that the minister should interfere in the negotiations between the board and the faculty association. But on the other hand, all of us in this Assembly have to be concerned about the quality of instruction in all our educational institutions. I relate specifically to those faculties where there is great competition from the private sector: engineering, commerce, business administration. Because of the competition from the private sector, it's becoming increasingly difficult for the universities to be able to keep or attract quality people.

A very fleeting bit of checking I've done with other academic institutions in other parts of Canada, and some in the United States, certainly would not lead me to believe that the present wages in Alberta are higher than in other universities. If that checking, albeit initial, is accurate, then I think we have to recognize that we in this province have one of the highest costs of living anywhere in the continent. Not wanting the department to intrude in the autonomy of the institution and become involved

in the negotiations themselves, I would look forward to some comments from the minister as to this question of salaries of academic people, especially in those faculties where there's great pressure from the private sector.

I'm extremely pleased about two areas. One is the announcement the minister made about moving to a board-of-governors system at NAIT and SAIT. I'm sure the minister is familiar with the report where that recommendation was made, done by the former Deputy Minister Tim Byrne in 1971. I've raised the matter in estimates a number of times since, and I think it's a positive move in the right direction. I want to say that that is no reflection at all upon the educational leadership Mr. Fred Jorgenson has given at SAIT, or the present incumbent at NAIT and both gentlemen who preceded those individuals. Given the nature of those institutions, it just seems to me that a move toward a board of governors is appropriate. Mr. Minister, I would find it very helpful if we could have some indication as to how that search for a board of governors is going to be conducted, also what kind of time line we're looking at in establishing that board of governors.

I'd be less than frank if I didn't say that by and large I'm very supportive of the Alberta Heritage Scholarship Fund. Members of the select committee of the Assembly — the Member for Edmonton Whitemud, with whom I don't often agree, and the hon. Mr. Musgreave, the Member for Calgary McKnight, with whom I find myself agreeing once in a while, along with several others — were able to work out what I thought was a pretty reasonable compromise which came from the heritage savings trust fund committee. Where some of us perhaps would like to have seen it tied to the 75th Anniversary, we're not arguing. The fact is that it's there. It does appear to be a very generous program. I for one am particularly pleased with the athletic scholarship portion of it. This may be an unpopular thing to say to members on the government side of the House, but the Member for Calgary Buffalo certainly was one of the members on the Heritage Savings Trust Fund committee who was very supportive of that move.

Perhaps I'll conclude my initial remarks there, but would very much like to know the time line for NAIT and SAIT boards of governors, also some comments from the minister with regard to this question of faculty salaries, and then I'll be raising specific questions with regard to each of the estimates.

MR. DEPUTY CHAIRMAN: Does the minister wish to respond to the hon. member's questions now?

MR. HORSMAN: Mr. Chairman, if other members wish to comment on the general matter, because other members may have similar concerns, perhaps I will try to respond. Then as we get to the individual votes, perhaps other questions could be asked. But if there are any other questions on the general aspect, I'd be pleased to wait.

MR. DEPUTY CHAIRMAN: There are no other members on the list right now.

MR. HORSMAN: Thank you very much, Mr. Chairman. I'd like to thank the hon. Member for Olds-Didsbury for having seen some good in the department. With respect to his specific concerns about the Olds college learning resource centre, I appreciate the very important representations I've received from the hon. member and from the Olds college board of governors. In

many ways I regret that that particular project did not see the light of day for this fiscal year. I say this, however, in light of the fact that in the colleges system, as a result of the decision taken for the regional expansion process during the last fiscal year, the actual expenditures which related to those items are in this budget. Therefore the colleges budget is very high in capital expenditures across the system. The only additional new project in this budget relating to the colleges system which was not previously announced is the theatre complex at the Red Deer college.

I recognize as well the element involved with the Olds college proposal relating to the fact that the municipality was prepared to co-operate with the college in that endeavor. That struck me as being a particularly impressive type of co-operation between the community and the college. I can assure the hon. member that that will not be forgotten as I prepare for next year's budget. I say this in all sincerity because I would like to encourage more and more co-operation of this nature between the municipal governments and of course, as I've mentioned in other cases, between the private sector and the institution, so we can get some co-operative activities and joint funding going.

So I certainly regret having to inform the hon. member that that particular project was not approved in this current budget. I don't think I can say anything more than that.

MR. R. CLARK: Mr. Chairman, I'd like to pose an additional question on that matter specifically. One of the concerns that has been shared with me by a number of people in postsecondary education, especially at the college and technical levels, is that with the facility that is going to be developed at Stony Plain, there is a very real danger that money that would logically flow to future capital projects in colleges, NAIT, and SAIT may very well be drained away in rather sizable amounts, for pretty obvious reasons — to get that facility at Stony Plain going very quickly. I had meant to raise that matter earlier and ask the minister for some kind of assurance as far as the college system and NAIT and SAIT are concerned, that they won't find themselves in a no-capital situation during the time the new technical institute at Stony Plain is being erected.

MR. DEPUTY CHAIRMAN: I apologize to the hon. Member for Calgary North West. I did not recognize her when she was trying to get up; somebody was in my line of view. So I would recognize the member now if she wants to make some general comments, and then the minister can carry on.

MRS. EMBURY: Thank you very much, Mr. Chairman. I appreciate that. Actually some of my remarks will follow on the remarks made by the Member for Olds-Didsbury. I'd be very pleased if the minister could elaborate further on his comments in his reply to the Speech from the Throne regarding professors' concerns at universities. I'm speaking particularly of the University of Calgary. Having been an assistant professor in the Faculty of Nursing there for many years, I am well aware of some of the concerns the professors have. I realize that some of these concerns are internal to the system at the university, but if I recall correctly it has been quite some time since the professors have had decent cost of living increase over the years. As I said, while this is an internal matter — and I believe the president of the University of Cal-

gary, Dr. Norman Wagner, in his annual speech to the University of Calgary also alluded to the issues and concerns that are before the faculty, the board of governors, the senate, et cetera. Hopefully something can be done so we can try to retain the excellent professors, who are the ones who tend to leave the university for farther fields.

I think the University of Calgary has a very fine reputation in both the research that is done there and in the quality of education. I certainly agreed with the Member for Olds-Didsbury when he alluded to the fact that certain faculties have particular problems. I believe the hon. minister has probably seen the annual report of the Department of Mechanical Engineering of the University of Calgary. I think it is very, very tragic. Some of the people who have left the Engineering Faculty of the university have certainly not gone very far. As a matter of fact, they have gone just across the street. Here we are faced again with a national issue because we have a major national oil company that has been able to abscond some of the professors from the department and use them totally in their employment.

MR. R. CLARK: Other oil companies hired some too.

MRS. EMBURY: This may be to the credit of the oil company and it certainly does happen with other oil companies too, but I think there is a particular concern in the Department of Mechanical Engineering at the University of Calgary. With the number of professors who have left, it is doubtful that they will be able to offer the total program in the future.

I realize it's very difficult to speak generally about the salaries of professors, and there is an internal merit system. I also think it should be brought out that each faculty receives a certain amount of money. Based on a system within each faculty in the university, be it a promotions committee or a departmental committee head, there is a system where individual professors in those departments do receive a merit increase based on their academic work of the past year, which of course relates to three areas: not only teaching at the university, but to research and to community service. So possibly that is the best way that each professor who excels receives a proper remuneration for their contribution to the university. However, while we have our guidelines in place, and we know there were some instances when some segments of our population did not abide by those guidelines, I think it is time university professors at least had a 14 per cent increase in their cost of living.

We are faced with a housing situation in Calgary. I think that while there are concerns general to all universities in the province of Alberta, Calgary has some particular concerns. It has to be brought out that when young professors come to the university, it's very hard for them because of the very high rent they have to pay now. It's almost impossible for them to buy their own homes. Also at the present time some of them are caught in the squeeze of having their mortgages renewed. This means there will be a very high increase in the per cent of their mortgage payments. One of the major problems the professors tell us of relates specifically to housing. Surely we could be looking abroad at countries where there is some type of subsidy; that a proposal could come from the university to the Minister of Housing and Public Works and then there would be some money available to subsidize the accommodation so that we can retain and continue to hire the finest professors across the country.

As I said, the issue is very broad and difficult, because so many things have come to light at the present time. While we have to be concerned about the departments in the university that have professors going into private practice, as I mentioned before, generally there are very many conscientious professors right across the different departments. I've had presentations from faculty members in the departments of Engineering, Psychology, Biology, and English. I think that certainly shows a general unrest throughout all the departments. I would also like the minister to address the specific question of why there is a different funding level for the different universities. I think this is a very hard question to address to people.

One of the other issues that I trust the minister would also comment on would be the overall plan that is going to be available for Mount Royal College. I realize that the college is not in my riding, and I hope the Member for Calgary Currie will forgive me for raising this issue. But I've had it brought to my attention that a long-range plan has been developed for Mount Royal College. While I certainly commend the minister for the many programs that are going to the colleges across Alberta, it seems we haven't heard Mount Royal College mentioned since I've been in this Legislature. So I would like to know exactly where the overall plan is, and in working in conjunction with the Department of Advanced Education and Manpower, what they actually see as the role of Mount Royal College in the city of Calgary.

I think it has a unique role to play, and it differs from some of the smaller centres that have colleges. I believe the minister stated in his opening statements that those colleges will have a high priority on their technical programs. As members of the Legislature know, we have our own technical institution in the city of Calgary. It's just a question of whether Mount Royal College will remain the same size it is now or, because they are being constantly asked to increase the new programs that might be offered there, they're certainly going to need funding for those different programs.

I also understand that we have a very beautiful building at Mount Royal College. It was a unique conceptual plan when it was built but apparently does not lend itself totally to the needs of the students and faculty at the college. Apparently some of the classrooms are as large as to accommodate 100 students. While this may be appropriate for university courses, I guess it has some restrictions for some of the courses offered at Mount Royal College. So I would appreciate very much if the minister would also tell us what the plans are for Mount Royal College.

Thank you.

MR. HIEBERT: Mr. Chairman, I would like to raise some concerns or questions in regard to the overall plan insofar as attracting competent tradesmen or individuals from business and industry to the institutions. We have well-established and highly recognized institutions such as NAIT and SAIT, but now that we have the new technical institute on stream, I would like to know what the overall plans are for ensuring that we attract the appropriate people to the various positions that will be open at the new institution and, for that matter, the older ones. What economic incentives are in place, and can we attract people from business and industry? Are the scholarships sufficient to retrain these people? Are there ways to attract them so their wage scales and economic benefits are on par with business and industry? Can we ensure the supply, because we all know that the key to the effective-

ness of the program will be staff related. I would like to know what the overall plan is in this regard.

MR. DEPUTY CHAIRMAN: Would the minister care to respond?

MR. HORSMAN: Mr. Chairman, if I could continue, having answered the hon. Member for Olds-Didsbury with respect to the Olds College learning resource centre. I should perhaps respond to the other issue raised by him because it was more in the nature of a supplementary question with regard to college capital funding.

Of course there will have to be a substantial capital expenditure over the next several years if we are to have the new technical institution on stream by 1984. My understanding is that when the institution was first announced a year ago, we anticipated that the expenditure would be in the neighborhood of \$39 million. That was based on the understanding that in the neighborhood of 1,000 students would be enrolled initially. However, several suggestions have been made that we should indeed plan for a much larger institution, perhaps as high as 3,000. If that were to be the case, of course much more would be expended by way of capital funds.

Of course I don't think the treatment would affect the colleges system insofar as, in terms of the budgeting, there is normally a breakdown between universities, colleges, and technical or vocational institutions. So I would anticipate that while there may be a considerable capital expense, I'm confident it will not have a deleterious effect on the other funding that will be required. I certainly will do my very best to endeavor that that does not occur. Nevertheless, we will have to plan each fiscal year as it comes, and I'm sure all hon. members will agree that we do need the third institution, that we have to get it under way as quickly as possible, and that we will be able to accommodate that institution's growth along with the other growth needed in the entire system.

I should point out to hon. members that the department received in excess of 55 different capital requests from the entire system. Many of those are being met; others of course could not all be accommodated. I'm sure all of those submitted this year will be back again, and perhaps more, and we will give them careful consideration in future years.

On the subject of professors' salaries at colleges and universities, I just want to restate what I said in the budget speech. We have boards of governors whose income for institutions depends on government grants, tuition fees and, in some cases, other income, whether investment, or from endowments, special chairs, and that type of thing. We are trying to encourage more private sector involvement in the postsecondary system.

When making the grants, of course our government has to be cognizant of certain factors. We have to be aware of a level of settlements that have been arrived at by the negotiating process between the boards of governors and their staff associations in previous years. We have to be aware of this inflationary factor, and we also have to be aware of elements that are unusual. In this particular year we have tried to accommodate some of the unusual factors such as increases in utilities and increases with regard to materials of a specialized nature which have to be purchased for these institutions, many of which originate outside the country and have been adversely impacted as a result of some federal tax measures which I find very distressing. In fact the universities and colleges are now having to pay an additional excise tax as a result of the

federal government having changed some of the rules. I don't like that very much and have made representations on that to federal governments.

However, we must keep in mind that in the fiscal year just ended, the increase to institutions was 9.5 per cent overall. In this current fiscal year the base increase is 13.1 per cent. That is very, very high, much higher than the previous year; in fact it is a good deal higher than that grant increase on the base which has been provided in our neighboring provinces and other provinces in Canada. In addition, in order to recognize the particular concerns identified by the hon. Member for Olds-Didsbury and the hon. Member for Calgary North West, the special faculties are receiving special treatment in this budget in the sense that we are directing funds toward professional faculties enhancement. An additional \$1 million has been granted at the University of Calgary without any strings attached to accommodate general growth. That is a very substantial increase in the case of the University of Calgary. So we are directing these funds to the universities without strings attached, but on the understanding that because they have asked for those funds, they will direct them to the faculties which require, if you will, some special attention and treatment.

Mr. Chairman, that's as far as the government and I as a minister wish to go in terms of allocating directly to faculties within the institutions. I should point out that \$810,000 was allocated in that particular portion last year when we attempted this for the first time at the University of Alberta, and we were very pleased indeed with the allocations made by the board of governors in consultation with their general faculties council. That, of course, is what we are attempting to do again this year.

I would like to comment briefly on the matter raised by the hon. Member for Olds-Didsbury, in the sense that this demonstration came forward the day after the budget, before the faculty association had had any opportunity whatsoever of assessing the special attention paid in the budget toward those particular areas of their concern. I hesitate indeed to get involved in comparing faculty salaries, because it is very, very difficult to do. From looking at Statistics Canada figures, we know that on an average faculties at the University of Alberta are the second highest in Canada. The fourth highest in Canada are at the University of Calgary. But that's an almost meaningless figure when one comes to comparing the different levels within institutions, the different periods professors or staff have been in the faculty, and so on. Suffice it to say that it does give a fairly clear indication that the boards of governors have been responding fairly adequately towards concerns of how much salaries are to be allocated within the institutions.

But I strongly believe that it is the role of the boards of governors operating within the funds available to them to negotiate with their faculty associations in such a way that fairness is achieved. In the case of each institution there is a collective bargaining process. That collective bargaining process is in the midst of negotiations. Negotiations are under way at the present time. In my understanding, none of the collective bargaining procedures has been followed to its conclusion, which would indicate the level of salaries which might be involved in the current year. So it's very difficult to become involved as a government in the middle of those negotiations.

Each institution has its own process. At the University of Alberta there is a final offer selection process, and at the University of Calgary a binding arbitration process. It would be quite improper for me to say what percentage I

think should be involved in the final decision. Whether they go to arbitration or settle at the table is one thing, and that's why I was somewhat concerned to hear an expression of specific percentages in the committee today, because the process is now under way. The final steps to resolve the differences between the parties have not been taken. Therefore I really am concerned that the government not say we think a settlement should be in this range, because that might indeed have a considerable influence upon the final outcome, be it the arbitrators for a final decision, if it goes that far, or in the case of final selection if it goes to that process. I don't want to comment further than that, except to say that whether or not professors in certain stress faculties, or faculties such as those that have been identified today, should receive more than professors in faculties where the pressure is not as great is surely a matter which must be settled within the institutions themselves. I know that in some institutions special consideration is being given to matters such as extra bonuses or special housing subsidies directly by the institutions themselves. But I must say, Mr. Chairman, that I would reject any notion that my department or the government itself should pay special subsidies directly to any individuals with respect to their housing costs. If that is to be done, it will be done as a result of negotiations between the institutions and their staff associations.

