

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Friday, May 8, 1981 10:00 a.m.

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS

Bill 232

The Alberta Lands Inventory
and Protection Act

MR. NOTLEY: Mr. Speaker, I beg leave to introduce Bill No. 232, The Alberta Lands Inventory and Protection Act. The purpose of Bill 232 is to protect the agricultural land in the province of Alberta.

[Leave granted; Bill 232 read a first time]

head: INTRODUCTION OF SPECIAL GUESTS

MR. R. SPEAKER: Mr. Speaker, on this special morning of the leadership prayer breakfast, I would like to introduce to the Legislature the pastor of our local church, Ed Mitchler, his wife, Terri, and their young daughter, who has just moved behind the seats. I'd like you to recognize them this morning.

MR. NOTLEY: Mr. Speaker, I think this probably should have been done under Introduction of Visitors, but the hon. gentleman just arrived. I'm very pleased today to be able to introduce to members of the Legislature a man who was for some 26 years a Member of Parliament, for 17 years the Premier of the province of Saskatchewan, and for 10 years the federal leader of the New Democratic Party of Canada. Mr. Tommy Douglas is seated in your gallery, and I'd ask him to stand and take a bow.

MR. DIACHUK: Mr. Speaker, it is my pleasure today to introduce to you and to the members of this Assembly a class of grades 7 and 8 students from the constituency of Edmonton Beverly, from the St. Jerome school in the Edmonton Catholic school district. Accompanied by teacher Ken Landry, some 25 of them are seated in the public gallery behind me. I'd ask them to rise and receive the welcome of the Assembly.

head: ORAL QUESTION PERIOD

Interest Rates

MR. R. SPEAKER: Mr. Speaker, I'd like to direct my first question this morning to the Premier. It's a follow-up to the questions with regard to interest rates. In light of the difficulty, which we all understand, is the Premier considering assembling a special cabinet committee, or maybe a committee of the Legislature, that could give

special attention to ways and means by which we in the province of Alberta could possibly meet some of the needs of various groups in the province, such as farmers, small business men — and the list goes on.

MR. LOUGHEED: Mr. Speaker, I think Members of the Legislative Assembly should be aware that there is just no way any provincial legislature, on behalf of its citizens, can shield them from the realities of the international economic system and the whole area of high interest rates or from federal policies with regard to interest rates. We share the concern of Albertans with regard to interest rates being so high. As I said yesterday in the Legislature, we've said we do not agree with the monetary policy of the Canadian federal government, which appears to be one of endorsing high interest rates, and appears to be one of following, through the policies of the Bank of Canada, a view that our interest rates need track the United States.

But it is obviously folly for Albertans to believe that in some way we are in a position that we can be immune to these international and national pressures. To isolate those citizens most affected and least able to cope with the difficulties of high interest rates is the policy of this administration and will continue to be. This is reflected in the policies we have set forth.

First, with regard to aspects of the agricultural community, in the Legislature yesterday we mentioned those areas involving beginning farmers or farmers involved in special circumstances. I think we also have the most intense program of assisting with regard to the difficulties of high interest rates with housing and small business. Beyond that, it's certainly a matter of debate whether any other special groups should be involved in terms of at least reducing the pressures of these abnormally high interest rates and, as I would see it, they should be the matter of discussion and debate in the various departmental estimates. But there is no way we in this Legislature can be immune with regard to the problems of high interest rates.

Mr. Speaker, I'm sorry to be at such length, but just two final comments. I think it's important to reaffirm that the national Ottawa policy of high interest rates does not bear evenly across Canada, and bears more heavily upon those Canadians in the growth areas of western Canada who are attempting to put in place a heavy infrastructure and services in the period of relatively rapid growth we have seen. Finally, I think our efforts in this Legislature would be most effectively directed towards endorsing positions which would put pressure on the national government in Ottawa to change their policies with regard to interest rates.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier. Certainly we recognize that interest rate increases are caused by the federal government and established by the Bank of Canada. But in this Legislature we do have areas where we can take responsibility.

Again, my question to the Premier is: will special emphasis and concentration be given to this whole area of interest rates — where we as a province have some jurisdiction — to do something for the people of Alberta? Or are we just going to continue saying, we're doing a good job as is, and blame it on Ottawa? Is that the Premier's position?

MR. LOUGHEED: Mr. Speaker, I believe the hon. Leader of the Opposition is well aware, and would fairly

give credit to the administration in identifying those areas where interest rates have been a particularly difficult problem. We have responded and, I think, have an exceptional record of responding to those areas. Whether they should be extended, and the degree to which they should be extended, are clearly matters of debate. But there is no way this provincial government or provincial Legislature can be immune, on an overall general basis, to interest rates which are a reflection of national policy. That has to be accepted as a reality for Albertans.

MR. R. SPEAKER: Mr. Speaker, I do accept that fact.

A supplementary to the Premier with regard to the discussion with Mr. Bouey yesterday. Was a special case for Alberta made to Mr. Bouey? What considerations are possible with regard to any special needs for Albertans in our special economy in the whole of Canada?

MR. LOUGHEED: Mr. Speaker, certainly I believe a special case can be made on behalf of the growth provinces of western Canada. That was the case I submitted to the Governor of the Bank of Canada again; it was not the first time I've done it. As I said in the Legislature yesterday, I emphasized some specific measures which I thought he could encourage — I know he can't do it directly — the federal government to take that can in fact reduce the need to trace or follow the interest rates of the United States simply because of the pressure on the Canadian exchange rate.

As I understand the situation, the view within both the Bank of Canada and the federal government is that we must increase interest rates in Canada as a result of interest rates rising in the United States; otherwise there is too much pressure upon the Canadian dollar and the value of the Canadian dollar. That is the basic justification they give for following these rates to what I think are intolerable and unacceptable levels for Canada.

It's our view that with the resources we have, this country does not have to follow that track. Now to a degree, we're affected by it; we're never going to be completely away from it. But it does not have to follow, the way it has occurred in the past, the tracking of interest rates in America, which is involved in a much different economic situation and has much different economic policies than we have. With our resource potential in this country, on a co-operative basis between the provinces and the federal government — and I know it will take some time — we can announce some measures that will take the pressure off the Canadian dollar, strengthen the Canadian dollar internationally in the eyes of investors throughout the world, and permit us to have significantly lower interest rates. That is the case I made to the Governor of the Bank of Canada. It is the same case our Provincial Treasurer made to the Minister of Finance last December in Ottawa.