Still dealing with the subject of boards of governors, because they have a very important role to play, I could indicate to the hon. Member for Olds-Didsbury that some of the questions he posed with respect to the boards of governors for SAIT, NAIT, and the new institution should await the Bill which will be introduced later in the session. Perhaps I could then deal with those subjects in a more appropriate way. I would say, though, that it is the intention to provide for boards of governors. As to their composition, numbers, and so on, those will have to await introduction of the Bill.

I want to see, in terms of sort of how and when . . . I think the how part in the case of both those institutions could initially at any rate very well be the subject of advertising and a request by government for nominations from the general public. Although that has not yet been decided, it might be advisable in this particular instance. As to when, certainly as soon as the legislation is passed by this Assembly. Assuming that that occurs, I would want to start the procedure of obtaining a board of governors so they can assist in the transition period, which is going to be very, very significant and full of all kinds of problems not yet identified but which I'm sure will be there.

I appreciate the comments on other matters raised relating to the Alberta Heritage Scholarship Fund. I think they do not require a specific response in my remarks.

With regard to Mount Royal College, of course it is getting to the point now where it is almost full in terms of its capacity to handle the number of students for which it was originally designed. I think the hon. Member for Calgary North West pointed out some of the difficulties inherent in the design of the building, which was considered to be experimental in nature when it was designed. I guess when an experiment proves to be not entirely successful, the costs of trying to rectify the experiment become very, very high indeed.

I should point out that during the past year I've had discussions with the board of governors and the administration at that institution, in which we reviewed the request for phase two of the institution and the possibility

of rather than moving to phase two, trying to 'infill' — that's the term that was used — the space there now so it could accommodate an increased student enrolment. It wasn't until March of this year that I was formally advised by the board that that option had been dropped and they no longer wished to have government, in co-operation with them, consider trying to renovate the interior of the institution in such a way as to accommodate more students.

At the same time of course other options have been raised with me by members of the board of governors. Those relate to the possibility of establishing elsewhere in the city of Calgary another campus similar to Grant MacEwan college, where there are three major campuses, in the city of Edmonton. That is an option they have now raised with me. As well, there's an interesting observation — it's very informal yet, but has been raised — as to the possibility of the Alberta Vocational Centre in Calgary forming part of the institution, thus providing a different type of service. So at the present time I'm in a difficult position to say to the Assembly which direction we will follow.

I can assure members of the committee that we are going to very carefully pursue with the board of governors at Mount Royal where we will move to ensure that that institution provides that type of service that is in its mandate. Of course in cities such as Calgary or Edmonton, the colleges provide that level of service between universities and technical institutions such as SAIT and NAIT. Therefore it's a very wide range of services and has to be very flexible. So those are very important concerns. I trust that that mention of Mount Royal will at the moment satisfy hon. members who have raised the question.

With respect to ensuring that we attract people to our institutions and provide economic incentives to attract people from business and industry, I assume the hon. Member for Edmonton Gold Bar was referring to the staff rather than the students. Therefore that is something I want to address. It really relates back to the other issues of how we attract and retain people in specialty faculties, but I think it is addressed in the broader sense. Of course we have been attempting to do that by ensuring that the level of funding for our postsecondary education in this province is at the highest possible level in comparison to other provinces. I think that is certainly true in this particular budget this year.

The difficulty we have is knowing how institutions themselves and boards of governors direct their policies with the management of funds supplied to them by government and are able to go into the market place for faculty members. What is the market place? The market place consists of academia and other Canadian institutions or institutions outside Canada. That is really where most comparisons have taken place with respect to wage and salary levels. In that respect we have to try to ensure that we are comparable to other institutions in Canada.

As far as attracting people from business and industry, that becomes somewhat more difficult, particularly in an overheated economy such as we have been experiencing in Alberta in the past several years. There I think the boards have to rely on other features of employment in postsecondary education, such as educational leave opportunities or sabbaticals. They have to rely on the fact that in total months of employment the academic year is somewhat less than the private sector experiences. In most institutions the teaching year runs from the beginning of September to the end of April, which leaves other

times in the year for upgrading one's educational experience and so on, and affords some opportunity for such matters as private consulting. Most faculty contracts permit a degree of consulting income to individuals. In some cases, I understand, up to two months' additional income per year may be earned from that experience.

In addition, extra teaching opportunities are available at summer sessions. If faculty members engage in those, they are paid in addition to what they would otherwise receive. Some institutions have introduced housing subsidies of one kind or another and have some form of bonus system for faculties which, as I say, are regarded as specialty faculties in that it is difficult to attract people.

Mr. Chairman, I do not believe it is fair to say that we as the government of this province have an overall plan by which we direct institutions to attract people. As I have indicated, we try to provide adequate funding. Indeed, in most cases it has been very successful to have the boards of governors design programs in co-operation with their faculty which will attract the best possible academic staff to serve the institutions. I think I've now dealt with the questions raised, and I welcome comments or questions on the votes that now take place.

MR. R. CLARK: Mr. Chairman, as a result of the minister's comments, might I pursue two areas just a bit further. One is this question of capital allocation. I wonder what the minister's reaction would be to the proposition of whether the Stony Plain site is going to be for 1,000 or 3,000 students. The figures the minister used were approximately \$40 million for 1,000 students, if I could just ballpark it that way. Mr. Minister, it seems to me, on the surface anyway and not knowing all the background, that there'd be a real advantage in putting a lump figure on the cost for the Stony Plain college — whether it's going to be \$40 million or, if it comes to be a facility for 3,000 students, multiplied by 3, it may be \$120 million — and then doing the same kind of thing the government attempts to do with hospitals and a variety of other areas in the course of simply saying, that will then go up for inflation or whatever that kind of indexed figure is. It seems to me that if that was considered, it would go at least some distance in allaying some of the fears in the colleges and the technical institutions about this question of the sapping away of capital funds.

Another proposal I put forward, Mr. Minister — and I know it's used in one or two other provinces; I think Ontario is now using it — is an arrangement where we have a five-year rolling capital budget so we get away from the kind of peaks and valleys situation. As I as an MLA see the capital budget for colleges and universities, I assume, and I'd be pleased to be straightened out if I'm wrong, that the Treasury Board approves a lump sum of so many millions of dollars for capital. Then the department people break it down into how much for universities, colleges, NAIT, and SAIT — that kind of arrangement. It seems to me that it would lend a lot more stability in the institutions if in fact they knew there was going to be, let's say, \$20 million a year for colleges for the four or five years, and that could be a kind of rolling thing; and the same kind of thing for the technical institutes and the universities.

Now there may be that kind of informal arrangement worked out between the department and the various institutions. But two things that would do is get away from a kind of peaks and valleys situation that can develop. I suppose I'd be less than frank if I didn't say that then the department and the minister are in the position of having

a longer term commitment from the standpoint of the Treasury Board and so on. It certainly makes it far easier for the department to plan for capital projects. Have those kinds of propositions been explored? If there are some pretty negative sides to it, I'd be interested in hearing what they are.

MR. HORSMAN: Mr. Chairman, each capital project is considered individually. There is no specific amount provided to each of the systems within the overall system of Advanced Education and Manpower. I'd have some degree of concern about trying to do that, because it may very well be that in one particular fiscal year the universities may require more for the commencement of new buildings and capital projects than the colleges. I would think that if we were to do that, it might indeed very much stretch out the time period to get some projects on stream. I really feel that the idea, while it might have some merit, would need further exploration as to how it would work without at the same time locking the department into a spending program which may not be flexible enough to accommodate things such as this new technical institution.

For example, say the technical institution section had an allotment of \$30 million a year for a five-year period. That might prevent any new capital projects coming on stream. So I think the present system of taking a look each year at the priorities identified by the institutions, and then identified by my department as being the priorities, and taking them for consideration and review is the best one we have available to us at the moment.

MR. R. CLARK: I think the minister's reaction is the same to the idea of putting up a lump sum for the development of the Stony Plain technical institute: that the minister is not the least bit favorably inclined to the idea, whether it's going to be \$40 million or \$120 million when the student numbers are arrived at. Certainly from the standpoint of the Assembly and the committee, if we could have some kind of figure knowing what we're looking at, it makes the work of the committee far, far more meaningful. I don't share the minister's concern about the other matter, but I'll drop that for now. But specifically with regard to the Stony Plain technical school: does the minister have the same rigidity there?

MR. HORSMAN: No, Mr. Speaker. I'm sorry, I should have responded to that. I think it's fair to say that at this time I'm not in the position to provide that figure, because what we have in this year's budget is a planning figure so that we may acquire — I think there's land acquisition and planning in this year's budget for that particular institution, and much of it is in Housing and Public Works. But when the transition of a board for the institution comes on, then there would be a transition in which the final estimates will be arrived at. Of course when a decision is finally recommended to the government, we will come up with a figure and say, it will be for so many students, and we expect that the total fund we will ask to be voted by the Legislature will be X number of dollars. So we expect that to happen. But at this particular budget I can't do that.

MR. BORSTAD: I was going to wait for the vote, Mr. Chairman, but my comments are fairly general. I thought I might bring them up now. The Grande Prairie Regional College continues to grow and expand. When the student residences approved by the minister last year are com-

pleted, they will considerably improve those facilities. I'd also like to commend and thank the minister for his recent announcement on nursing training proposed for the Grande Prairie Regional College, which will assist the nursing shortage in northern Alberta. I also appreciate the extension of the apprenticeship courses which are being carried out at the Grande Prairie college in conjunction with Fairview College.

I believe the Northern Alberta Development Council bursary fund has been very successful over the years. This is sponsored by the council. Since its beginning, over 500 students have received assistance from the fund. This year another 138 students received assistance. For those years of assistance, the student is required to return one year of service to the north in his or her profession. We think this is a very worth-while program, and I would urge the minister to increase that annual allotment in order to accommodate some of the other students who have been applying and we've had to turn down because of lack of funds.

MR. BRADLEY: Mr. Chairman, I'd like to congratulate the minister on what I think is a very exciting initiative: that of the consortia concept, which extends postsecondary educational opportunities to rural Albertans. I wonder if the minister might comment to the committee on how he anticipates these consortia will operate. I know the people in the Crowsnest Pass area are very excited by the establishment of one to serve that area. He might elaborate on how the consortium will operate, how the local advisory boards will relate to the formal boards of the consortia, and what he anticipates in terms of operating and capital funding for these projects in the province in the current year.

MR. HORSMAN: In reply to the hon. Member for Grande Prairie, Mr. Chairman, I thank him for the compliments with respect to the developments which are taking place there. I too look forward particularly, it's fair to say, to the new approach with regard to nursing education in the north. I know that will be welcome in Grande Prairie and all of northwestern Alberta, and in the case of Keyano in northeastern Alberta. So we're taking some very positive steps in that direction. I must say I'm also pleased he has commented on the apprenticeship co-operation with Fairview College. I really know that the boards of governors have done a lot working together towards getting over some rough spots. I appreciate the fact that they've been very co-operative.

With regard to the bursary fund, additional funding is provided in this year's budget, and perhaps we can come to it again when we get to the subject of Vote 4. The Students Finance Board has directed some questions to ensuring that the elements mentioned by the hon. Member for Grande Prairie are carried out. That is to say that the students who achieve the assistance in fact return their services to the north in subsequent years. I think that especially has been of concern. I hope it will not continue to be. We can iron out some of those matters. But some additional funds are made available in this year's budget for that particular element. If I can come to it, I can indicate that the increase is from \$2,500 to \$3,500 for single students, and from \$4,000 to \$5,000 for married students. In terms of the increase, we are trying to recognize that particular element.

With regard to the questions raised by the hon. Member for Pincher Creek-Crowsnest, I think the consortium concept is going to be an exciting new challenge.

At the present time we have officially opened two, in Peace River and the Yellowhead. The others are commencing their operations. The local advisory committees will be determining the type of programming they want to see in the regions. They will then contract with the individual institutions that offer the programs for the consortium and administer the funds through those institutions. Therefore it becomes a little difficult for me to break out the amounts of capital and operating for each consortium without going through the colleges, universities, and technical institutions budgets separately. The hon. member has posed a bit of a difficult question for me. I shall try to get that information. Perhaps when we get to the individual votes of the institutions and so on, we might come back to that question.

1 — Departmental Support Services

MR. R. CLARK: Mr. Chairman, I have three questions I'd like to ask on Vote 1. Perhaps I might pose them now and then get the answer before we're finished the vote. On page 37 of the estimates book, under 1.0.4., \$100,000 was not spent on planning and research last year. I notice the amount is about up to where it was last year in the estimates. I'd be interested in knowing what didn't happen that was planned to happen, that found us in the situation where \$100,000 wasn't spent.

Under Vote 1.0.2, I see there's a 10 per cent increase in budget estimates for the minister's committees from last year's estimates. To be accurate with last year's allocation, the estimates of last year were short about \$67,000, or 37 per cent more than forecast. Why were the estimates short so much last year? From the activity that's going on now, if one looks at the estimates, there's about a 35 per cent decrease in committee work this year. The third area would be the small item on the question of fixed assets up some 53 per cent. It's not a huge amount of money, but I'm just interested in knowing what's involved there.

I notice there are 151 new positions in the department. Could we get not a breakdown area by area, but simply a precise indication as to what areas in the department those new people will be assuming responsibility.

MR. HORSMAN: Mr. Chairman, dealing with a summary of full-time positions we are adding, first of all, with regard to Vote 1, departmental support services: seven positions. Vote 2, assistance to higher and further educational institutions: 95 positions. Those relate to additional staff at SAIT, NAIT, and vocational centres in particular. Of course that accounts for the lion's share of the increase. Thirty-three with regard to Vote 3, manpower development and training assistance, relates primarily to increases in apprenticeship staff in the manpower division. Vote No. 4: 17 additional staff members for the Student Finance Board to account for the level of additional staff required to administer the Alberta Heritage Scholarship Fund, and to account for the increase in volume with respect to the new programs introduced with respect to the equalization and maintenance grants we introduced in previous years. Those are the totals. Of course each year we have a fairly large number of new staff added to the provincially administered institutions. But once those institutions become board governed, I hope those positions will all be eliminated from my votes.

Now, with regard to other questions. I'm not sure I got all the questions, but I will try to answer them. A decrease is shown in the minister's committees. They are

less than the forecast for the same general reasons, because they were non-recurring expenditures in the last fiscal year. If one compares the estimates to the estimates, there is an increase, but in fact last year there were some non-recurring expenses with respect to the committees.

I think there was a similar question with respect to planning and research. This fund has been underspent historically. However, in order to retain adequate research capabilities, we are making them equal to the estimates for last year. We're not asking for more. Research projects this year will include studies of manpower and training requirements; demographic projections for small centres; and the impact of megaprojects on training needs, particularly with regard to enrolment forecasting. Those are the areas that we want to pay particular attention to that did not get dealt with in the previous budget.

I think that covers three of the four questions. Perhaps I missed one of the questions raised by the hon. member. I'm sorry.

MR. R. CLARK: Mr. Chairman, the other question dealt with the purchase of fixed assets, which is an increase of about \$70,000 under object of expenditure.

But I would go back, Mr. Minister. In dealing with the answer we received on minister's committees, I concede that the estimates this year are not too much above the estimates for last year. But I'd like to know what committees are being disbanded, and what isn't being done this year that was done last year? I have a feeling it may be the planning for the Stony Plain facility, but if it isn't — and I see the minister shaking his head like it isn't — I'd be pleased to know what change is there.