MR. NOTLEY: A supplementary question to both the hon. Minister of Agriculture and the hon. Minister of Tourism and Small Business. What discussions have taken place with both the officials of the Agricultural Development Corporation and the board of directors of the Alberta Opportunity Company with respect to recommendations that as a consequence of high interest rates, more funding should be made available to both organizations? Has either hon. minister met recently with the boards, dealing specifically with what steps those agencies might take to deal with the rising interest rates which have been a factor of some concern for some time?

MR. SCHMIDT: Mr. Speaker, if the hon. member had been in the House yesterday, the question was asked, and the answer was given. A meeting has been held to review the program to date, to discuss programs that will take care of the future, and to discuss the applications and responsibilities that appear because of high interest rates and as they affect the Agricultural Development Corporation.

MR. NOTLEY: A supplementary question to the Minister of Agriculture. At this stage is the government considering changing the role of ADC to play a direct role in interim financing, in addition to the start-up programs such as the beginning farmer program and other programs of that nature? Will there be any structural changes in the direct lending programs of the Agricultural Development Corporation as a consequence of the high interest rates?

MR. SCHMIDT: Mr. Speaker, there was a change in the lending programs of ADC a year ago in regard to the withdrawal of the beginning farmer program from a lender of last resort. ADC still continues to play the dual role of its responsibility to beginning farmers and will still maintain the last resort lending capability.

DR. BUCK: Mr. Speaker, a supplementary question to the hon. Minister of Housing and Public Works. Yesterday when I asked what was being done through the Alberta Home Mortgage Corporation about people who are having to renew their mortgages, the minister said — well, he said a lot of things, but didn't really answer the question.

Today my question to him or to the Premier: at this time, is the government considering putting aside \$1 billion out of the Heritage Savings Trust Fund — we know the Provincial Treasurer has one or two kicking around in loose cash; we might even have lost a billion because of the new computer program — just for low interest rates for first-time home-owners?

MR. CHAMBERS: Mr. Speaker, as I think I pointed out yesterday, the present interest rate charged for the family home purchase program is 13.5 per cent. Of course there's a direct straight-line subsidy involved as well, which goes as high as \$300 a month. So there is significant assistance indeed to first-time home-owners through the family home purchase program. Also, through the core housing incentive program, the interest rate is 8.75 per cent. So that's a significant contribution to the supply side. As I pointed out, in terms of our total units we're looking at about 20,000 units, or over half of all housing construction in the province.

MR. PAHL: A supplementary question, Mr. Speaker. In addition to new housing, there certainly appears to be a need for responding to mortgage renewals. I wonder whether the hon. minister has considered any program where people who are in a home that would qualify under the new mortgage program could be considered for mortgage assistance on a mortgage renewal basis.

MR. CHAMBERS: Again, as I think I tried to outline yesterday, surely our major concern is to get people into their first home. People who have had a five-year term mortgage, say, have generally enjoyed significant capital appreciation. Therefore they have a significant increase in the value of their asset. An evaluation we did last year

indicated that incomes had risen to such an extent that even with the higher mortgage payments, the average homeowner was still better off than he was when he first took out the mortgage.

Now certainly there are some hardship cases in terms of people who have only renewed for a year, perhaps. That's always a gamble one takes. When is the best time to renew: for five years, three years, one year, or six months? I guess that's a personal assessment or gamble, if you like, as to what the interest rates are going to do on the market. A segment in society is hurt, of course.

There's no question that the high interest rate policy of the federal government is very damaging. Approximately a year ago the federal minister of housing indicated they were going to do something about that; they recognized the problem as a national one and would do something about it. So far they haven't, but I would hope they would take that responsibility seriously.

MR. NOTLEY: A question to the hon. Premier. It really flows from the first question put by the hon. Leader of the Opposition. What steps is the investment committee of the heritage trust fund taking to consult with the agencies we have in place — the Alberta Opportunity Company, the Agricultural Development Corporation, the Alberta Housing Corporation — to determine what expansion of these funds would be appropriate and possible, given the potential of the money we have in the heritage trust fund, as well as the accumulated cash surplus? For example, have there been any direct discussions between the hon. Premier and officials of the AOC, the ADC, and the Alberta Housing Corporation?

MR. LOUGHEED: Mr. Speaker, I find that a puzzling question, having regard to the budget presented in this Legislature, because quite clearly what we've seen by way of investment policy in the Alberta Heritage Savings Trust Fund — and this is particularly so in the area of housing, where there's in excess of \$1 billion of additional commitment — housing is more and more becoming by far the largest investment of the Heritage Savings Trust Fund.

If the allegations of the hon. Member for Spirit River-Fairview, and indirectly the hon. Member for Clover Bar, have to do with the degree of appropriation of capital funding from the Heritage Savings Fund to these areas involving housing, small business, or agriculture, I find that difficult to comprehend, because the amounts are steadily increasing and taking an ever larger share of the total investment income. That is in fact happening: \$1 billion of the Heritage Savings Trust Fund investment for housing in this year, for example, as the budget notes.

Mr. Speaker, if the case they're attempting to make is that there should be an expansion of interest subsidy through the course of the various fields involved, that's certainly a matter for debate, but that is not a matter of the Heritage Savings Trust Fund investment portfolio. That is a matter within the appropriations of the various departments, as to whether the subsidy programs are adequate, need to be expanded, or not — a very appropriate debate. But that debate is within the estimates of the various departments involved.

If the hon. member suggests, for example, that the Alberta home mortgage purchase plan is not adequate enough, having regard to the circumstances of the 13 per cent rate and a very significant subsidy on top of that, fine, let's debate that. But it is not a matter of investment policy of the Heritage Savings Trust Fund; it is an

[appropriation] expenditure interest subsidy issue under the estimates themselves.

MR. NOTLEY: Mr. Speaker, a supplementary question to either the Premier or either of the hon. ministers with respect to the Alberta Opportunity Company and the Agricultural Development Corporation. As both hon. gentlemen know, in both instances many, many people would like to qualify under these programs. At this stage, in view of the crisis the high interest rate is causing small business men and farmers in particular, is it the position of this government that there will be a substantial increase in the funding of those agencies to allow them to do a better job in an area where they're doing quite a good job, to make that program available to more people who are not able to obtain loans now because there simply isn't the funding?

MR. SCHMIDT: Mr. Speaker, there may be some misunderstanding, and I speak for the Agricultural Development Corporation. To date no application has been turned down because of lack of funds at either the beginning or the end of the year. If the hon. member goes back to the estimates, there is a figure of some \$26 million in the Department of Agriculture estimates. That basic budget is tied directly to the operation of ADC and takes care of the interest subsidies. But at no time have we turned away an applicant because the funding was not available through the Agricultural Development Corporation.

MR. NOTLEY: For direct loans?

MR. SCHMIDT: For direct loans.

MR. PAHL: A supplementary question, Mr. Speaker.

MR. SPEAKER: Followed by a final supplementary by the hon. Member for Edmonton Whitemud.

MR. PAHL: Should the appropriation for the Agricultural Development Corporation be fully used up in the course of the year, could the hon. Minister of Agriculture advise the Assembly whether he would apply for a special warrant?

MR. SPEAKER: With great respect, the question is clearly hypothetical.

MR. KNAAK: My question to the Minister of Tourism and Small Business is supplemental. I wonder if the minister has made an assessment and has in fact explored whether other provincial governments are now in the process of subsidizing interest loans to small business in a general way. I'd like to determine whether Alberta small business is disadvantaged if in fact other governments do that. The same question applies to the Minister of Agriculture with respect to the farmers, who are all small business men.

MR. SPEAKER: Possibly the hon. member would be content to know that the clear implication of his question has not been missed.

MR. KNAAK: Mr. Speaker, I think it is important for the House to know whether other provincial governments are in fact in the process of subsidizing their small busi-

ness men. I would like to know if the minister has checked out that matter.

MR. SPEAKER: With great respect, as the hon. member knows, there are other means of doing research of this kind, important though it is.

MR. ADAIR: Mr. Speaker, although I may not be able to respond directly to that particular question, a number of questions were asked earlier. I would like to have the opportunity to have my say.

Relative to the Alberta Opportunity Company and the chairman and members of the board, I should point out that we meet regularly, not just on special occasions. We meet regularly to discuss the implications of interest rates — particularly now, that's high on the agenda, and one of the important issues we're discussing — and the directions we are going to be going with the Alberta Opportunity Company. I might also add what the Minister of Agriculture mentioned a moment ago: we have not had a loan turned down through the Alberta Opportunity Company because of lack of funds. At present we are operating on a position with the Alberta Opportunity Company from a base rate of 12 per cent down to as low as 10 per cent if you're in a small community, a small business, and as high as 15 per cent if you happen to be in that same category but in the metropolitan centres of Edmonton and Calgary.

I should point out that, in my discussions with the chairman of the board of the Alberta Opportunity Company, I have asked him to assess for me, as quickly as the board of directors can, whether there is any increase in the number of applications or applicants coming to us with the possibility of financing, refinancing, or difficulties they are experiencing in the financial community. They will be holding their annual meeting in the third week in May, and I'll be attending. That will be one of the points we will be discussing at that particular time.

MR. R. SPEAKER: Mr. Speaker, I'd like to ask another supplementary question.

MR. SPEAKER: With great respect, we've had about nine of them on this topic. Perhaps if there's time left, we can come back to it.

Water Management Committee

MR. R. SPEAKER: Mr. Speaker, my second question to the Minister of Transportation is with regard to the inter-basin study initiated by the minister. I wonder if the minister could indicate at this time whether a report has been made to cabinet and whether policy positions will be initiated, possibly this spring or in early fall.

MR. KROEGER: Mr. Speaker, we're not doing an inter-basin transfer study; we're doing a water management study. No report has been submitted.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. When will we expect that report? Or is the mandate of the group open-ended and can report whenever?

MR. KROEGER: Mr. Speaker, we have not requested an opportunity to present the report. It is not finished and, because of a number of other pressures, we have not been

able to devote the time to it we'd like. So we aren't ready to talk about it at the moment.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister, just so we know what accountability there is. Is there a target date for the committee? Could the minister possibly table in this Legislature the terms of reference for that committee, as I don't believe that has been done.

MR. KROEGER: Mr. Speaker, I think the terms of reference are very simple. But if they're going to be tabled, they should be tabled by the Minister of Environment, to whom we report.

MR. R. SPEAKER: Mr. Speaker, then a supplementary to the Minister of Environment. Would the minister be prepared to table those terms of reference? Has the minister indicated any target date for this committee to report to not only the minister but this Legislature?

MR. COOKSON: Mr. Speaker, this particular committee the member is referring to is very general in nature. It is partially funded through my department. The committee reports to me, and at such time as I look at the recommendations they may or may not make, a decision will be made as to whether the recommendations should be made public or not.

MR. R. SPEAKER: Mr. Speaker, to the Minister of Environment. Can terms of reference be tabled in this Legislature, as to what types of objectives the committee has? Can the minister indicate why he has the capability of screening the recommendations of that committee? Is it not a public committee, financed by public funds?

MR. COOKSON: Mr. Speaker, it is a public committee in this sense: I guess it has been one of the lifetime interests of the Member for Chinook, who is deeply interested in the problems of water shortage in that specific area, to devote at least some of his time to the situation in his total area. Since he's a public figure, I suppose one would say it was a public issue, certainly an important issue in a good part of the province of Alberta. The committee itself is made up of interested people from throughout the province who have a long-time interest in the problems of water. In that respect, I suppose it's of a public nature.

Insofar as the terms of reference, they're so general that I don't think they would have any importance to the public other than the fact that they're interested in the problems of water, shortages of water, and so on. Until I have an opportunity to look at the kinds of recommendations they make, I don't think it's really of much value to the public.

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

DR. BUCK: A supplementary question to the hon. Minister of Environment. Is the minister indicating that in the water study situation, one of the terms of reference indicates the export of water from Alberta to the United States?