MR. HORSMAN: Mr. Chairman, those committees primarily relate to committees directly accountable to my office. Those are such things as the manpower advisory council, the minister's advisory committees on colleges, universities, technical institutions, student affairs, further education, and technical and vocational education. When I refer to non-recurring expenditures last year, part of the non-recurring expenditures are related to the advertising which we carried out very extensively throughout the province with respect to obtaining membership on those committees. That advertising will not be required this year because the committee appointments were made for two-year terms, and that is a non-recurring expense I identified earlier. Those committees expend funds by travelling throughout the province, holding meetings in institutions and communities throughout Alberta. That's really the type of committee involved there, and does not include the committee referred to by the hon. member with respect to planning the new technical institution because that was provided for under planning funds for that institution.

MR. R. CLARK: Mr. Chairman, to the minister. To be very precise, are we to assume that basically the reason for the reduction of approximately \$50,000 from the forecast for 1980-81 to the estimates for 1981-1982 is all in advertising?

MR. HORSMAN: A very major part of that was in fact related to advertising for the committee members, but it is anticipated that perhaps there may not be as much travel for all the committees. A good deal of that was raised. I can't give the hon. member the exact amount spent on advertising, but it was extensive. I'll seek that information and provide it to the hon. member.

Agreed to:

1.01 — Minister's Office	\$179,972
1.02 — Minister's Committees	\$218,260
1.03 — General Administration	\$7,353,407
1.04 — Planning and Research	\$400,000
Total Vote 1 — Departmental Support Services	\$8,151,639

2 — Assistance to Higher and Further Educational Institutions

MR. R. CLARK: Mr. Chairman, a number of questions on this particular vote, primarily with regard to the supplementary estimates of expenditure. Under Vote 2.1.2 — page 6 in the element book — new course development is receiving an over 400 per cent increase from the forecast of \$4.2 million to \$16.2 million. Perhaps that would be a good place to start the discussion.

MR. HORSMAN: Mr. Chairman, in regard to the new course development, hon. members are aware that on February 19 this year I announced that 113 new courses would be instituted throughout the province at various universities, colleges, and technical and vocational institutions. On that day a news release came out in which we indicated that the additional cost would be \$19 million. Now there were elements there of funds made available in other ways and under new course development, but primarily it was by new course development at the various institutions. I trust that the hon. member doesn't want me to read off a list of 113 new courses.

MR. R. CLARK: The first hundred would be fine.

MR. HORSMAN: The first hundred. I'll be glad to supply a list to all members of the Assembly. As a matter of fact, they were all attached to the news release. But of course they were all developed in consultation with boards of governors at their request, and we paid particular emphasis to university programs in areas such as speech pathology, public management, and some engineering courses. In particular co-operative engineering at the University of Alberta was one of the largest items. I think almost \$600,000 had been asked for by that faculty through their board of governors. That particular element, 2.1.2, really relates to those courses I announced back in February. Some of those were dealt with by a special warrant last year. We had to get the funds available to the institutions of course, so they could start their planning, acquire the staff, and so on for the next academic year which starts in September. So those are the various elements involved in that particular news release.

MR. CLARK: Mr. Chairman, just following along. Mr. Minister, that leads into the next area. You make reference to the special warrant raised by the Executive Council a while back. Is it the minister's expectation that this budget includes sufficient flexibility to enable the minister to deal with the call for new programs in various institutions during the course of this budget year? Or should members be looking at another special warrant for new program needs of, let's say, the same magnitude as the special warrant that came down the pike some months back.

What I'm really trying to get a handle on here is: can we expect that this budget adequately covers the expected needs of the department, and we shouldn't have to be

looking for a sizable special warrant? Now as I said last Thursday, I can appreciate that there are occasions when a program is oversubscribed and a special warrant has to be raised to deal with that kind of thing. But are we looking at those kinds of special warrants, if any, or in fact the sizable special warrants we saw last year? I want to make the points before the minister rises in his place. It isn't a question of not basically supporting many of the programs which were approved, but it becomes a matter of whether this Assembly deals with the question before the matter is dealt with or after the fact.

MR. HORSMAN: Mr. Chairman, in terms of the size and number of special warrants related to my department, they were relatively few in number and not of immense magnitude. Of course one of the elements involved with my department really relates to a special warrant, based on assessment each spring and fall, which has been the tradition of the needs for the priority employment programs and summer temporary employment programs. So those indeed were special warrants, not directly related to this vote but rather to manpower development. Most of the new programs requested by institutions were in fact covered by that announcement in February of this year. I would be quite surprised to have a similar approach this current year, unless institutions come forward with programming requests which I can't anticipate at this time. I would have to say that in general I'd be surprised to see us coming forward with those types of requests.

In addition, I should point out that within the votes, in a service element, there is some flexibility to provincially-administered institutions, public colleges, private colleges, and universities. Those represent basically designated appropriations which were not yet allocated to specific institutions at the time the estimates book was printed, but do include some element of operating funds where a provision has been made to accommodate trades and technology training costs which may be incurred, and other things such as some allocation for actual needs when they're identified. I should say that those elements should take care of any unanticipated or unforeseen demands which may occur prior to September of this year.

So the answer in general is no, in the next fiscal year we don't expect to have to raise to any substantial degree new course development funds by special warrant.

MR. R. CLARK: Mr. Chairman, following along on that matter. Dealing specifically with Vote 2.1.2, new course development, what portion of that \$16 million is already allocated, as opposed to what portion is there as — I was going to use the term "slush fund", but perhaps that wouldn't be fair — funds the minister will have discretion with in approving courses between now and the end of March?

MR. HORSMAN: Mr. Chairman, I believe it is all basically allocated.

MR. D. ANDERSON: Mr. Chairman, my comments are specifically with respect to Mount Royal College. First, I would like to thank the hon. Member for Calgary North West for bringing up many points which are of concern to that college and the people who depend on it. I would like to say that some hope was given by the minister in his statement that he would pursue vigorously over the next year a number of options with respect to expansion.

I would like to say, though, that in the comment that the college is almost full, I must have attended those classes which have gone considerably past that point. The crowds in those classes I've attended have been well over what I would consider full. At this point I've spent two years in the Legislature, asking each year about this particular expansion plan; each year taking a look at the direction that's required, and hoping I would see in the budget estimates the money needed for that kind of expansion. I am sorry that hasn't progressed this year. I expect those undertakings will indeed result in some action next year and, personally, as the MLA for the region, will be most unhappy if we don't have some result at that time.

In a very general sense, I believe that Mount Royal College is serving a particular purpose in this province in trying to help diversify the needs of the economy through its graduates. We have to service an extra 3,000-odd people per month moving into Calgary, many of whom require the services of such a college. In terms of our long-range diversification plans and the need to deal with the difficulties we have in our society because of our particular growth pattern now, I think those expansion plans must proceed very quickly in one way or another. I hope that next year I will be able to stand here and congratulate the minister on having moved in a very definitive way toward accomplishing those ends.

MRS. CRIPPS: Mr. Chairman, I'd like to indicate to the minister how pleased I am with the establishment of the consortia in the rural parts of Alberta that did not formerly have access to local secondary academic and vocational programs. I'd like to ask the minister which vote in the budget that's included in, and maybe to give a brief explanation of how it's included in that budget, if he would.

MR. STROMBERG: Mr. Chairman, the announcement in the throne speech of, I believe, an \$800 million matching grant . . .

MR. HORSMAN: \$80 million.

MR. STROMBERG: Oh. I didn't think you were quite that generous. I have no qualms with the \$80 million matching grant, which I've spoken to you privately about, but what that matching grant has done to the several private colleges in Alberta that have in the past asked for and received no grants for capital expansion. It's understood that the state and the private colleges are separate, but these colleges that are now going out for fund raising for capital projects, such as Camrose Lutheran College with a very ambitious \$11,700,000 fund raising drive, find it extremely difficult to acquire donations, when a business, company, or individual will say, well, if I give my donation to your private college, to your fund, it's going to be matched by the province. What this has effectively done to Camrose Lutheran College and Union College at Lacombe is just cut the feet out from under them for all hope of any future expansion. Our private colleges have a definite place in Alberta, especially CLC in Camrose. It's our major industry. It's an institution that was started way back in the early teens.

I would like to hear the minister's comments. Has he given consideration that somehow, instead of getting into funding the colleges on capital development, maybe we could help them when they're building, say, for their

library fund or science equipment, and fund them in another way.

MR. DEPUTY CHAIRMAN: Would the minister care to respond to the various questions?

MR. HORSMAN: Yes, Mr. Chairman. With regard to Mount Royal, I really must repeat to the Member for Calgary Currie what I said very briefly to the hon. Member for Calgary North West. I have to know with some degree of precision exactly which option the college board wishes to pursue with respect to a further expansion of that institution. I really must know that. I repeat, shortly after assuming office I was presented with a plan for a phase two on the site. Subsequent to that time, I was asked to withhold approval while they reviewed the possibility of that 'infilling' of the existing space. It was not until March that I received formal advice that they no longer wished to pursue that approach. Obviously that made it impossible to pursue expansion during this budget. Since then I've had further discussions, in which we've identified some further options to expand the capabilities of Mount Royal. We will review those very carefully with the board of governors in regard to the next budget year.

With regard to the subject of consortia, as I indicated earlier to the hon. member, it's a little difficult to identify that in the votes. Perhaps I could just give it this way. The consortia are going to be funded through the colleges administering the funds. That's where the moneys are found, in the vote for each of the consortia. Perhaps I could do it this way. Through Fairview College, the North Peace educational consortium this year will receive a one-time grant of \$55,000 and, for the college year '81-82, \$220,000, for a total payment in the college fiscal year of \$275,000. You have to keep in mind that this is a little confusing because the college fiscal year does not correspond to the university's fiscal year; it runs July 1 to June 30. So it creates a bit of a problem in getting the figures allocated. I will just give you these figures on the basis of the college fiscal year.

Through Grant MacEwan we will be administering the Yellowhead consortium, a grant of \$50,000 plus \$200,000, for a total of \$250,000 in the college fiscal year. For the Drayton Valley consortium, \$160,000 in the college fiscal year. Lethbridge Community College will administer the program for the Crowsnest Pass-Pincher Creek consortium, once again \$160,000. Olds College will administer the Big Country consortium in the Drumheller region. That will receive a one-time grant for the period April to June 1981, \$52,000 plus \$210,000 in the college year, for a total payment in the college year of \$262,000. The total for the coming college fiscal year therefore is \$1,107,000 for consortia. For 1981-82, however, which is only 75 per cent of the college fiscal year, the total we have in the budget is \$870,000.

With regard to the question of the 1980s advanced education endowment fund and its impact on private colleges, I wish to indicate to the hon. Member for Camrose that I recognize the concern he expressed, except that I can't quite agree with his allegation that it will totally undermine the fund-raising capabilities of private colleges. Donations may deprive the colleges because people who wish to donate have all the tax advantages that are available to those who wish to donate to the public system. After all, these are religious institutions owned by religious bodies, and it is difficult to justify the expenditure of public funds for the capital of those religious institutions.

However, we recognize that a very important role is to be played by private, religious institutions such as colleges, and we ensure that the per pupil grant, the operating grant, tries to correspond at least roughly to the grants provided to the public institutions. But at this time I cannot indicate to members of the Assembly that the government has made a decision to provide direct capital funding to institutions that would become the property of private, religious institutions. I think that has been the policy of this government since 1905, and to change it now would require a very clear understanding of the implications of such a move.

MR. STROMBERG: Mr. Chairman, the minister did not answer my last question. I believe private colleges recognize the separation of church and state, but in effectively slamming the door shut on these private colleges... Considerable individuals will be donating funds for capital projects, but they have to go out to the Stelcos, the Imperial Oils, the large institutions and companies in the province. When the director of a large company can double the value of his donation through your endowment fund, doesn't it make more sense that he go that route instead of the 100 per cent? And since our government has in the last five or six years seen fit to increase the amount of student grant and to encourage these colleges to go to full degree-granting colleges like Union and CLC, perhaps we could help them out in an indirect manner — they're shut out from a lot of the institutional or company donations — through perhaps funding for libraries or science equipment. Has the minister given consideration to that avenue?

MR. HORSMAN: Mr. Chairman, as I've indicated, the whole subject of capital, whether for buildings or capital acquisitions of other kinds, is still a very serious issue that has not yet been determined. I'm prepared to discuss it with the institutions and with my colleagues in government, but at the present time we just have not reached the conclusion that it is appropriate to provide public funds which then become the property of individual religious bodies. So that is where we are. I should say, though, that in terms of those funds, those people wishing to donate to private institutions receive the same credit to their company in terms of tax benefits and so on as one does in donating to a public institution. It's true that the government will match the funds, but that in no way enhances the company's tax position. It just provides more funding for the institution rather than for the individual donor. I regret that I'm not in a position to indicate that we can move any further in the direction the hon. member would like us to, but we will certainly review it.

I want to say that I would not like to leave members with the impression that this government has encouraged degree granting by private colleges. Let us say that we have been trying to respond to their requests to have degree-granting privileges. That of course is still under negotiation between the colleges and the universities directly involved, with which they have affiliation agreements at the present time.

MR. STROMBERG: One last supplementary, Mr. Chairman. Would the minister, as an individual, consider giving a personal gift of, say, \$10,000 or \$15,000 to the CLC building fund?

MR. HORSMAN: Mr. Chairman, that is hardly a matter for the Committee of Supply.

MR. R. CLARK: Mr. Chairman, I'd like to pose two or three further questions to the minister. Mr. Minister, with regard to Vote 2.1.6, I notice that federally funded programs are up 139 per cent in the estimates. What is the significance of this, the federal manpower policy situation being what is today?

Then could I move along to Vote 2.2.2, with regard primarily to the NAIT budget. I noticed last year that the budget was overexpended by some 20 per cent, and then the budget this year is only 2 per cent greater than the forecast for last year. I'd appreciate some explanation there, because as I understand the relationship between the forecasts and the budget for this year, looking specifically at NAIT, albeit the estimates were out quite a bit last year, there was a 20 per cent overrun there. I assume that's where a portion of that \$20 million special warrant was spent. What we're saying is that there's only going to be a 2 per cent increase in NAIT's operating budget from April 1 this year until the end of March next year. That would seem to me to be somewhat difficult to pull off, unless we're going to reduce the number of staff, the number of students, or something. How in fact do we plan to do that?

MR. HORSMAN: Mr. Speaker, with regard to the federally funded programs, this is an estimate based on specific recoveries, and not all federally supported costs are included in this element. For example, apprenticeship training is under technical institutes and public colleges. As I say, that is an estimate of what we expect to recover. At this time I can't give much more than that in the way of details. Perhaps I could try to get some more specific information for the hon. member.

With regard to the subject of NAIT, I take it the hon. member was referring to 2.2.2?

MR. R. CLARK: Yes.

MR. HORSMAN: The NAIT and SAIT budgets are based upon careful estimates relating to what we know to be the settlements that have been arrived at within the institutions and will therefore take us up until the end of the next fiscal year with regard to salaries. That is in fact how that is arrived at, not involving any additional new programming there that hasn't already been included. So it is faced on what we know to be the expenses which will flow from the settlements which have occurred between the government, the support staff, and the faculty at those institutions.

MR. R. CLARK: Mr. Minister, did I understand that answer correctly: that this includes the new programs that have been approved for NAIT and SAIT this year? Because if it does, if you take into consideration the very small increase, I would assume those programs are now in operation. Does this in fact say there will be no new programs starting September 1 next year?

MR. HORSMAN: No, Mr. Speaker. Those are included in the element we have announced that we discussed earlier, and are included in the other vote: 2.1.2, new course development. I can perhaps find those. In addition to the amount you see there, the new programming at NAIT is \$310,000, and involves programming, new heavy-equipment operator apprentice, water resources technology, paramedic, special career training and services unit for the developmentally handicapped. In addition to that figure, the new program approval includes the total

budgeted amount at SAIT: \$1.233 million, including new programming and transportation, refrigeration mechanic, communication electrician, power linesman, gas fitter insulator, process operator, cabinetmaker, and retail meat cutting. So those are added to that total budget.