MR. COOKSON: No, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, I wonder if I might just put one supplementary question to the Minister of Environment?

MR. SPEAKER: Possibly we could come back to that if there's time.

After-School Care Program

MR. NOTLEY: Mr. Speaker, in that case I'll direct my question to the hon. Minister of Social Services and Community Health. It concerns after-school care. On April 14 the minister indicated that he'd had a conversation with the mayor of Calgary on this matter:

I further suggested to the mayor that if for any reason our officials are not able to come to an agreement, on Saturday the 25th of this month [April] there [will] be a meeting of the mayor, members of city council, and Calgary MLAs who are able to attend.

It's my information that the minister was not able to attend this meeting and cancelled it on the 24th. My question to the minister is: where do things now stand with respect to this meeting, why was it cancelled, and what is the situation with respect to the city of Calgary after-school care program?

MR. BOGLE: Mr. Speaker, during a conversation I had with the mayor of the city of Calgary, I suggested that if our respective officials from the city and the department were unable to reach an agreement on a transfer of the after-school care program from the province to the municipality, there should be at least one last effort by policy makers — in other words, elected officials — to resolve the issue. I suggested that as I would be in Calgary on Saturday the 25th for two other meetings, that might be a convenient time to meet with the mayor, members of city council, and MLAs from the city of Calgary. As the discussions between our respective officials were moving along very well, on the 24th my executive assistant, in discussions with the executive assistant of the mayor, mutually agreed that a meeting would not be necessary on that particular date.

I have since composed a letter to the mayor, compiling the understanding I have of our respective officials to date. I'm still suggesting that if in the very near future the matter has not been resolved by our officials, that meeting should take place.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. My understanding is that there's some difference over the viewpoint of the province and the city of Calgary on this 80:20 funding formula. My understanding is that the province's latest offer is \$800,000. The city feels that 80 per cent would amount to \$1.6 million. My question very directly to the minister: what steps have been taken, and has there been any progress in reconciling the differences between these figures? For example, is the government prepared to up its offer to the city of Calgary from \$800,000?

MR. BOGLE: Mr. Speaker, I might mention that the current funding of the after-school care program in the city of Calgary is in excess of \$500,000. It is accurate that, through officials of the department, an offer has been made to the city of a 40 per cent increase in funding, which would bring the provincial funding to approximately \$800,000. If that were matched on the 80:20 cost

sharing basis by the city, there would be \$1 million for a program in the city of Calgary, an expansion of the program from its current \$500,000-plus figure.

MR. NOTLEY: Mr. Speaker, I gather the difference is the extent of the program. The city of Calgary feels the program should be in the neighbourhood of \$2 million, the government \$1 million. What steps have been taken to reconcile that difference, because it deals substantially with the quality of the program of after-school care in the city of Calgary? Have there been any recent meetings, any progress at all in bridging that gap?

MR. BOGLE: As I've indicated, Mr. Speaker, the discussions have been meaningful, from my understanding, both from the reports given by our officials who attended the meeting as well as through the mayor's office. If there's any change in that particular position, I'm sure Mayor Klein will advise me of that himself. I have indicated what has been discussed and what offers have been made. Any further initiatives would be at the policy level between the mayor and me.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. My understanding is that if an agreement is not reached, the city of Calgary is going to terminate its funding on June 1. My question relates to not only the city of Calgary, where this is obviously an issue of some importance at the moment, but other municipalities where agreements have not been reached. If agreements are not reached between the provincial government and the municipality, what happens to the after-school care programs that are already in place? Who pays, and what happens to the children in the after-school care programs? For example, will we as a province give a commitment that we'll be carrying these on?

MR. BOGLE: Mr. Speaker, some time ago the commitment was given that where after-school care programs are in operation, and if for any reason an agreement is not reached between the province and a respective municipality, the program that is currently offered to various youngsters will not be terminated by the province.

MR. NOTLEY: Mr. Speaker, one final supplementary question, if I may. In view of the growth of our two major cities in particular, with respect to the after-school care program, is any reconsideration being given to capital costs and start-up funding?

MR. BOGLE: Mr. Speaker, in addition to parents, I believe the question of after-school care is of interest and import to the Department of Social Services and Community Health, the city administrations, and day care centres, many of which offer a service.

It's also of interest to the school boards. I believe that meaningful discussion can be initiated — and we are working on that very matter — to involve school boards in ensuring that there's a common approach to this matter. Where youngsters are prevented from entering a school until quarter to 9, are required to leave school over the lunch hour, must leave within 10 or 15 minutes of the close of school, and where there are no parents at home, that obviously does give a great concern to all those organizations and groups I've previously mentioned. I believe it's a matter that has to be resolved by all concerned. It cannot be resolved by the province alone.

MR. ZAOZIRNY: A supplementary question, Mr. Speaker. Given the information he now has of the program, could the minister advise whether he is prepared to reconsider the decision to separate the administration of day care from after-school care? In other words, is he prepared to give consideration to an integrated program, with one administration of the entire day care and after-school care program through the provincial government, which has been requested by some groups in Calgary?

MR. BOGLE: Mr. Speaker, that's a matter which could of course be brought back for further consideration. A decision was made that there should be a separation between day care, which is preschool care for youngsters, and the after-school care program, which deals with those between the ages 6 and 12. As I've just said, I believe this is a matter that cannot be dealt with by the province alone. It requires the involvement of other organizations, including the school boards, not only in our metropolitan centres but in other parts of the province, so we can ensure that the best and most equitable way of dealing with the matter is developed, and we not merely develop a program that's extremely expensive for the taxpayer in order to meet a need, therefore funding the program by the province alone.

Water Management — Slave River

DR. BUCK: Mr. Speaker, I'd like to ask a question to the hon. Minister of Environment. It has to do with the \$10 million feasibility study on the dam on the Slave River in the northern part of the province. The preliminary report indicates very, very high levels of mercury in that river and delta. Can the minister indicate or elaborate on what impact that would have on the proposed dam?

MR. COOKSON: Mr. Speaker, I don't think the content of the river would really have any impact on the proposed project, which has to do with the development of power. In that respect, I can't conceive that this would have any impact on future recommendations as to whether or not the dam should be developed for power purposes.