MR. R. CLARK: Let's take SAIT because its situation is pretty well the same. So the operating budget for SAIT is not \$37 million, but really \$38.2 million and some. Is that correct, Mr. Minister? That gets to a question I wanted to ask later. The operating budget of all the various educational institutions isn't as it appears in the estimate; that's a reflection of what the cost would be if there were no new programs approved. Mr. Minister, why is it not possible to put the new, approved programs with the institutions, so that members would be able to see the anticipated operating budget? I'm really saying — and earlier the minister told the Assembly, Mr. Chairman — that the \$16 million has already been allocated. If that \$16 million has already been allocated, why don't we show in the estimates that it has been allocated to the various institutions?

MR. HORSMAN: Well, Mr. Chairman, I guess it's because we wanted to indicate how much is involved with new program approval for the current fiscal year, and that's the way it's always been done. I can certainly supply to hon. members the breakdown for each institution, and I'll be glad to do that.

MR. R. CLARK: One further question on that, relating back to the federally funded programs. Mr. Minister, I appreciate that perhaps the information wouldn't be available at the minister's fingertips, but would it be possible to get a ballpark or perhaps even more precise figure for the total amount of money the province anticipates getting from the federal government as far as Advanced Education and Manpower is concerned?

MR. HORSMAN: Yes, Mr. Chairman, I certainly can do that. As a matter of fact, I could probably give a fairly accurate figure on that at the present time. Mind you, it is complicated a little bit by having to be estimated. That of course creates some difficulty. We estimate that under the established programs funding this year we will have ... No, I'm sorry. I have the 1980-81 estimated recoveries. Perhaps if I could give them to the hon. member, that would fairly well reflect what we anticipate for this year. We anticipate having collected or coming from the federal government \$134 million in cash. I should point out that 18.5 per cent of that is applicable to grade 12 education. That's part of the very complicated formula under the established programs financing. Therefore you take off, say, almost 20 per cent, and it's just over \$110 million, I believe, which comes to approximately 21 per cent of the total expenditure on postsecondary education we receive by way of cash transfer payments under the established programs financing Act. That has been an almost constant figure over the last four years.

MRS. EMBURY: Mr. Chairman, I just want to make some general comments under Vote 2. Having brought the concerns of constituents forward in the general comments, I'd like to pay particular note to 2.1.8 because this is the first time that we have seen the fund for nursing research in the estimates. I think it's appropriate to also comment at this time that while I understood the Alberta Association of Registered Nurses was very much

in agreement regarding this fund — and I know that the minister, along with other cabinet ministers, has had several meetings with the nursing association and kept them well informed in this regard — I must admit it was with some disappointment that I noted in the AARN newsletter of April 1981, which I believe all members of this Assembly receive, that the president of the nurses' association chose to, I feel, criticize this nursing research money. She did so by first of all comparing it to the amount of money that has been allocated from the Alberta Heritage Savings Trust Fund into medical research. I really do not think it is at all appropriate to compare the two. Also, when the government announced many of the nursing measures they quickly responded to in regard to the nursing shortage that has been identified in Alberta, the AARN almost simultaneously announced what they call a nursing research institute in this province. I think they should be commended for this plan they have outlined, but I feel rather badly that for some reason the president of their association seems to think that the government should pay the total amount of money for this institute. I'm afraid that I disagree with this concept at this time, and I am very sorry that it's clouded the issue about the amount of money we are spending this year on nursing research. She also alludes to the fact that many nursing research studies would take up to \$75,000 to \$100,000 per study.

I would also like to point out that there are nurses in this province and elsewhere who feel they are making a significant contribution in nursing research by using much less money than that for an individual study. As has been outlined by the minister on several occasions, publicly and to the nursing association, \$200,000 for five years has been designated, and I think will surely make a significant contribution in the field of nursing research. As other nurses have told me, certainly no other province in Canada — and it's debated whether there is any place in the world — has designated a specific amount of money for nursing research.

I'd also just like to point out 2.3.9, Mount Royal College under Vote 2 in the operating estimates. I think it's significant to note that there's over \$2 million in that budget allocation. Also, under 2.6.9, public colleges — capital, there's a significant increase. I'm sure members of the board of governors at Mount Royal College will appreciate that amount of money being designated.

I think it is also significant to point out a substantial increase this year in the operating budget for the University of Calgary, 2.5.4. Also, under the capital costs of the university, 2.7.4, there is over a million dollars designated in that fund.

Thank you.

MR. HORSMAN: I'd like to thank the hon. Member for Calgary North West for bringing this nursing research matter to the House. For the very first time in the history of Canada, we are proposing to provide a guarantee of government funding for nursing research. It was set out as a \$1 million commitment over a five-year period.

I have spoken to the president of the Alberta Association of Registered Nurses. Of course the association has a member on the nursing implementation committee, and I look forward to their participation in that. They recognize that in the first year of any new program it may indeed be somewhat difficult to spend the money, although of course there will be an effort to spend money whenever it's available. I know it won't be wasted, because there's much to be done.

I have had many letters of thanks and commendation from nurses, in particular nursing educators, in the province. They are delighted to see this type of commitment on the part of our government. I anticipate that we'll be able to co-operate quite well with the Alberta Association of Registered Nurses. I indeed share the comments which indicate the hon. member is anxious to see other than just government money going into nursing research. I hope this will prove to be an incentive for other people in the private sector putting some money forward for nursing research, because it is so very important.

With regard to the other comments, I thank the hon. member for pointing out the significant increases in operating and capital for Mount Royal and the University of Calgary. Indeed, as I pointed out in the budget speech, the overall increase of the University of Calgary is over 18 per cent. That is a very substantial increase in a very major budget for postsecondary education. I thank the hon. member for her comments.

MRS. CHICHAK: Mr. Chairman, I just want to raise one question to the hon. minister with respect to the nursing education program, because there appears to be some concern as to what appears to be taking place and some degree of confusion on what ought to be taking place. That is with respect to the training program with respect to nursing students when they are taking their practicum in the hospitals. The concern expressed is whether the utilization of nursing students while they're taking their practicum is in fact being used to carry out an employment function rather than a training function. At the moment there doesn't appear to be a clear understanding of how far this practicum should involve the duties and responsibility of the student nurse.

I'm not sure whether that aspect of the training program is clear and is something that comes under the purview and jurisdiction the minister would have to that extent of detail. He may wish to clarify that, and if it isn't, perhaps he could communicate the concern to those bodies within the system who ought to have this. Maybe some clarification can be put in place.

MR. HORSMAN: I thank the hon. Member for Edmonton Norwood. Of course the matter she just raised will indeed be the subject of review and discussion by the recently announced nursing implementation committee, which has part of its membership from the various nursing bodies under the chairmanship of Dr. Berghofer in my department. Those are the very issues that committee must discuss in the next period of time so we will have a well-understood and well-financed system of nursing education. I certainly thank the hon. member for her representation.

Agreed to:

2.1 — Program Support \$38,709,400

22 — Provincially Administered Institutions

MR. R. CLARK: Mr. Chairman, I need a little bit of explanation from the minister. With regard to Vote 2.2.1, service element, I take it from the discussion we've had in the committee this afternoon, Mr. Minister, that once again if we were to get a total operating budget for a place like NAIT, SAIT, or one of the AVCs under Vote 2.2, we would then be portioning up 2.2.1, that \$9 mil-

lion, between the various institutions. Is that accurate, Mr. Minister, or how in fact does that work?

MR. HORSMAN: With regard to Vote 2.2.1, that consists of unallocated capital funds for replacement and upgrading of equipment, \$8,312,400; and on the operating funds allocated to meet unforeseen demands for programming and so on which might occur by September, [\$1,356,072].

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

[Motion carried]

[Mr. Speaker in the Chair]

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

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

HON. MEMBERS: Agreed.

[The House recessed at 5:28 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 23: Mr. Magee]

MR. MAGEE: Mr. Speaker, in continuing the debate this evening on Motion No. 6, I would first very briefly bring the members' attention back by a brief synopsis of my opening remarks. I opened by suggesting that this budget as presented by the Provincial Treasurer not only provided monetary benefits to Albertans in just about every walk of life, but that it should give people pause for thought. In short, how long can we continue to spend at this year's rate of \$3,100 for every man, woman, and child in Alberta? I also suggested that we are creating great spinoffs for jobs in Canada in the manufacturing field, as well as creating much work for Albertans, and that this government was still expanding its work force to provide for added social assistance to those in need, but at the same time not exceeding the total of 4 per cent, because this is considered to be the rise in employment throughout the private sector to keep a proper balance between government and private growth.

I then went on to talk of the dramatic growth of population in my constituency, now exceeding some 43,000 persons, and its growth as a regional servicing area in central Alberta. I cited the \$58 million Red Deer district health services centre as an example. This facility is just now filling up with referral patients from 22 commu-

nity hospitals in central Alberta, which of course is part of the tremendous effort contained in this budget as part of this government's policy to provide unexcelled health services for all Albertans.

Now to go on, I'd like to suggest another expansion of note in Red Deer: the new provincial building, just now completed and in fact to be opened next month, to bring together from all over the city district and regional government offices for a more convenient service location to citizens. This is a valuable contribution toward keeping the downtown core viable for those merchants who traditionally have served the population well in the past and hopefully in the future. I guess, Mr. Speaker, that growth in shopping centres to the outward perimeters of cities is inevitable. Red Deer is no exception, as this month Bower Place shopping centre, with 400,000 square feet in an enclosed mall concept, will open its doors on the south side, giving greater shopping choices to central Albertans.

As a convention centre, Mr. Speaker, Red Deer is making its mark. As well, the city gears up to participate in the ever-growing tourist and convention trade business with some \$30 million being earmarked this year for new or expanded hotel convention facilities.

While there are many growth factors apparent for the future in the continuing development of the petrochemical field, Mr. Speaker, of great concern to many businessmen and their employees is the plight of the oil and gas servicing industry in this city right now. More than 5,000 persons have been directly engaged in this industry in Red Deer. In fact it represents the largest single employment base. Unless the Ottawa government changes its stance relative to its national energy program, many people, not only in the oil industry itself but in the whole of central Alberta, will suffer economic reversals.

It is interesting for hon. members to know that Red Deer is ideally situated so as to lay claim to more than 15 per cent of the province's traditional petroleum reserves, which will grow even more dramatically in time as the newly announced gas field is developed at Hoadley, some 50 miles north of the city. In this city are based many of the service industries, not the least of which is fracturing units, which are so necessary for the extraction, as I understand from reading the media reports on the type of gas find and its geophysical structure.

So this budget, Mr. Speaker, is of special importance and significance to the people of Red Deer and the surrounding area. Businessmen, like the government, have generally been putting forth a great effort to provide the infrastructure to keep pace with the needs of the people flocking to the area. However, we must soon start to look at the realities of slowing our pace, so that we do not overstep the bounds of good fiscal management. Many drilling and servicing rigs have left the city and the area of central Alberta, with hundreds of oil field workers being laid off and looking for work in other fields of endeavor. The oil field industry is rapidly coming to a screaming slowdown in Red Deer, and in this struggle many businesses will fail. As well, many other businesses will be forced to severely reduce staff, and thus create economic hardship for many people in the area. Hopefully, Ottawa will recognize the plight of the oil and gas servicing industry and renegotiate a fair deal.

Central Alberta oil field businessmen are not sitting back and letting us in government do all the work to convince Ottawa. Two hundred and thirty five servicing companies within the city have created, with others throughout Alberta, the Energy Services Association of Alberta — in fact the president resides in Red Deer — for

the express purpose of telling the story of Alberta's plight at Ottawa, with trips to central Canada, letter campaigns, and many other lobby efforts including that of the MPs in Ottawa. Hopefully their efforts will pay off, if the Ottawa government is susceptible to listening to the people at the grass roots level. In the meantime, Mr. Speaker, life goes on.

The initiative of this government in establishing facilities and opportunity for trade and technology throughout the province is most timely, to provide for our future need to train tradesmen and technicians in our diversifying economy. Again, Red Deer is no exception, with confirmation in this budget of some \$14 million to be spent this year as the first year's expenditure in developing the college to provide 1,500 classroom spaces, as well as 700 student residences, to train many central Albertans in close proximity to their homes. As a former businessman, Mr. Speaker, I know that this is a most welcome addition to the educational facilities in this city, as many young people heretofore have gone to the large metropolitan centres to acquire their trades training and have stayed to work there, thus creating resulting shortages of needed tradespeople in many areas in central Alberta.

As with any society, an unfortunately growing number of persons persist in operating on the shady side of the law. Again, Red Deer is no exception. It should be noted that the budget has provided for the added expenditure to keep the proper balance of providing adequate policing and law enforcement to protect the large majority of citizens. Increased numbers of RCMP officers to the city police force is a very welcome expenditure. As well, recognizing the need for law enforcement, construction is to commence this year on a new courthouse to replace a very overcrowded facility.

The announcement of 237 new positions to the staff at Michener Centre is a very welcome addition to that institution, which is undergoing a significant change in its role as many of its former residents are moving to group homes in the city and throughout central Alberta to be closer to their families. The role is changing, and the resident population is being replaced with residents of lower functioning abilities. Increased staff is needed to create a greater staff/client ratio, which again shows the concern of this government in its approach to assisting disabled citizens in this province.

As I move toward a conclusion of my remarks, I express appreciation for the recognition in this budget of the need to provide for the cultural needs of the people of Red Deer and central Alberta, in that a new, 600-seat theatre will commence construction this year. Some 17 groups who have waited for seven years will have a home to develop the growing need for the arts in this educational and entertainment complex.

Red Deer: a growing, vibrant city in the heart of some of the most productive farmland in the province, with a strong agricultural support system in all its forms as well as an ever-growing farm products processing capability to continue diversification of this very important segment. One such effort is and has been to create a show window for agriculture, not only for central Alberta but indeed for all the province. What better location to provide world-scale agricultural product sales than in this centre of population mass in the province, with all the services located in the city to provide accommodation and convention facilities to back up the new location of the Westerner, the new name for central Alberta's agricultural exhibition. Short of funds for growth? Yes. Short of facilities? Yes. But not short of hard-working, imaginative

Albertans who will get the job done.

While there are many untold things to pass on to hon. members about this exciting city's growth, which I am sure they would be interested in hearing about, suffice it to say today that much of this vibrancy and growth has been in the planning stages for years in some cases, and is now coming to a conclusion. It could be the last big surge of growth we will see for many years to come, if ever, unless we can resolve our energy problems with the Ottawa government. What will our next budget's estimates be?

Mr. Speaker, I think the Provincial Treasurer's cautionary words were very wise when he talked of not getting our expectations too high until this prime issue is settled. You can be assured that the Red Deer constituency does not want to slow down its expectations any more than does any other constituency in this province. But reality must finally be faced. If our efforts to reach a suitable agreement to replace the present national energy program are not realized, many of my constituents will and should be asking themselves: will the growth of our community, like the balance of the province, be in jeopardy for years to come?

How many years will we wait for an improvement at the Red Deer airport runway? How many years before we can expect to start the multi-use coliseum for our new agriculture exhibition location? When can we expect a highway interchange to be built at the junction of Highway No. 2 at the south entrance to the city? When can we expect the establishment of a remand centre to meet their pressing needs? All needed services, Mr. Speaker. But all will have to wait, a long, long time, I suggest, unless we get a far better deal than less than half price for our oil and natural resources. I am sure any thinking person in the constituency of Red Deer will back this government in its struggle on this issue. So much depends upon it.

MR. LITTLE: Mr. Speaker, I appreciate the opportunity to speak to the Budget Address of 1981. This milestone budget is not as optimistic as those since March 1972. The statement by the Provincial Treasurer set the tone of the 1981 budget: subdued, lowered expectations. But when we compare our economic performance in Alberta with the rest of the country, the rest of the continent, or the rest of the world, we are indeed in a most fortunate situation.