DR. BUCK: Mr. Speaker, to the minister. In light of the fact that some mercury can be in a dissolved or undissolved state, can the minister indicate what the studies indicate as to what effect damming the river will have on water upstream? Will the increase of mercury levels in that body of water be on an acceptable level?

MR. COOKSON: Perhaps in that respect, there may be a bearing insofar as environmental matters. At this time I might say that we have a joint agreement with the federal government in which we have struck a joint committee — I think the Northwest Territories may be involved in that, too — so we can review the total environmental impact, not with regard to that specific matter but with regard to other factors. Since it's very close to Wood Buffalo park, which in fact is part of it, it has a bearing on a lot of the sensitive environmental problems in the area.

DR. BUCK: Mr. Speaker, a supplementary question. Is the minister in a position to indicate if any studies are going on at this time as to the effect of animals and fish being consumed by the native people in that area? Is there any monitoring of that as to any adverse effects to the people in the northern part of the province?

MR. COOKSON: I'd have to take that as notice, Mr. Speaker. I'm not sure whether the federal government, we, or some other government department would be involved in that, but I could take that as notice.

Highway Intersection

MR. WOLSTENHOLME: Mr. Speaker, my question to the Minister of Transportation concerns the intersection of No. 2 and No. 22 just south of Calgary. This is just outside my constituency so was not included in the report I received from the minister. However, a good many of my people use the intersection and are concerned about the growing number of accidents. Does the minister have any plans to change that alignment or the intersection?

MR. KROEGER: No, Mr. Speaker, we don't have any plans to change the alignment, but we do have plans to have a grade separation there. The problem we have relates to the acquisition of right of way. This area falls into the RDA, and we're working with the Department of Environment on land acquisition.

MR. LITTLE: A supplementary to the Minister of Transportation, Mr. Speaker. Can the minister give any estimate of the time for the construction of the grade separation?

MR. KROEGER: Mr. Speaker, assuming we can acquire the right of way this summer, we plan to make a start this fall. We can't prejudge how long it will take to purchase the land, but we're optimistic that we will get it this summer. If we do, the approaches will be developed starting this fall.

MR. LITTLE: A supplementary, Mr. Speaker. Would the minister therefore consider the installation of traffic control devices as an interim measure until the interchange is constructed?

MR. KROEGER: Yes, Mr. Speaker, although we haven't seriously considered it. I'll take that as notice and have an investigation done to see if that would solve the problem.

Interest Rates — Treasury Branches

MR. R. SPEAKER: Mr. Speaker, my question would be directed to the Acting Provincial Treasurer or possibly the Premier. It's a continuation of the questions on interest rates. About a year ago the government had a policy in place to freeze some of the interest rates in the treasury branches. I was wondering if that policy will continue. Will it be examined under the present conditions?

MR. LOUGHEED: Mr. Speaker, that is a very appropriate question. But I believe I'd prefer to take it as notice and, when he returns to his place at the start of next week, have the Provincial Treasurer respond to the hon. Leader of the Opposition.

Water Management Committee (continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct a follow-up question to the hon. Minister of Environment concerning this committee studying water diversion. The minister indicated there was some budgetary provision in the Department of Environment. Is the minister in a

position to advise the Assembly what allocation has been made and on what basis the committee is going to be operating? Is there going to be an interdepartmental role as well, or is it essentially a committee of people drawn from the private sector, chaired by the hon. Member for Chinook?

MR. COOKSON: Mr. Speaker, the question might perhaps be more appropriately addressed — the first part anyway — when we get into the estimates.

Normally, when we strike these advisory committees, we do so under the environmental act, which makes provision for striking of committees and, if necessary, allocation of a *per diem*, of that nature. Perhaps I could answer in more detail in the estimates.

Insofar as the chairmanship, I missed the import of the question.

MR. NOTLEY: Mr. Speaker, the question was: what role are public servants going to play in a backup capacity to assist this committee, and what directives has the minister given to officials of his department who work closely with the committee?

MR. COOKSON: My Assistant Deputy Minister, Mr. Peter Melnychuk, serves on the committee in an advisory capacity.

MR. NOTLEY: Mr. Speaker, one supplementary question. In light of the government's position on the PRIME program — particularly the vociferous opposition, not of his immediate predecessor but the first Minister of Environment, Mr. Yurko, to the PRIME program — will the mandate of this committee include a water diversion scheme as substantial in scope as the PRIME project?

MR. COOKSON: Mr. Speaker, the member is making an assumption that we're even interested in that concept. At this point I can suggest to him that generally the first objective of the committee was to determine our water resources, primarily dealing with what the situation could conceivably be by the turn of the century. I might say at this time that at the turn of the century a large part of Alberta could be in a fairly serious position with regard to water supply. So in that respect, they're studying the total picture.

They're also looking at the capability of a large area of the province, which is extremely dry, as to whether that type of soil will lend itself to irrigation of any type whatsoever. Once they come up with those concepts — and I'm awaiting recommendations in those two areas — I suppose we have to go from there. It may be that there would be no recommendation.

One of the positions we've always taken insofar as water transfer is that until we use all our river systems to their maximum capacity — and that includes regulatory control, which makes that possible — there would be no consideration of the concept of a transfer.

ORDERS OF THE DAY

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

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Will the Committee of Supply please come to order.

Department of Government Services

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

MR. McCRAE: Yes, Chairman, I would like to say several things about different divisions of the department. I'd like to start by saying that as a service department, our goal for the year has been to improve the service, and next year we hope to see further improvements. I guess it's always dangerous to blow one's horn, so I won't comment on what degree of achievement we've had. Recognizing that in any merchandising or service area a pretty good criterion as to how well you're doing is the number of complaints, suffice it to say we have not had a great many complaints about the quality of service in the Department of Government Services. We might take that as some measure of progress and increasing achievement.

I'd like to go through the departmental areas; first, building operations, Vote 2. In that area I'd like to comment on the fact that there is an increasing productivity in the building maintenance area. We have an increase of about 6 per cent in the space we're managing and maintaining this year. Our increase in the manpower area is only about 2.4 per cent, which is an indication of the additional productivity of the people in that area. It is a very difficult area. I look at the people who work in this particular building and, having regard to the outside construction activity, the weather, the clients we are serving in the building, and whatever, I think the workers here in what one might say is a not particularly glamorous area have done a good job of keeping this building functioning.