A year ago, Mr. Speaker, I had the very good fortune to represent this province at the New Zealand parliamentary conference. Forty-nine countries were represented there, many of them what we call third world countries. I gave a speech telling what I thought were our problems with energy. One of the delegates came to me and said, do you know what the priority in my constituency is? I said, no. He said, to provide drinking water for 50 villages. Count your blessings, hon. members. As another member remarked, we are indeed a global village. Many a country would love to have our problems.

Those two showplaces of the industrial world, West Germany and Japan, are finally slowing down. The recent sharp falls in the Deutsche mark show that even West Germany is vulnerable. And Japan's industrial production this year will grow only by 0.2 per cent. When you contrast that with the compound annual growth rate of just over 7 per cent which persisted from 1976 to 1980, it is indeed a significant drop.

The industrial production of the United Kingdom is forecast to show year after year declines in 1980 and '81. This would result in six consecutive quarters of declining

industrial production; in other words, reduced productivity, a plague hitting many western countries. As Prime Minister Margaret Thatcher recently said to British workers, you will learn to live like the West German worker when you learn to work like the West German worker. Low productivity.

That giant of the industrial world, the United States of America, has also faltered. The poor performance of the United States in 1979 was attributed to rapid rises in the price of imported oil plus shortage of gasoline in the second quarter of the year and the tightening of policy levers which were designed to fight inflation. I recall one of the major increases in the OPEC price. One American economist said, today the United States is \$10 billion poorer. And he said there's only one way to recover that \$10 billion, and that is to manufacture \$10 billion extra goods over and above what we're making now and sell them outside the country. You don't get prosperous selling to yourselves. In fact, as that Calgary wit and columnist of a number of years ago, Bob Edwards, once said, you can't get prosperous taking in each other's washing.

The price and supply of gasoline has also had a dramatic effect on the sales of domestic automobiles in the United States.

As we all know, the Chrysler Corporation would have collapsed in 1979 if it had not been rescued by the government. All the big three showed substantial losses. And when the smoke had finally cleared it was determined that Japan was not only making the most cars in the world, Mr. Speaker, but they had also captured 30 per cent of the American market. Why did they do it? Market research. By market research the Bank of Japan had determined four years ahead that the trend was going to be to the small automobile. When we speak of research, I think it would be useful to note that our own country, Canada, has the reputation of spending the least dollars per capita in the western industrial world on research and development.

The gasoline shortages of 1976 and 1979 were due to the high OPEC price increases and embargoes. But today an even more ominous threat looms on the horizon. If any hon. members have read the recent *National Geographic* magazine supplement on world energy, you might remember the scenario painted by one of the writers. He indicates that 40 per cent of the oil consumed by the United States comes out of the Persian Gulf. He says, next week, next month, next year, but no farther away than three years, there will be a major confrontation in that area. That day, 40 per cent of the United States oil will be cut off, and that day cars will stop running, people won't get to work, factories will close: total confusion.

But I always have a great deal of faith in the United States to come out of their difficulties, and there are some bright spots on the horizon. Last year, in answer to a presidential plea, they conserved 20 per cent of their gasoline consumption. In the first quarter of 1981, their GNP is up 6.5 per cent, and they have held their inflation rate down to 7.8.

Compared with all these doomsday predictions, Mr. Speaker, Canada finds itself in the most fortunate and unique position in the western world. That unique position is the prospect and the ability of becoming energy self-sufficient within this decade. But the energy and tax policies of Ottawa have cast a pall on the Alberta economy, a serious decline in the economy which not only hurts Alberta but is hurting all Canada. I can understand why back in the '50s eastern Canada bought imported oil, principally from Venezuela, rather than buy

Alberta oil: because it was much cheaper. Now it certainly wasn't loyal; it certainly wasn't Canadian. But I can understand it. It was practical.

But for the life of me, Mr. Speaker, I can't understand why today they are prepared to bring in imported oil, much of it an inferior quality, rather than pay a reasonable price for Alberta oil. Not only have they hurt the economy of Alberta and Canada, but we have created the worst balance of payments in our history. In fact, once again comparing it with the western industrial world, we have the worst per capita balance of payments. They are also eroding the already fragile dollar.

But the cruelest blow of all, from which we will not soon recover: investor confidence in Canada has been shaken. Again Ottawa's punitive tax measures and energy policies have restricted the economy to such an extent, and the overtones of nationalization have caused the average man on the street in the United States today to view our country as a spectre of a socialist state. As I say, Mr. Speaker, it will be some time before we recover investor confidence. The dollars, equipment, and expertise going south will be difficult to bring back.

Recently, Mr. Speaker, when I was riding on the airbus to that beautiful city of Calgary, I was sitting next to a man from Texas. I got into conversation with him. He was an auctioneer of oil well equipment. He travels all over the world auctioning off oil well equipment. I said, how's business? He said, I've had the best business in your province that I've ever experienced. I said, who's buying the equipment? He said, mostly Americans. It's going south.

Last Saturday night in the employment opportunity portion of the *Calgary Herald*, there was a half page ad by Occidental Petroleum of the United States advertising in Canada for geologists, engineers, computer operators. They not only want our oil well equipment; they want our expertise. And I won't be surprised if these experts do go to that country, because there isn't too much opportunity left here.

But in spite of the restrictive Ottawa policies, the Alberta economy looks relatively good for 1981. I say "relatively good": certainly much better than any of the other areas. But once again, to use the Provincial Treasurer's words, the Ottawa policies have cast a dark cloud on Alberta prospects for another buoyant year. However, we're looking for a significant increase in housing. This year in this province 35,000 new units will be needed which will form 20 per cent of all Canadian production. Employment should increase by 4 per cent, increasing over 40,000 new jobs, and \$16 billion of investment capital will be an increase of 12 per cent. We expect significant growth in agriculture, coal, forestry, petrochemicals, and construction.

In spite of the expected reduction in budgetary revenue, people programs have continued to be a high priority with this government. Also a high priority is the international year of the disabled. Mr. Speaker, I think this is an area I would like to comment on, because I did have an experience that taught me how useful, how valuable some of these people can be. Back in the polio epidemic of 1952, one of the men under my charge in the Calgary city police was struck by the polio bug. Within hours he was in an iron lung and became a paraplegic. I know he won't mind me mentioning his name, Allan Betts. For two years we sent work up to his home. He barely had the use of his hands. After two years he came back to the office, and he resumed at his desk in a wheel chair. Two or three months ago Allan Betts retired on

pension, and completed his career. But during those years as a disabled person, he made a significant contribution to the solution of crime not only in our area but in western Canada. In fact I would say that Allan Betts was probably one of the top fingerprint technicians in all Canada. Another man known to some hon. members was Judge Patterson, who was also stricken at the same time. After months and months in the hospital, rehabilitation, physiotherapy, and so forth, he went back on the bench and finished his career.

I had a real thrill recently to hear a news report that interferon, a chemical substance to assist in the cure and treatment of cancer, has had significant breakthroughs at the University of Calgary hospital unit. Mr. Speaker, I am happy to report that this program is financed to quite a degree from that \$300 million medical foundation fund which specializes in cancer and cardiovascular diseases. I'm also looking forward to a hospital to be built in my constituency. I hope it will start before the end of this year.

But the area with which I am most concerned, Mr. Speaker, and will conclude with is transportation. I will quote from the budget:

In 1981-82, the original six-year, \$0.75 billion urban transportation financial assistance program will provide over \$155 million in operating and capital support to Alberta's growing cities . . . 26 per cent over last year. . . . Over the life of [the] program, Calgary and Edmonton will receive a total of approximately \$580 million [which leads Canada] in terms of per capita support for urban transportation.

Mr. Speaker, transportation is probably the most urgent problem in my constituency at the present time. My constituency is in the extreme northeast of the city. More people live in my constituency than lived in all Calgary when I started school in Calgary, and there are only three exits or entrances from that huge constituency into the city. Many mornings when I drive out to the airport on McKnight Boulevard as it extends east from Barlow Trail into the constituency, cars are backed up bumper to bumper almost as far as the eye can see.

As transportation commissioner Bill Kuyt recently said, the streets and roads of Calgary would be totally adequate if we only had 50,000 fewer cars. Mr. Speaker, maybe we do have to have fewer cars on the street. I don't consider it reasonable to have a highly technical machine, an expensive piece of equipment weighing one and a half to two tons, transporting one body weighing 175 pounds. Yes, usually they are transporting one body. In fact, a survey done on the Lion's Gate Bridge at rush hour a year or so back indicated that there were 13 persons per vehicle; I hope the 0.3 was in a compact car.

I remember a number of years ago when Calgary was first getting into its transportation problems. I went down to Los Angeles to see the freeway system. At rush hour, about 5 o'clock in the evening, I was riding in a police car going northwest on the Golden State Freeway that heads to the San Fernando Valley.

AN HON. MEMBER: Driver or passenger?

MR. LITTLE: I was a passenger. There were six or eight lanes on our side going northwest like mad. On the other side of the barrier were six or eight lanes going like mad from the northwest to the southeast. So I said to the police officer, where are the people in our lanes going? He said, well, they're going home. Where have they been? Well, they've been to their employment. And where are

those people over there going? Well, they're going home. And where have they been? They've been to their employment. I said, why don't the people in our lanes live over there, and those people live over there? He thought it was an awfully stupid question at the time, because gasoline was 20 cents a gallon. But at \$1.30 and \$1.50 a gallon, I think the people in Los Angeles are having second thoughts. In Europe persons normally live much closer to their employment than we do in Canada or the United States. We just may have to change our habits.

As I stated a few moments ago, due to a presidential appeal, American drivers cut their consumption 20 per cent last year, and we can do something the same. Why not walk or ride a bicycle to the corner store? It's faster and healthier. You know, sometimes walking is even faster than an automobile. I remember for years I used to walk from northwest down to my office in the police station and cross Centre Street Bridge, which at that time carried most of the traffic from the north to the city core. As I walked down, the cars were continually stopped for the light five blocks away. Believe it or not, I was crossing that bridge just as fast as the cars. And they were burning up an awful lot of fuel at that speed.

In effect, Mr. Speaker, I'm saying we will have to get over our love affair with the private automobile. We must have mass or public transportation of some sort. Just think what would happen tomorrow morning if everybody who worked in an office on Manhattan Island or in London said, I'm going to take my car to work. But I'll bet you the administrators in New York and London are pretty happy today with the foresight of the people who built their public transportation systems. It's a lot of dollars, but it'll never be cheaper. I understand that each year we delay the northeast leg of the LRT, the most important, and the northwest, the second most important — each year we delay is \$57 million more. So the need is critical.

Public transportation has to be subsidized. In North America the highest return in the fare box is 48 per cent. So it has to be subsidized. But aren't freeways, roads, and interchanges all subsidized? So we must subsidize public transportation. Therefore, Mr. Speaker, I urge the government to give top priority to further consideration of mass transportation assistance in our major centres, Calgary and Edmonton, which now include over half the population of this province.

Finally, Mr. Speaker, I would like to congratulate the Provincial Treasurer for coping with the financial implications of the restrictive federal tax on energy policies. I would like to express the fervent hope that next year when the Provincial Treasurer reads his budget speech, he will be able to support that the problems have finally been resolved and that Alberta is once again back to the buoyant economies of the '70s.

MR. BOGLE: Mr. Speaker, it's a privilege to stand in my place this evening and make some remarks on the Budget Address. I'd like to open my comments by saying that these are both exciting and challenging times for all members of this Assembly, speaking on behalf of Albertans. They are exciting because of the dynamic activities that have been taking place within our province for the past 10 years, and they're very challenging because of the current situation Alberta finds itself in with regard to the national energy proposals and constitutional proposal of the federal government.

I think it important that we reflect for a moment on the economic activity that has had a grip on this province for

the past 10 years, Mr. Speaker, the vibrant growth that's taken place in our metropolitan centres, and indeed the even growth that's taken place across rural Alberta, both north and south. One can visit very few communities in the province of Alberta today and not find growth, from the smallest villages — that in many cases are not on main transportation arteries, where plans are being made for new subdivisions, new housing developments, new businesses to be located — up to and including the larger towns and villages that serve as service centres to various parts of this province. When I look around the constituency I have the honor to represent, one can find growth in virtually every part of that constituency, whether we're looking at the unorganized hamlets, which are parts of the counties, or at villages or towns. There is growth and prosperity.

With the growth that has accompanied the activities in Alberta for the last number of years, a growth that today is approximately four times the national average, there have been a number of social concerns that we as a society must address, that challenge the very foundation of the family itself. I believe that one of the greatest challenges we face is to ensure there is affordable housing for future Albertans. We can look with some pride to the current statistics of a projection of 35,000 housing starts in Alberta this year, or approximately 20 per cent of the national average. But I do not believe that gives cause for us to sit back and be comfortable. We must ensure there is affordable housing, because in this country we have the highest participation of women in the work force. Associated with that, we have greater demands on the family than can be found in most other jurisdictions.

Mr. Speaker, I would like to spend a few moments addressing the budget itself, looking first at the 1,145 new permanent positions that the Provincial Treasurer announced would be created for the Department of Social Services and Community Health. Of that total, some 651 positions were approved by special warrants last summer, fall, or winter. We are now before the Legislature, and during my estimates later on this spring I will ask for confirmation of those positions into permanent positions. But I would like to give a brief run-down as to where those 651 positions I mentioned were identified as being needed on an urgent basis, where cabinet, along with government caucus, gave approval, and where recruitment took place.

Mr. Speaker, last summer we added 37 positions to Michener Centre, to ensure that lower functioning residents of Michener Centre, particularly in Cariboo Lodge A and B, received some enriched support training. We provided 110 new positions, in terms of added child care workers in the child welfare division of the department as well as new day care staff. Those additional positions were approved in July. A further 100 positions were approved for Michener Centre, as part of an overall upgrading of the facility. At the same time we approved some 13 new positions for the Public Guardian's office, so that he could carry out his very important work in implementing The Dependent Adults Act. Both those increases in staff took place in August 1980.

In September, with the establishment of the child abuse hotline, a further 36 positions were added on a temporary basis. In December, cabinet and caucus gave approval to approximately 116 positions to further reduce the child welfare case loads, and 45 support positions, primarily in central office. In addition, with the assumption of responsibility for the Edmonton receiving centre for juveniles, formerly operated by the city of Edmonton — with the

transfer of that facility from city to provincial status, 101 positions were created. Ninety-two other positions were established in a variety of ways, Mr. Speaker, to bring the total to 651. That leaves approximately 494 positions which are new as of April 1 of the current fiscal year. Those positions are primarily in two areas: child welfare and services for the handicapped.

Moving to the budget itself, Mr. Speaker, I would like very briefly to go through the various votes of the department and touch upon some of the highlights. In Vote 1 we have the Public Guardian's office. There is a large increase in terms of dollars for the Public Guardian's office, an increase of 290 per cent to some \$1.8 million. I might mention that The Dependent Adults Act — we were the first government in Canada to initiate such legislation. Two other governments are now in the process of bringing in similar legislation, which is being modelled on our Dependent Adults Act. There has been a significant increase in the manpower and costs for the operations of the Public Guardian's office, and the associated costs, to ensure that those Albertans who require the assistance of the state receive the proper care and well-being.

In Vote 2, Social Allowance, the largest single component is under Social Allowance for Single Parent Families, \$111 million per year. I want to draw two aspects to hon. members' attention. The first is with regard to the provisions in our policy that a young, single parent with one child be encouraged to seek employment, once the child reaches 4 months of age. That policy has been criticized by some. I have made it abundantly clear, as did my predecessor, that there is an appeal mechanism for individuals who feel that, for a variety of reasons, they should be in the home with their child. I might mention that cases have been appealed to the appeal committees in the past, and in a number of those cases the appeal committees have found in favor of those individuals and have felt that the mother should stay at home. One such case dealt with a grandmother who was also in the home; therefore, the single-parent mother had added responsibilities. Others are cases where the child has a very special need and it was felt that the mother should be in the home with her child.