I thought the Member for Edmonton Belmont commented very appropriately the other night in saying that too often we don't recognize the people who are working for us and doing such a good job. I would simply say to the people who manage not only this building but all the government buildings that I think they have done a very good job of maintaining and operating those buildings for the public over the past year. [applause] Thank you very kindly.

In the building maintenance area, one of the significant programs we have been working on over a number of years, are working on this year, and will be in the future, would be the energy conservation program instituted about three years back, which has a very significant effect on the cost of operating government buildings. It is both a manual thing and a computer-oriented thing, depending on the scope of the particular operation, the size of the building.

Another area that is continually attracting the attention of the officials is the increasing interest by the community, community organizations and volunteer organizations, in using government buildings for their purposes. This recognizes that primarily and, I suppose, essentially, government buildings are for the use of government departments throughout the province, to do their thing and maintain their contact with the public in the service they are delivering. But after hours or in periods when time or space are available, the buildings are increasingly being used by community organizations. This is an extra demand on the managers, the workers in those areas, to work with the local people in assuring that the building can be used when it is available; then there's the clean-up

problem afterwards. I think the officials, the managers, have done a very good job of working co-operatively with the people using the buildings to assure that the public can use them, recognizing that the primary need is with the departments.

In terms of building operations, the point I would like to mention is the retirement of Bill Davies, who has been with the department for upwards of 30 years. Bill is still a very young man but is taking early retirement to go on to other and greater things, I suppose. We certainly wish Bill well because of his many, many years of devoted service to this government and to the people of Alberta. We have appointed Lorne Undersultz, who I believe has been with the department in the range of 15 years, as a very capable replacement for Bill. We're looking forward to working with Lorne and are expecting a great many things from him.

Mr. Chairman, on to the third vote, courier service. I guess we could be very proud of the overnight service we have in that area. We are now going to go into 142 different communities. I mentioned the overnight service. When one considers the federal mail delivery, be it overnight, weekly, or monthly service, whatever time it takes, I think the contrast with our overnight service is startling. Because we have taken over responsibility for the liquor commission's mail deliveries, we will be increasing from 91 to 142 locations this year, and that will extend to the extra communities. I think they again are doing a very, very fine job and are to be complimented.

I would like to spend a moment on Vote 4, the supply area, because of the wide interest in that particular area last year. The thrust of the comments or questions last year was the wish of members to have more regionalized purchasing. We have striven hard to accomplish some of that. I would like to point out how we are accomplishing that and some of the difficulties in that goal.

The primary reason for centralizing government purchasing in a centralized area such as the supply division of Government Services was threefold: one, to assure an early delivery of the service or product required; second, to assure the best reasonable price possible; and third, to assure an opportunity to tender to all those who might be interested in tendering. That is a difficult thing in such a high-growth area as Alberta, where such a large number of new companies are coming on not only in the manufacturing area but also as sales representatives for companies that may be stationed elsewhere. The number of new incorporations in Alberta, be they in primary manufacturing or representative capacity only, is just staggering. Trying to assure that each of those has an opportunity of participating in their area of expertise is difficult. We are going to a computerized system which should be in place in about 15 months, and which will let us know what companies are available in a given area to tender on a given product.

The direction we have taken — and I was pleased to see that the Member for Barrhead has a motion on the Order Paper which should encourage a good debate on this question of regionalized purchasing. In that area it is important to recognize that only so many dollars are available for government purchases. It would be in the range of \$235 million to \$250 million this year, and that amount will only increase by demand, not in response to regionalized purchasing. If we spend more dollars in one of the regions or in all the regions, that means those dollars will not be expended in some other region. Principally, if there is to be a loss, redirection, or diversion of some of the purchasing activity to a rural area; it would

probably be at the expense of the major metropolitan areas, particularly Edmonton. I would hope the Edmonton members will be in the debate that will take place in the next several weeks on that question and get their points of view across, because if we move all the purchasing to Barrhead, it may be to the prejudice of some of the Edmonton representatives. So I look forward to a spirited debate on that issue when we come to it.

Mr. Chairman, what we have done in the past year to assure more local purchasing is twofold. One is the delegated authority system; that is, instead of doing all the purchasing through the supply division of government purchases, through order in council we have delegated to local managers responsibility and authority for purchasing whatever it is they need, both in emergency situations and up to a present level of \$100. We started off at a \$50 level and, after a few months experience, increased that to the \$100 level. It would be my intention to recommend to cabinet shortly that we increase that number to \$250. There would then be the greater capacity of local government employees to purchase the supplies they need locally.

A second area we use to try to assure that there will be local purchasing is in the standing offer area. If I could take a moment to explain that; for instance, for institutions where we're buying food or other products — and we buy a range of products, thousands and thousands. But in the food area, say, for an institution in Clareholme, Lethbridge, or whatever, we would put out a standing offer contract and invite local suppliers to tender on that for the needs of a particular institution over a given number of months. The supplier who would succeed in that on the basis of the lowest tender would then, over the months, deliver those goods at the request of the institution, at the prices quoted in the successful tender.

Another area often brought to our attention in terms of purchasing is, can government purchases be an effective tool or assist in economic development? That is something we're very happy to work on with our colleague the Minister of Economic Development, although it does seem that the opportunities are small. Primarily because the range of things we purchase is so wide — as I indicated earlier, it is thousands and thousands of items — there really isn't the concentrated buying power in a given area which would give us the opportunity to assist directly in the establishment of a manufacturing enterprise. As I said, we're certainly interested in looking into that with the Minister of Economic Development and have in fact one or two examples of where we've been able to assist somewhat. But I've no way to assess what that will mean in the future, except to say that we will continue to work with the members of this Legislature, the Minister of Economic Development in particular, to see whether or not government purchasing can assist, recognizing that the three primary goals of a centralized system of purchasing are effective, early delivery of the product, an opportunity for all tenderers to bid fairly and, third, the best price in the best interests of the taxpayer.