I might mention that of those mothers who have chosen to take the challenge and be re-educated, during the past year approximately 2,526 individuals have been assisted through educational training and upgrading. Since April 1978, this has assisted the government in reducing by approximately 80 single-parent cases per month the number of single-parent mothers receiving social assistance. That's a record I'm extremely proud of, a record that many of my colleagues in other provinces would like to be able to point to but cannot at this point in time. That's not to suggest we do not have to be very vigilant of the program, to monitor it closely to ensure it's being administered in the most humane way possible, but it certainly is evidence of our commitment as a government to help people help themselves.

In Vote 3, Child Welfare Services, substantial growth is noted in most categories. I'm not going to dwell on that at any length tonight, as I assume there will be coverage of that during the estimates. I do want to point out the very significant increase in manpower and associated costs, which are up some 58.7 per cent in the vote, as well as Contracted Residences, up 67.7 per cent, to a total of \$31.3 million.

Under Vote 4, Specialized Social Services, I'm very pleased with the policy this government has developed to

assist in women's emergency shelters, to assure that in communities across Alberta where there is a need for women in need, either with families or otherwise, certain support services could be provided. We are now actively working with certain agencies in cities the size of Edmonton and Calgary, as well as the intermediate and smaller cities like Lethbridge, Medicine Hat, and Grande Prairie, as well as some smaller communities that I believe have demonstrated a need for the program and services. I might mention that those discussions are currently under way between officials in the department and representatives of the various agencies involved.

Under Vote 5, Benefits and Income Support, you first find the senior citizens' supplementary benefits increasing to some \$64.7 million. The maximum benefit moves from \$75 to \$85 under the Alberta assured income plan. The Senior Citizens Benefits Amendment Act, which I introduced in the Assembly last week, will allow a surviving spouse, aged 60 to 65, whose deceased partner was receiving benefits under this plan, to be treated as if the surviving spouse were, in fact, 65: a very humane and worth-while gesture that I urge all members in this Assembly to support when the Bill comes up for second reading.

The assured income for the severely handicapped plan, the most generous of its kind in Canada today, which currently reaches some 9,300 Albertans, has an annual cost of nearly \$58 million per year: a plan of which, as I've indicated, Mr. Speaker, we're extremely proud. We've seen cases of individuals who are receiving these benefits and are still able to be active in other programs, whether the sheltered workshops or other such endeavors.

Support for day care, under the family subsidy allowance program, where families who have an income that requires a supplement in order to provide day care services for their youngsters: a program which currently has a budget of just \$16.5 million, an increase this year of over 18 per cent. For a family entitled to the full subsidy benefit, that program provides up to \$175 for the first child in the family and up to \$215 for the second and every child thereafter. It's my understanding, Mr. Speaker, that approximately four of every 10 families are entitled to a portion or all of these subsidy benefits.

Under Vote 6, Vocational Rehabilitation, I look with great pride to the agency grants, which are up some 73.5 per cent to \$15.8 million — services to private, voluntary organizations, which operate vocational training centres, adult activity centres, vocational rehabilitation services, and work activities: a prime example of Albertans providing the leadership and the government providing some financial support, so that the control can rest where it belongs, in the hands of local voluntary groups.

Under Vote 7, Services to the Handicapped, we see a 47.6 per cent increase in community development and referral services, and agency grants and purchases up by 45.9 per cent to over \$24 million. Under agency grants, there are residential services, day training, and pre-school services, just to name a few.

Under Vote 8, Treatment of Mental Illness, the new forensic unit at Alberta Hospital, Edmonton, is nearing completion. When that facility is completed, I'm advised it will be the most up to date of its kind in North America. It's certainly a facility that all Albertans can be extremely proud of. As was indicated in the Speech from the Throne, Alberta hospitals, Ponoka and Oliver, are also moving to board status. In due course the appropriate legislation will be introduced to meet that objective.

Mr. Speaker, one other program we as a government

have initiated and brought in this year is a suicide prevention and crisis intervention program. A provincial advisory committee will be struck, which will be made up of both professional and lay people, will have representation from urban and rural Alberta, from north and south, and which will give a great deal of input to this government on future directives and assist us in helping groups like the Canadian Mental Health Association and the many other voluntary groups that provide the much needed service in the field, on the streets, and in the back alleys. We will also be setting up research work at the University of Calgary, and assisting with two fellowships at that university.

Under Vote 9, General Health Services, we have one program that gets very little attention, but I believe every member of this Assembly requests some assistance from it at least once a year on behalf of a constituent. That's vital statistics. It's a small division in the department which processes various forms ranging from birth certificates, death certificates, and of course assisting with much needed information for one's passport. It's usually with regard to the federal passport that we as MLAs are asked by our constituents to assist, because the forms have to be completed in a matter of hours in order to process the passports so that the trip abroad may be achieved. Through the guidance of people like Harvey Hersom, the director of vital statistics, many emergency after hour services are performed to assist people in this very important way. I want to point that out, Mr. Speaker, because it's one of the services that doesn't often receive much attention, and yet it's much needed and very valuable to the people of this province.

Also in Vote 9, we have services like the Alberta aids to daily living program, currently providing support to some 14,000 Albertans, who are out there on their own, making a living, fending their way in society, but often through no fault of their own find they have very special health needs. This program was designed by my predecessor, initiated by this government in a very positive way, and is a supplement to our extended health benefits program.

Vote 10 is a vote I've had a great deal of personal interest in, because it's where many of our preventive programs may be found. First we find a very significant increase in our community social services — formerly preventive social services, soon to be family and community support services once the Bill, which is being sponsored in this Assembly by my colleague the hon. Member for Red Deer, receives Royal Assent — a program which provides much needed help to our municipalities. It recognizes local autonomy in a very positive way, and reinforces the role of volunteers to ensure that they continue to play an important part in our society. I'm pleased to say, Mr. Speaker, that with the support we've been able to provide in trying to adjust the rates for various municipalities, to recognize the special needs of centres like Edmonton and Calgary — I might mention that the city of Edmonton's budget increase for the year will be approximately 39.8 per cent and the city of Calgary's, 49.4 per cent. Even with those large increases, no municipalities will suffer.

We may look to centres like Medicine Hat, one of the early communities to get into the program, which has received special consideration for a good number of years. Although their administration and planning grants are frozen at the level of \$74,716, as under the prescribed formula, which has a very positive effect on almost all municipalities, the city of Medicine Hat would be entitled to some \$66,195, we have grandfathered in the seven

municipalities which had expenses richer than the formula allowed for. The other communities were smaller towns like Elk Point, Viking, Two Hills, Fort Chipewyan, Slave Lake, and Jasper. Only one medium or larger sized community was caught in that particular situation, and that was Medicine Hat. We've given the city of Medicine Hat special consideration by allowing those extra funds to flow. Through the programming support, we also ensure that Medicine Hat's funding equals some \$11.41 per capita, which compares very favorably with some other communities which are still in the catch-up position. Lethbridge is at \$8.48 per capita; we have now been able to increase Grande Prairie to \$7.27 per capita; Calgary is at \$6.89 per capita; and Edmonton at \$7.41 per capita. So over the next number of years, Mr. Speaker, we will continue to attempt to bring some rationalization to the program funding to the various municipalities so that they're all dealt with on the same equitable basis.

In the area of our health units, under community health services: approximately a 22.1 per cent increase to bring the total funding to our health units to over \$65.8 million. Again, as committed during a meeting with board members from the health unit some six weeks ago, I indicated that this was not a year for significant growth. But it was a year when we would recognize the areas of the province that needed to catch up. The city of Calgary is one such area. We are providing a special grant this year of some \$300,000 to assist in the recruitment of nursing for that city, and for the board of health in the city of Calgary.

Under day care, which is another very important part of this program, a \$19 million budget. This is part of the government's commitment to ensuring that the increased standards approved by government caucus in August 1980 would be supported by additional grants by the government of Alberta, and not passed on to full fee paying parents. Therefore the operators' allowance goes to every registered or licensed day care centre, and the day care centre may count every child in that centre, whether or not the child is from a family entitled to and receiving a subsidy. It is intended to treat all day care centres and children alike. The rates for the program have recently been discussed with day care operators across this province.

Vote 11, the Alberta Alcoholism and Drug Abuse Commission, is a very special vote. I say that because — although it is not part of the department; it's an area that is chaired by my colleague the hon. Member for Lethbridge West — there's a very significant increase of some 247.5 per cent in the education and information services category. The primary thrust, and I'm sure my colleague will elaborate on this when we get to Vote 11 during the estimates, will be an education program public awareness concept to again ensure that the public is well aware of the effects of both alcohol and drug abuse in our society today.

In conclusion, I'd be remiss if I did not touch upon the International Year of Disabled Persons. It's a year of great significance in this province, as it is in most countries of the world. We're extremely fortunate to have a man of Judge Brian Stevenson's caliber to chair the citizens' committee. We're also fortunate that other Albertans are volunteering their time to serve on this committee. Later, it is our intention to have a flag raising ceremony, much the same as we did during International Year of the Child, and other events to acknowledge the importance of this particular year to some very special Albertans.

Mr. Speaker, I will be pleased to spend a few moments speaking about regionalization, a concept which is not fully covered in the budget but certainly will be discussed during the estimates and at subsequent times. It's our intent and desire to move in a very major way with decentralization of decision-making within the department. By moving to six regional nerve centres across this province, where decisions may be made affecting the regions, and co-ordinating the activities of the four divisions of the department — the four divisions I'm referring to are of course social services, handicapped services, mental health, and community health. By co-ordinating the activities of the regional managers and of the district offices for the various parts of the department under a regional director, who will be located in the regional nerve centre, I believe we'll bring services closer to people. We will certainly achieve the goal of bringing the decision-making closer to people and eliminate much of the red tape.

That's important for a department the size of ours, that will have in excess of 9,150 employees if the estimates as presented are approved, and a department that is truly a people department in terms of its size and scope. Although two other departments have larger budgets — I'm referring to Hospitals and Medical Care, and Education — in both cases the vast majority of funds are transferred to local jurisdictions, whether they be hospital or school boards. In our case, the primary emphasis is on delivery of services through the department. Therefore the new regionalization concept is one that I'm extremely pleased with and proud of.

I want to conclude with this note: although I'm excited by many of the innovative changes we are making within the department, and in my opening remarks I commented on the buoyancy of our society today, a government cannot continue to see its expenses increase by 22.5 per cent and its revenue by 10 per cent. One of three things will have to happen if the situation doesn't change: we will have to increase taxes, reduce services, or lower our expectation for expansion of new services. These are challenging times for all of us as members of this Assembly. To a great extent the months ahead will determine which course of action we will have to take. None of us can take these responsibilities lightly.

Thank you, Mr. Speaker.

MR. ISLEY: Mr. Speaker, I stand in support of Motion No. 6. I would first of all like to take this opportunity to congratulate the hon. Provincial Treasurer on an excellent Budget Address on Tuesday, April 14. This progressive budget of \$6.7 billion is designed to keep Alberta's economy healthy and viable, in spite of the very negative impacts caused to our economy by actions of the Ottawa government. I believe our 1981-82 budget will succeed in its objectives, both provincially and in the Bonnyville constituency, a constituency which is facing some difficulties as a result of the energy impasse. I outlined those difficulties a couple of weeks ago in the House, and I won't repeat them tonight.

When I look at the budget and the capital expenditures, I see Transportation in excess of \$620 million; Hospitals and Medical Care, \$203 million; Housing and Public Works, \$260 million; Environment, \$230 million; Education, and Advanced Education and Manpower, \$190 million; Parks and Recreation, \$28 million: total capital projects in excess of \$1.6 billion, plus capital expenditures under Crown corporations and the capital projects division of the Alberta Heritage Savings Trust

Fund. When one looks at these figures, one must conclude that individuals in the construction industries can look forward to a busy, productive season.

Mr. Speaker, when one objectively considers people programs outlined in this budget, one must be impressed: Social Services and Community Health, up \$186 million, 1,145 new positions, \$19.7 million to fund the new family and community support services program, and \$7.7 million aids to daily living. I had some other points to mention here, but I think the hon. Minister of Social Services and Community Health covered them very well. I would like to congratulate him on behalf of my constituents for some very dramatic moves in this budget, and an added personal congratulation for the move toward regionalization.

Under housing we see that the Alberta Housing Corporation is expected to be involved in the construction of about half the total housing starts in 1981-82: 8,000 homes expected to be financed under the Alberta family home purchase program, an estimated 6,000 rental units will be financed under the core housing program, and 4,000 housing units expected to be constructed by the Alberta Housing Corporation. How can people look at those facts and even suggest that this government does not care about people?

If I have a concern with some of our people programs, it would be that we care too much. I raise the question: is it government's role to be all things to all people? Is there not a danger of destroying individual and community initiative by doing too much for people? I've always believed that government's role was to create an environment in which people could function happily and productively, with pride, independence, and self-reliance. My caution would be that we must move carefully in many of our people programs, or we will be guilty of destroying individuality and creating the type of government-dominated society that the representative for Spirit River-Fairview advocates.

Look at some other people programs: basic education support up 17.9 per cent; substantive improvements in programs for sensory multihandicapped, the handicapped, and special education students; and hospital and medicare operating costs up 18 per cent over 1980-81, a fourfold increase since 1971-72, bringing expenditures for health care to \$532 per Albertan. Yes, Mr. Speaker, this government cares about people. This budget document is full of ample evidence for any objective reader. I commend the hon. Provincial Treasurer on the months of preparation that went into the 1981-82 budget.

At this time, Mr. Speaker, I had intended to evaluate the performance of the hon. Leader of the Opposition in the budget debate on April 14. But seeing that he's absent from the House, I will share that evaluation with him at a future time. [interjections] I hate speaking when someone isn't present.

In my opening comments, Mr. Speaker, I referred to some positive impacts this budget has for the Bonnyville constituency. I would now like to point out a few examples and acknowledge some very dedicated ministers. First of all I look at the budget under Hospitals and Medical Care. It is indeed gratifying to me and to residents of northeastern Alberta to see three hospitals in the same budget, at a total estimated cost in excess of \$40 million. The residents of the village of Glendon are indeed pleased to see that their 10-bed hospital has become a reality. The tender has been awarded, and construction will be under way in the near future. The residents of Bonnyville and Cold Lake are also pleased to

see that their hospitals have progressed to the architectural stage, with an objective of construction starts in the summer of 1982. On behalf of residents of the Bonnyville constituency, I would like to extend our appreciation to the hon. Minister of Hospitals and Medical Care.

Initiatives taken by the hon. Minister of Transportation will see substantial road improvements in the constituency this summer. Highway 55, sometimes known as the northern woods and waters route — if you haven't heard of that, it's trans-Canada route number three, through the lakeland country, the future tourist area of the province. In the future it also will undoubtedly become a major industrial link between Cold Lake, Lac La Biche, and Fort McMurray. Initiatives taken in the budget this year will see that highway paved to the Saskatchewan boundary. It will see substantive contracts on widening that highway, additional grading, and additional paving to the area west of Cold Lake. Other initiatives through Transportation will see improved roads in ID 18 and the Elizabeth Metis Colony, which I'm sure will be appreciated by both local residents and contractors looking for work opportunities.

The recreation facility expansion of the Bonnyville Indian/Metis rehab centre located on Moose Lake, which was announced recently by the hon. Minister responsible for Native Affairs and the hon. Member for Lethbridge West, chairman of AADAC, was a much appreciated improvement to services provided to our native peoples. The enhanced development of the Cold Lake Provincial Park, proposed in this budget, will move us closer to our objective of creating major destination areas for tourists in the lakeland country.

However, Mr. Speaker, I believe the most exciting project came as a result of a quick response by the hon. Minister of Recreation and Parks to a proposal put forward by Canadian Forces Base, Medley. Colonel Younghusband the base commander and members of his staff submitted a proposal to develop a ski hill on public lands on a fifty-fifty cost-sharing basis. The base wishes to operate the hill on a contract basis for a number of years, because they feel they can make it into a profitable venture. The ski hill will be located at French Bay, on the southeast corner of Cold Lake, and will feature beginner, intermediate, and expert slopes, some with lighting; chairlift and T-bar equipment; snow-making equipment; and chalet. I think the people of northeastern Alberta are fortunate to have leaders at Canadian Forces Base, Cold Lake, who are prepared to commit themselves to off-base recreation projects, and to have a Minister of Recreation and Parks with a willingness and decisiveness to respond in an immediate, substantive way.