The next vote deals with the Public Affairs Bureau, Mr. Chairman, which is the communication arm of government. As all members would know, we have a public affairs officer or officers in almost all departments of government. Their role is to communicate to the public the new and old programs and amendments, changes, and improvements thereto. In addition, they've had extra responsibilities this year in terms of communicating the Alberta position on the energy and constitutional questions, preparing those documents in concert with the

private sector for distribution to Albertans and, in some instances, beyond the borders of Alberta, to explain those critical issues to Albertans and to the rest of Canada.

Another aspect of the Public Affairs Bureau, of course, is the RITE system, the regional telephone system, which is such an effective opportunity for citizens to communicate or ask questions of their government. As members would know, we announced an improvement or extension of the system this year to serve that 14 per cent of Albertans who were beyond the reach of a RITE centre before the extension of the program. Now there is a Zenith number whereby people outside the existing centres can call at no charge and be connected to a government number, whichever department it may be. We've also extended the service to volunteer community groups, and I'm told that is a very positive thing throughout the length and breadth of Alberta.

I was particularly pleased about one of the other things we did this year in terms of the RITE system. It doesn't seem like a large thing, but it is to those it concerned; that is, people with hearing handicaps. We have provided a communication device in the central office of the RITE system. Operators are trained in using that device so that a person with a hearing impediment, with a comparable device in his home attached to his telephone or whatever, can communicate to the government for the first time through the use of that system. We've had a letter of commendation from the hearing handicapped association. I was extremely pleased at the government's approach to that. It was not a big budget item, in fact rather small. But it was a people service program extension that I think reflects the general attitude of this government, to serve all areas of the population, with particular emphasis on those who perhaps have some handicap, such as hearing in that particular case.

Mr. Chairman, Vote 6 is the information services division, commonly known as the computer section, which I think of as the nerve centre of government. With expanding government operations in terms of new programs and improvements of existing programs, improvement and extension in the computer area are mandatory. That is continually going on. A number of departments are working with Department of Government Services people in that particular division to develop what we call software programs. We had reference to it just recently in the Department of Energy and Natural Resources, their MARS program. The departmental people have primary responsibility for staffing the program, assuring that it will work, and bringing the parameters to Department of Government Services people and the private sector people we contract to work with us in developing those programs. As I indicated, a number of departments are working on new, expanded, and improved programs: Solicitor General, Attorney General, Agriculture, and others. To accommodate that growth, we will be having additional equipment brought on stream this year and the succeeding year. The additional equipment will be in both Calgary and Edmonton.

Mr. Speaker, the metric conversion branch, which is the small group of people working so co-operatively with the community of Alberta in administering and applying the federal metrication system, which is not widely — I shouldn't say that, but there is some resistance to it in parts of Alberta, particularly central Alberta. It is not an Alberta-initiated program, but since it is being brought to us by the federal government and is being accepted by all provinces, it is obviously imperative that we proceed with it here. The people in that branch are working hard to

assure that it is brought in with as little difficulty as possible.

Mr. Chairman, I would also like to comment on the revolving fund, though only briefly. As you know, the revolving fund is established to administer a number of departmental programs, and a number of the major purchases happen out of that fund; for instance, the aircraft purchases that were referred to here a day or two back. The charge went directly out of that fund for the purchase of that type of equipment; also computer equipment and whatever. So it is not part of the discussion here, although it is a fund administered by the department and charged back to the user departments on a user fee that is determined from year to year.

I would like to comment on one other thing. Mr. Chairman, something the Member for Edmonton Whitemud referred to just a couple of days back; that is, the emphasis of the government, particularly the Department of Government Services, on contracting out to the private sector what can properly be done by the private sector. I would say, sir, that we've been doing what I think is a remarkable amount of contracting out. It goes through the building operations area, through the caretaking area. Where we have new buildings coming on stream, we have gone to tender on some of those, to give the private sector an opportunity to participate in those maintenance operations. The Red Cross building in Calgary is an example of that, and I believe the new government building in Red Deer is another, where we've gone to the private sector.

Also in the information services area, we are contracting more and more to the private sector; that is, systems development. In the aircraft area, the area where the question came up, in addition to having government aircraft, both fixed wing and helicopter, we are contracting out a number of the flights, where appropriate, to the private sector.

Mr. Speaker, a commitment of the government is to contract out to the private sector where it is appropriate, bearing in mind that you have to have a government presence to assure that government needs can be responded to at a given time. But within that, we are as supportive as possible of the private sector.

Back for just one moment to the regional purchasing question. Again, having regard to the three major directives of the purchasing policy of government, we are extremely supportive of the concept of a regional purchasing area.

Mr. Speaker, with those few words I would be happy to answer any questions on the estimates.

MR. CHAIRMAN: Before we proceed to hear from some of the members, would the committee agree to allow the Member for Edmonton Mill Woods to make an introduction of visitors?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. PAHL: Thank you, Mr. Chairman. It's my pleasure to introduce to you, and through you to members of the Assembly 38 grade 5 students from St. Elizabeth school in Edmonton Mill Woods. They are accompanied by their teachers, Mrs. Sue Luchak and Mrs. Isabelle Belair. I'd also like to tell you that I had a short visit with Mrs.

Belair. It turns out that her husband was just starting his boxing career as I was finishing mine. I had the good luck to treat him not too badly because it turned out that he went on and became a heavyweight championship boxer, and is now carrying on in the tradition, coaching young kids in the pugilistic arts.

The St. Elizabeth grade 5 class and their supervisors are in the members gallery. I'd ask them to rise and receive the greetings of this Assembly.

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

Department of Government Services
(continued)

MR. SINDLINGER: Mr. Chairman, I have just two quick points to make in regard to these estimates. The first is in regard to advertising. About two weeks ago the question was raised in the Legislature about the contract awarded to Baker Lovick in Calgary. The contract to Baker Lovick was for \$50,000, and its purpose was to design a logo for the Heritage Savings Trust Fund. One of the questions posed in the Legislature at the time was what the policy was in regard to awarding contracts without tender. The Minister for Government Services volunteered the information that it was government policy that for any contract that had a value over \$75,000, it would be necessary that tenders be put out.