Mr. Speaker, this is a tremendous example of federal/provincial co-operation carried out to benefit local residents. If any skiers are still awake in the House, I extend an invitation to them to come skiing next fall when they hope to have some of the slopes under way. [interjection] We'll have snow. Don't worry. This brings us to the point where we can lure you up to use our lakes and catch our fish in the summer, lure you back to ski in the winter, and you're welcome to leave your money with us.

AN HON. MEMBER: That's a snow job.

MR. ISLEY: That's a snow job.

In the field of education, as a former educator I'm pleased to see things progressing well under the two new school jurisdictions the Lakeland separate and the Lakeland public, created last fall with the co-operation of the

hon. Minister of Education. This year is seeing substantial renovations and improvement to existing schools under the building quality restoration program and satisfactory progress with the construction of new schools.

In closing, Mr. Speaker, this budget is to be commended for providing much needed facilities and services to the entire province and to northeastern Alberta. I think the services and facilities provided in our area will serve the existing population and assist communities in preparing for growth. I'm confident there will be growth. The potential of the northeast is great. We have a future role to play in the development of this province of Alberta, which we are confident will be substantial with or without the go ahead of the Esso Resources megaproject.

Thank you.

MR. TOPOLNISKY: Mr. Speaker, I want to congratulate the Provincial Treasurer on the content of the budget and his highly effective manner of delivery. I want to refer to some specific items in the budget and how they affect the Redwater-Andrew constituency, and express some constituency concerns and challenges.

As highlighted in the budget, a top priority of the government of Alberta is agriculture, a renewable resource. Alberta's primary industry, agriculture, has been and will continue to be the cornerstone of Alberta's economy. But agriculture will be severely hit by the federal budget's energy taxation increases. Farm input costs will increase. It will cost more to operate machinery and to transport farm produce to market. And because of higher natural gas prices, fertilizer prices will escalate as energy taxes take effect.

The federal budget will reduce the job market potential through its taxation of oil and natural gas, which affects all consumers including senior citizens, who will pay more for goods and services. A delegation to Ottawa representing the Federation of Alberta Gas Co-ops did a commendable job expressing the negative impact that the national energy program will have on all Albertans.

The Alberta budget supports agriculture through programs providing incentives to beginning farmers, lower farm input costs, improved grain handling and transportation, and support for agricultural processing. While there are incentives for beginner farmers at lower interest rates, I believe there should be a program for farmers who do not qualify under the beginning farmer program to be able to get a short-term loan up to \$50,000 at the lower rate, say 10 to 12 per cent interest; the same to apply to small business under AOC, so that these groups could amalgamate their debt or make some very urgent payments.

Mr. Speaker, if the farmers do well so do the towns, villages, and other communities. Good farmland isn't made anymore. At today's land prices, machinery prices, and high interest rates, it is very difficult to get started in farming. In many cases, per-acre returns do not justify the cost of land. It becomes very difficult to pay interest and principal from these returns. Prices higher than \$400 an acre are difficult to justify from an agricultural standpoint. Interest and principal payments after operational costs eat up all the profits.

I had the privilege of attending the official ceremonies unveiling the first shipment of 97 of the 1,000 new grain hopper cars at Lethbridge on January 5, 1981. In attendance were several other MLAs, including the two from the city of Lethbridge. On behalf of the province, the Minister of Federal and Intergovernmental Affairs very effectively performed official duties of receiving the cars.

These distinctive blue and gold hopper cars will undoubtedly improve grain transportation.

What is needed, Mr. Speaker, are more and better markets at higher prices. As a key step in diversification of Alberta there are two highlights: one is the Farming for the Future agricultural research program, which proved very popular. The other is the food processing development centre. This will help many small processors test innovations and new ideas within the home market. Under agricultural processing, which has great potential, are alfalfa, canola, and the meat processing sectors. Mr. Speaker, I might say that the Smoky Lake alfalfa processors, officially opened in October 1971, a forerunner of some 12 more to follow in Alberta, did quite well in 1980.

The budget will provide stimulation to the economy with capital budget for roads, hospitals, and education. It is commendable that the Transportation budget will increase substantially. There will also be substantial increases for resource roads, and rural and local highways. This is very commendable. The special \$30 million program to employ small, local contractors in the construction of rural and local highways is certainly praiseworthy in the Redwater-Andrew constituency. I know that the Minister of Transportation understands the pressure on Highway 28 to Highway 63. With the proposed future developments at Fort McMurray and at Cold Lake, I deem it imperative that immediate action be taken to widen to four lanes Highway 28 from Edmonton to the junction of Highway 63. Construction of secondary highways 857, 831, and 855, north of the town of Smoky Lake to connect Highway 63 is also urgent. Hopefully all these will continue this year. All these roads are north-south roads, which we badly need as connectors between the existing east-west roads. I believe that setting of priorities of highway construction and maintenance should be the responsibility of the Alberta government and Transportation Department, just like the primary roads are.

It is commendable that grants to health facilities will increase substantially, to build, expand, and renovate hospitals and nursing homes, an increase in the budget of 40 per cent over last year's program. In the Redwater-Andrew constituency there are several applications of need for health facilities, hopefully to be resolved in the near future.

The programs for our deserving senior citizens are certainly welcome: under Alberta assured income, an increase to \$85 per month; and under the property tax reduction plan, an increase from \$400 to \$600. Mr. Speaker, I believe that the senior citizens' lodges in the province operate at a very substantial deficit annually, mainly because of inflation. I recommend that an immediate review be undertaken to change the formula under which these lodges operate, to relieve the boards and foundations of this substantial burden.

Alberta Environment has a very successful municipal water supply and sewage treatment assistance program. Seven towns and villages in the Redwater-Andrew constituency have received very substantial grants to implement and improve their water supply and sewage treatment. This program should apply to rebuild water and main sewer lines that are breaking up after 25 years of service.

Another highlight in the budget is irrigation in southern Alberta. This very important and necessary program will add many acres to agriculture. Farm drainage programs in northeastern Alberta are just as important. I hope that under the water resources programs, individual

farmers could qualify for a one-time grant to build or deepen ditches on their land to add many more acres for cultivation, pasture, or hay. The county of Lamont has several proposed flood control projects. I wish to refer to their correspondence:

Drainage Flood Control Projects.

The County of Lamont No. 30 has three large drainage areas which are correlated to one another and require construction to improve the drainage problem in the east portion of the County. They are:

- (1) Whitford-Rush Lake Flood Control Area
- (2) Egg Creek Drainage Area
- (3) Proposed Svit Flood Control Area.

The three areas cover more than one-third of the total county area. A great number of farmers are affected by them.

It is desirable that Alberta Environment totally fund such projects which would have significant public benefit. The county of Smoky Lake has taken advantage of this program to stabilize Smoky Lake, which benefited some local farmers.

Some concerns in regard to Alberta Government Telephones. Many communities still do not have the benefit of the extended flat rate calling program. In a situation where there are several small exchanges, I wonder if it would be possible to eliminate some of these, thus enlarging the area and giving EFRC service to more communities. It is advisable to eliminate party lines, but not at the cost to the user. There is some talk about cable television going out into rural Alberta. This will give viewers a greater number of channels to choose from. My information is that the town of Redwater is included in the application to be heard this summer.

The budget highlights manufacturing, processing, and petrochemicals. The outlook is promising in Alberta. Petrochemicals will continue to diversify the economy of Alberta. Six major projects are under way, and a dozen others are in the planning stages over the next five years. These new developments are being located in Alberta because of our plentiful supplies of natural gas, favorable climate for investment, and ample supply of non-agricultural land within the proximity of the cities.

A development strategy for northeastern Alberta was announced by the Premier in October 1974, a policy to maximize opportunity for all Albertans by promoting balanced growth throughout the province. The intent is that the citizens of this province be assured of the benefits of oil sands ownership through employment opportunities resulting from the processing of synthetic crude oil petrochemical manufacturing within the province. There is the desire and need to improve the quality of life and natural environment of all Alberta communities.

One new direction is the establishment of the major transportation and industrial energy corridor from the Alberta oil sands, running south to Skaro, 40 miles northeast of Edmonton, and then east to Hardisty. The Fort McMurray-Skaro-Two Hills-Myrnam-Hardisty corridor was identified in 1974. Its location was established after weighing social, environmental, economic, infrastructure, and transportation considerations. It'll eventually benefit many communities in northeastern Alberta. It is expected that because of its proximity to adequate river water supplies, existing transportation facilities, and non-agricultural land, the corridor will become a preferred area for the location of future refining and petrochemical plants. All such plants and complexes will be restrained from using prime agricultural land.

Several ideal sites have now been identified. It is stated

that widely spaced, smaller industrial sites will be preferred. No additional refineries or petrochemical complexes will be encouraged to locate in the Edmonton metropolitan area. Through the Land Purchase Fund, the government now owns about 5,000 acres of land within this energy transportation corridor. About 40 per cent of the Skaro site is under Crown ownership and is non-agricultural. Spreading out in the northeastern direction, to Skaro-Two Hills-Myrnam-Hardisty, would eliminate the undesirable concentration of heavy industry in the eastern part of the metro Edmonton area. This would result in giving opportunities for many smaller centres — towns, villages, and hamlets — in northeastern Alberta to participate fully in resource development and to reach a more viable economic potential. These communities have been very patient, waiting since the announcement was made in October 1974. They still have great expectations and would not want to miss the opportunity for growth. This would further revitalize the smaller communities that have been struggling for survival, thus falling within the government's policies of diversification, decentralization, and balanced economic growth. However, it is questionable whether 10 to 20 miles out of Edmonton is really decentralization.

To summarize the energy corridor, Mr. Speaker, in 1974 there was a very powerful and promising announcement for northeastern Alberta by the Premier, with Skaro at its terminal. Number two, in 1974 the energy corridor concept was accepted by some 75 local government representatives, the reeves and mayors of northeastern Alberta. Thirdly, there was a review of the energy concept in 1980, and its report reaffirms the initial energy corridor. It is still applicable today. In this new report the first consideration to implement the energy corridor is "Designation of Skaro and Myrnam Major Industrial Sites as Special Planning Areas and immediate development of the Skaro Site".

In conclusion, Mr. Speaker, another very important highlight of the budget is our recognition of the international year of the disabled. It is fitting that Alberta has several new and enriched programs. I wish to refer to a very significant rehabilitation centre in the Redwater-Andrew constituency, the Pax Natura society for the rehabilitation of the deaf. Translated literally from the Latin, *pax natura* means natural peace. It is an organization dedicated to improving the quality of life of Alberta's deaf. The society's executive director is Rev. Bauer, pastor of Cross of Christ Lutheran Church of the Deaf in Edmonton. The society's main project is the development of a ranch for the deaf on three quarter sections of land located 10 miles east and two miles north of Clyde. Eventually the ranch is to become a working farm where the deaf, many of whom have been institutionalized, can learn physical, emotional, and communicative skills in an atmosphere of Christian love.

Through a program of volunteer local and Edmonton area tradesmen, the deaf clients will be able to make a vocational choice towards the future in a very practical setting. Learning a trade or finding an interest area is the key to awakening a latent desire and interest to return education and life skill development. This is an exciting and enthusiastic type of program in a quiet, rural, un-rushed atmosphere.

The objectives of this young society are: number one, to establish a rural community for rehabilitation, retraining, social orientation, and communication; number two, to instill a sense of dignity and worth through rehabilitation and self help; number three, to aid the deaf in

becoming assets to society through a rural, sheltered workshop situation. The ranch for the deaf has become a major project for many Lions clubs. I believe the Josephburg Lions Club spearheaded the project. It has been officially adopted as a special project by district No. 37-H of Lions International, which is made up of 33 Lions clubs in northeastern Alberta. This rehabilitation project is pioneering the future for a special group, the deaf, where the product is people. It is highly commendable that the Alberta government supports such projects.

Mr. Speaker, this is a remarkable budget for the province of Alberta. It is the province of endless diversity in terms of its people, its land, its resources, its geography, and its unlimited opportunities in a united Canada.

Mr. Speaker, I beg leave to adjourn debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

head: GOVERNMENT MOTIONS (Committee of Supply)

[Mr. Purdy in the Chair]

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

Department of Advanced Education and Manpower (continued)

Agreed to:

2.2 — Provincially

Administered Institutions

\$100,039,472

MR. R. CLARK: Mr. Chairman, to the hon. minister. I assume we're in a similar situation here of the service element once again being divided between all the institutions. Would it be possible to give us in memo form — I don't expect it now — the total estimated budget for each of the provincially administered institutions, public colleges, and universities? That would take into consideration the breaking down of the new course development funds and the service element for each — just give it to us collectively later on.

MR. HORSMAN: Mr. Chairman, I would just like to point out that we don't have any difficulty at all providing the details on new course development, but the service element has not yet been allocated to the various institutions. It might depend a good deal on whether or not cases are made out in the coming months for one institution to have somewhat more than another.

I can tell you this, however, for the record. I think I've already given the information with respect to provincially administered institutions, but with regard to Vote 2.3.1, under Public Colleges, the total shown in the service element is \$2,213,400. Since then we have made allocations of \$1,654,400 to colleges, when the grant levels were announced April 14, 1981. We can certainly specify those for the hon. member.

The unallocated balance for the colleges system is \$559,000. That includes the \$50,000 balance of funds that are required for planning for the schools of nursing at Keyano College and Grande Prairie Regional College. So just over \$500,000 remains unallocated to the public col-

leges system. But certainly we will supply the details on the other aspect of it.

With regard to Vote 2.4.1 — I assume the hon. member would appreciate getting all these now, so there's no question later on. Private Colleges has \$40,000 unallocated at the present time; Universities — Operating, just \$1,415,000 remains unallocated now. We have of course been receiving additional requests for those allocations. With regard to Vote 2.6.1, Public Colleges — Capital, that sum of \$6,109,000 consists of currently unallocated funds earmarked for equipment for new space and miscellaneous projects under \$500,000. Those will be distributed to individual institutions when costs are finalized. The same principle applies to the unallocated service element in Vote 2.7.1, Universities — Capital, for \$3,810,000. Those funds will be reviewed with the boards of governors' requests as they come forward and specific matters are brought to the attention of the government for allocation. We will advise members how that is being allocated as it is done.

MR. DEPUTY CHAIRMAN: The hon. Member for Red Deer.

MR. MAGEE: Mr. Chairman, I'll defer mine until 2.6.

Agreed to:

2.3 — Public Colleges — Operating	\$72,063,000
2.4 — Private Colleges	\$2,445,000

2.5 — Universities — Operating

MR. R. CLARK: Mr. Chairman, just two questions with regard to 2.5, specifically 2.5.2. I notice a 54 per cent increase in the operating budget for Athabasca University. An explanation of that would be helpful. Once again, in this area how much of this money is coming from the federal coffers? Earlier during the estimates we had a lump figure. As I took the total overall estimates of the department, approximately 20 per cent was coming from the federal government. Does that run true in the field of universities, or in fact is it a higher percentage?

MR. HORSMAN: Mr. Chairman, the percentage applies to the entire department, rather than specifically to the universities. I think I should just take a moment to clarify that issue. Perhaps it has created some confusion in the public's mind that that funding should have been directed entirely to the universities sector. At least that's part of the allegations being made in some quarters. The percentages that have been bruited about relating to that matter, if those funds were directed directly to universities, would have been more accurate, but in fact to the total system which, as I said, is in the neighborhood of 22 per cent last year and 21 per cent this year.

There was a question as to the reason for the increase for Athabasca University. That is as a result of growth and new course development, which had been approved previously and has now gone into the operating base or global budget. It does not include new programming, which is part of the other element I discussed earlier with the hon. member. It is not related to the extra costs related to the move of the institution to the town of Athabasca, if I could forestall the hon. Member for Olds-Didsbury.

MR. R. CLARK: Partially. When should we expect those additional costs? I think it would be as good a time as any to get some kind of indication from the minister what those increased costs would be. I'm sure the minister's department will have some projections of what, if any, the additional costs will be as far as the operation of Athabasca University is concerned when it's moved to Athabasca. Also, Mr. Minister, could we get some kind of time line as to when that move will be completed?

MR. HORSMAN: Mr. Chairman, with regard to that particular matter, those additional costs are not expected in the current budget, other than the fact that part of the planning process is involved. These estimates do not include a major additional cost for operating purposes related to the transfer of the institution to its new home at Athabasca. I expect it will be 1984 before significant progress is made toward relocation of the institution to its permanent home. That's the time line that I think I indicated earlier, when the decision was made last year. There's really nothing of a significant nature in this budget related to that particular move.

But there is considerable growth in enrolments. I should perhaps take a moment to indicate enrolment growth with respect to Athabasca University. For '77-78, enrolment was 1,816. The estimated enrolment for the current year, which of course is '80-81, ending at the end of June, is 6,500. So there has been better than a 300 per cent increase in enrolment in Athabasca University. It is the most dramatic increase of any enrolment figure in the province, and of course the growth factor is related to new courses, more students, and so on.

MR. NOTLEY: [Inaudible] . . . move, though, the minister indicated that we don't expect to see any change or feel the impact on the operating budget until 1984, if my memory serves me right. However, I assume we would have some projections as to the impact on the operating costs of the move. Obviously some things are going to cost more. There will be the additional travelling, no doubt, between Athabasca and Edmonton. There's going to be the access to library facilities. A library will undoubtedly be part of the new facility, but there will still have to be extensive use of library facilities at the University of Alberta, and perhaps other institutions in the province. Do we have any projection at this stage as to the impact on the operating costs when it does come into full operation in Athabasca?

MR. HORSMAN: Mr. Chairman, of course there will be some additional costs, but they are not included in this year's estimates. As I've indicated, the matters relating to the real increase in cost for Athabasca University are a result of the very marked growth in enrolment. Of course one of the major factors involved with Athabasca University is that they are developing course materials unique to the distance learning system, which is their mandate. In discussions with their governing council, they have indicated very clearly to me that in the future they hope to be able to market a good deal of that expertise to other institutions of a similar nature, and put many of their courses on a cost recovery basis in terms of their ability to market them outside western Canada. It's going to be very difficult for us at this stage, while these courses are in the development stage, to predict their position three or four years down the road. I think it's to the credit of the governing council that they're proposing to do that.

So it's not in this year's budget to estimate those

additional operating costs. We have given some projections, which I made available to the Assembly when the decision was announced. As far as I am aware, those projections should be realistic today. But I am very encouraged indeed by the growth in enrolment, and by the wide acceptance of this exciting new concept in distance education.

MR. DEPUTY CHAIRMAN: The hon. Member for Edmonton Glengarry.

MR. COOK: Mr. Chairman, if I could defer to the total, maybe that would be a better point.

Agreed to:
2.5 — Universities — Operating \$275,369,000

2.6 — Public Colleges — Capital

MR. MAGEE: I would like to ask the minister for some clarification of the breakdown of the element. I generally recognize that the minister has much detail at his fingertips. While I don't want to ask him for impossible detail, I would like some clarification. The reason for that, Mr. Chairman, is that the element points out that \$909,000 will be part of this total \$56,282,000. I would like, if possible, to determine how much of this money might be spent on expansion of the technical wings of the college system, which eventually will house 1,500 new trades and technology people. How much in that total would then go towards a combination of the school and theatre that's also planned to be built at the college site, with agreement to operate with the city, as far as community involvement is concerned? Without trying to pin the minister down to exact figures, I would like to get some [ballpark] figures of that breakdown, and determine whether or not all of these facilities will break ground this year, so that in effect they really will be under way by having the shovel in the ground before the expiration of this year.

MR. HORSMAN: Mr. Chairman, with respect to the colleges' capital projects, I can run through them quite quickly. It is certainly the intention of the government and the colleges to have the ground broken. In fact last Friday I had the pleasure of breaking the ground at Lethbridge Community College for the new student housing there.

I can go through these commitments to date for capital projects very, very quickly. Grande Prairie Regional College: student housing, which of course we expect to be under way very soon, \$1.2 million; the regional expansion program trade building, \$2 million. Lethbridge Community College trade and technical building, student housing, and utilities, which is a very major factor at that particular college, \$10 million; Medicine Hat College regional expansion program trade and technical building, student housing, and utilities, \$6 million. Keyano College: furniture and equipment, just over \$1 million; regional expansion program student housing, \$1.3 million. Fairview College regional expansion program, which includes the trade and technical building, renovations, student housing, and utilities, \$8 million. Red Deer College regional expansion program, once again including housing, utilities, and the trade and technical building, \$13 million; the theatre and music school, a 4,000 square metre proj-

ect, has been approved for \$13 million in 1981 dollars — committed to that this year, \$1.65 million. Those are the capital projects in the colleges system.

Agreed to:
2.6 — Public Colleges — Capital \$56,282,000
2.7 — Universities — Capital \$66,701,000

MR. COOK: Mr. Chairman, I wonder if I might just ask a couple of questions of the minister at this point. I might start by prefacing my remarks and congratulating the minister on a . . .

MR. DEPUTY CHAIRMAN: I think the hon. member should hold his remarks until the total vote of the department is called, at the end of the four votes.

MR. COOK: I want to zero in on one point. Which would be . . .

MR. DEPUTY CHAIRMAN: Well, if your point is in order, go ahead.

MR. COOK: Thank you, Mr. Chairman. I'd like to compliment the minister and his department on some of their innovative energy conservation programs. I think they're doing some exciting work; for example, at the University of Alberta, and I know the University of Calgary is doing some work.

I'd like to key into point 2.5 and ask the minister if, in the universities and the public colleges operating budgets, there could be some explanation of how we're providing for professional and technical people who might assist the energy conservation programs of the government. I'm thinking particularly of the need for engineers and architects who are familiar with energy conservation design. Apparently, in talking to the architects association and some people in the engineering fraternity, there is a shortage of that kind of expertise. So within the operating budgets of the universities, there is an area of perceived need. I wonder if the minister might enlighten the Chamber as to how his department might go about providing increased funding for that area of activity, which is really in sore demand. Secondly, I guess the same could be said of the technical trades.

MR. HORSMAN: Mr. Chairman, I can assure the hon. member that there is a program for energy conservation, for which we as a government are proposing to supply capital funding. With respect to the acquisition of the experts in the board-governed institutions, that is a matter we leave to the institutions themselves. We do not contract with or engage the services of either professional or technical personnel for the implementation of energy conservation programs. We think that any additional costs associated with those projects should be self-sustaining, in the sense that they would save the utility costs associated with the energy conservation proceedings to the institutions, and that therefore they should be supported out of their general operating grants. But we do, as I say, provide some capital funding to the various institutions for just such things as the hon. member has mentioned.

In fact we provide — I'm just looking at these figures and I notice, for example, over \$2.25 million for the University of Alberta, for the energy conservation program in terms of capital. I know there are elements of a similar nature in the various other institutions. But we

believe the board-governed institutions should be acquiring the professional and technical services they require as part of their ordinary operating budget.

MR. COOK: If I might just follow up. I agree with the minister that the department is doing some good work for institutions in the capital area. Is it possible, though, to accommodate the need for more professionals, particularly professionals in architecture and engineering, to be trained in new building design that is energy conservation oriented, and for which I understand there is a shortage?

I appreciate the minister's point that he operates with a hands-off approach to institutions, and that there's a lot of local autonomy. That's good. But is it possible, Mr. Chairman, for the minister to ask the institutions on an informal basis to consider the development of curriculum that would stress a little bit more energy conservation, particularly in those two programs?

MR. HORSMAN: Mr. Chairman, I'm sure the hon. member has made an excellent point with respect to curriculum. But once again he's well aware, as he pointed out in his question, that we're treading into an area where perhaps it's best to make, as he says, informal representations rather than directions from government, which is something I would not want to do. Of course there is in fact no school of architecture associated with the universities in Alberta, but we do have many courses in the technologies associated with this particular area. I am sure the points the hon. member made will be well taken and understood.

Agreed to:

Total Vote 2 — Assistance to Higher and Further Educational Institutions	\$611,608,872
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Vote 3 — Manpower Development and Training Assistance	
3.1 — Manpower Development	\$14,120,155

32 — Training Assistance

MR. R. CLARK: Mr. Chairman, just before we leave Manpower Development and Training Assistance, I'd like to ask the minister two questions. Mr. Minister, over the last several months we've had rather running correspondence, if that's the right term for it, with regard to people involved in apprenticeship programs both at NAIT and SAIT, who have had classes cancelled because of not being able to get staff. If my recollection is accurate, about 30 classes were cancelled as a result of not having sufficient staff. The last correspondence I got from the minister's office was that about 2,500 could not be accommodated within the existing program.

My question then is basically this: in Vote 3, along with the additional money that's been appropriated for NAIT and SAIT, and keeping in mind also the new contract that's been signed with the union representing provincial employees, will we now be in a position to get this number of 2,500 down so that in fact we don't have the kind of waiting list we've had in the past? I recognize that in the past, part of the problem has been in hiring people because of the fact of the very out of date salaries that were being offered to people in a number of the more highly paid trades. But I'm led to believe that at least a portion of that has been rectified.

My question to the minister is: as a result of the budget

being voted under Vote 2 and 3, can we now logically expect that the number of apprenticeship people who are waiting to get into training places will be able to be significantly reduced? In my own riding, and I'm sure my riding isn't peculiar, a number of people who have been waiting for first and second year to go to carpentry, plumbing, or electrical trades have in fact quit the trade because they've had to spend an extra year, and in one case two years, before they've been able to get to a training place, SAIT in that case. We really do no service to those people, because of the salary they're at during that first year. So can we get that kind of assurance?

MR. HORSMAN: Mr. Chairman, I wish I could assure the hon. member and members of the House that we're now able to move towards eliminating this backlog. But it isn't entirely the question of the level of salaries being paid in certain of the trades and to certain of the trades instructors. Unfortunately we are facing shortages due to the economy we have and the relatively short supply of people who are qualified in the trades and as instructors in the province. I share the hon. member's concern; it is a very real concern to me. But I can't give the hon. member the assurance that we have reached a solution to the problem.

I think there are some initiatives we can take. Part of that initiative relates to the decision to move to board-governed status for technical institutions in the province. I really think that that will have a major impact in enhancing the institutions and providing instructors with a voice on the boards of governors. I think we can take some additional steps with regard to providing authorization for more employment-related instruction by employers to provide certification for apprentices. As well I think we can proceed with the opening of the new institution as quickly as possible. Certainly the decentralization or regional expansion in the colleges system will, I think, be a major impact as well. In a city such as Calgary, for example, it is more difficult to obtain qualified tradespeople who are prepared to move into institutions, and who are capable of being instructors. It's more difficult than in some smaller communities, such as Medicine Hat, Lethbridge, Red Deer, and so on. So I think these are steps that we are taking.

I can't assure the hon. member or this House that we've reached the solution to the problem, but we are certainly concerned about it and working very hard toward eliminating the backlogs that the hon. member refers to. I've tried to be very frank and positive in letting everyone know the true situation. As the hon. member has indicated, through my most recent correspondence I tried to outline the situation as it is, and we hope we will be able to make progress in the next few months. But in an economy such as we have, with relatively no unemployment in the major metropolitan areas in particular, it's going to be very difficult.

MR. R. CLARK: Mr. Chairman, then might I make one suggestion to the minister and ask one further question. Mr. Minister, that being the case, if we can't have the kind of assurance that I recognize it would be difficult to give, then our system is breaking down someplace. Because I believe a number of young people start apprenticeship training with the full expectation that if they work the first year, they can get their position at SAIT, Red Deer, Olds, NAIT, or wherever, and be able to go there for four or six weeks, or whatever it is. Once they complete that, they logically expect they're going to get

an increase in their salary too. I believe the system is letting those people down, not totally because we can't get the staff. I think we dragged our feet most regrettably there, but I'm pleased to see some improvement.

Even though SAIT and NAIT are going to go to their own boards, Mr. Minister, it's likely going to be a couple of years before those new boards are fully in position and in charge of the whole operation. If those boards take over a tough situation from the standpoint of a tremendous backlog — after the period of transition and so on; that's why I used the two years, Mr. Minister — then it's going to be very, very difficult for them to cope. I urge the people in the minister's department to work towards having that thing virtually straightened up before the boards take over, as opposed to kind of hoping it's going to go away and will go away with the boards.

Mr. Minister, the real point I want to make: be it under Vote 2 or Vote 3, someplace we have to let these people who start apprenticeship training know they may have difficulty getting into an institution, because right now we don't. I've brought some examples to the department's attention. I'm sure other MLAs have the same problem. If we can't guarantee they can get a place, then we should let these young apprentices know so they can plan accordingly. We don't do these people a service at all to let them start for a year, then they can't get in for another year. They get fed up and go someplace else, and it just simply starts a very bad work pattern for people involved in the apprenticeship area. I earnestly request the minister that some steps be taken to notify people going into these areas of apprenticeship where we can't guarantee them positions and advise those people when they start the program so that at least we're being up front with them.

MR. HORSMAN: I appreciate the concerns expressed by the hon. Member for Olds-Didsbury. The fact of the matter is, of course, that in the last five years we have more than doubled the number of apprentices being trained in Alberta. Whenever there is that explosive growth and enrolment, there are going to be strains on the system. I don't want to be argumentative or combative about this, but I really think the Apprenticeship and Trade Certification Board and the institutions themselves have responded dramatically whenever there is that type of enrolment increase.

Other factors are at work that create problems of under-enrolment in courses because when the time comes for an intake, the students don't appear. In many cases they don't appear because their employer offers them the next level of increase just to keep them on the job rather than lose them for the six- to 12-week period that they might have to be in courses. In fact there has been a relatively high absentee rate, which in itself creates a part of the backlog. When people who are supposed to show don't, that denies other people who might want the opportunity of pursuing their education. I'm not saying by any means that that is entirely the whole fault; it's a combination of factors. But as I say we are working very hard.

In my opinion the whole subject of manpower training through the apprenticeship program in Alberta, is absolutely outstanding. When I talk to my colleagues in other parts of the country, they regard our apprenticeship and trade certification program in Alberta with great envy. Without any question, it is the most successful in Canada.

I appreciate the hon. member's real and legitimate concerns. I want to deal with those problems as well, but at the same time recognize that is part of a very explosive and dynamic growth of postsecondary education. Therefore I assure the hon. member and members of this House that we'll do everything we can to try to eliminate the problems the hon. member has quite rightly pointed out.

Agreed to:	
3.2 — Training Assistance	\$9,218,600
Total Vote 3 — Manpower Development and Training Assistance	\$23,338,755
Total Vote 4 — Financial Assistance to Students	
	\$20,631,818
Department Total	\$663,731,084

MR. HORSMAN: Mr. Chairman, I move that the votes be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

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

Be it resolved there be granted to Her Majesty for the fiscal year ending March 31, 1982, sums not exceeding the following for the Department of Advanced Education and Manpower: \$8,151,639 for departmental support services, \$611,608,872 for assistance to higher and further educational institutions, \$23,338,755 for manpower development and training assistance, \$20,631,818 for financial assistance to students.

The Committee of Supply begs leave to sit again.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, tomorrow evening we would be continuing with Committee of Supply. In the event the Minister of Agriculture is back by tomorrow at 8 o'clock — and I'm just not sure of that at the moment — we would proceed with Agriculture as we began on Friday and, subject to that, Attorney General.

DR. BUCK: Mr. Speaker, can the hon. House leader indicate if we'll have a night sitting on Thursday?

MR. CRAWFORD: That's the present intention, Mr. Speaker.

[At 10:19 p.m., on motion, the House adjourned on Tuesday at 2:30 p.m.]