The question I would like to put to the minister is this: what actually happened in regard to the subsequent contract to Baker Lovick, where they were awarded \$200,000 for distribution of the logo across the province? That \$200,000 of course is above the \$75,000 guideline. I'd like to know whether that was put out for tender as well or whether it was just awarded to Baker Lovick as the first \$50,000 contract was?

The second thing I'd like to bring up is in regard to advertising too, Mr. Chairman. I have in my hand what is called *Nationwide Employment Opportunities*. It's a *Career Market* tabloid, billed as Canada's first national career opportunities newspaper. It has distribution across the country, beginning Vancouver, New Westminster, Calgary, Edmonton, Winnipeg, Toronto, London, Ottawa, and Montreal. It is 16 pages and is a high quality tabloid in terms of market or career opportunities. What policy does the department have in regard to utilizing something of this nature; that is, patronizing it and using it for its advertising purposes?

Although this isn't in his area, I might also add as an ancillary question, what is the policy of the Alberta Opportunity Company in regard to something like this? It's been brought to my attention that, although this is a nation-wide publication, patronized across the country, it doesn't get that much patronization in Alberta from the Alberta government.

So I'll just leave those two questions with the minister, please.

MR. CHAIRMAN: The hon. Leader of the Opposition.

MR. R. SPEAKER: Is he going to answer those?

MR. CHAIRMAN: The hon. minister is intending to answer the questions all together at the end.

MR. R. SPEAKER: Well, Mr. Chairman, certainly I would prefer that the minister deal with that question, because I have a separate topic I'd like to discuss back and forth across the Legislature and feel that that's the only way to secure the information I have in mind. If the minister is going to give me a one-shot answer, it's like the department. It's sort of a one-shot department. You can do it one day a week or one day a month and get the same results. So I would prefer if the minister answered that question, and then we could proceed with the second area.

MR. McCRAE: Mr. Chairman, I'd be happy to respond to the question asked. I'm not sure what the hon. Leader of the Opposition is getting at: it's like the department, one day, one week, one shot, one whatever. Maybe he doesn't want to amplify on that if he was disparaging — well I won't go into that.

Could I ask a question of the Member for Edmonton Mill Woods, which I'm sure he won't want to answer? I enjoyed his comment about one of the individuals he was introducing having begun his career at about the same time the Member for Edmonton Mill Woods was ending his career. I hope it wasn't in the same ring at the same time, but just a general frame of time he was talking about. I was sure that was the case by the warmth of his introduction of the hon. gentleman.

On the question of the heritage logo development, which is a very attractive and very reflective type of logo I think, and as with all such things, it will take some time to imprint itself upon the people or in the people's minds. But I think it has been widely accepted, and over the course of time will identify the heritage fund in the minds of Albertans and Canadians with a great deal of pride.

But on the question of the contract and the general governmental or departmental policy — if I could call it more of a departmental policy. It's worked out in harmony and co-operation with the people in the advertising area. Senior officials in the Public Affairs Bureau meet regularly with the advertising agencies and try to work out a procedure that is in the best interests of the taxpayers of Alberta certainly, and gives each of the advertising agencies a fair shot at a fair share of government advertising business.

What I'd attempted to outline in response to questions a few weeks back was the general departmental policy of tendering out contracts over a certain level — I think I said \$75,000, which is the general level — with the exception that where there is a firm that has the particular expertise, a particular knowledge, or a particular feel for something, we may go directly to that department and let a contract to them to develop a certain course of action, advertising scheme, plan, or whatever.

That was the case in this situation of the firm mentioned, Baker Lovick, who, although a national firm, do have a major presence here in Alberta and, I think, do a tremendous job in their particular field of expertise. So a decision was made that there would be a contract with the firm for about \$50,000, if memory serves me, which included the graphics and whatever else in the development of the fund logo.

Now the follow-up to that, the second part of the question, was about the distribution of the advertising of the fund logo to newspapers in Alberta. I would just respond that in many cases where you have taken a contract and let it through the tendering process or the other allocation process I have just outlined, there may be a follow-through of activity which would naturally com-

plement or be a part of the original contract. That would be the situation here, where the distribution to the newspapers of Alberta, both the dailies and whatever other distribution there was, of the advertisement of the logo after its development by the firm we have mentioned would be natural follow-through for that firm. That was the decision here. Having developed the logo, it would be more than appropriate that that firm, in consultation with government representatives, should allocate or distribute the advertising through the newspapers of Alberta. It was an add-on. As I said, it is not an unusual thing at all that once a contract is let, follow-up material would flow through to that firm, bearing in mind that in the final analysis — and I think advertising firms operating in Alberta would agree to this — we want to assure each of them that, within their capacity to deliver, they will have a fair share of that governmental business.

In response to the second question, Mr. Chairman, I don't think I quite understood or grabbed what periodical the Member for Calgary Buffalo was talking about. I think it was a career advertising area, and that would be developed through the personnel administration division, presumably working with their public affairs officer. As a general policy an estimate or evaluation is done of the readership you want to get to, and the placement is made in the newspapers or periodicals that are going to reach the readership we are trying to reach in a given case. For instance, I can remember a number of months back, when one of the former members of this Assembly was concerned that he was not getting advertising of a particular nature. It was the "stamp out forest fire" type of advertisement developed by the Department of Energy and Natural Resources. After taking it under inquiry it was obvious that the former member, who happened to run a newspaper, had no forest in his area. So really if you're trying to reach a particular readership group, you would not place that ad in his particular newspaper or chain of newspapers.

In general response to your question, sir, we try to place the advertisements in the newspapers or whatever that will reach the readership you're trying to get to in a given situation.

MR. CHAIRMAN: The Chair doesn't wish to hold up proceedings, but keeping in mind that some of our guests are usually on a very busy schedule I wonder if the Member for Redwater-Andrew might revert to Introduction of Special Guests.

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF SPECIAL GUESTS**
(*reversion*)

MR. TOPOLNISKY: Thank you, Mr. Chairman. It's a great pleasure this morning to introduce to you and to the members of the Assembly a class of 40 grade 6 students from the elementary school in Thorhild. They are accompanied by their teachers Mrs. Radomsky, Mr. Zinyk, a parent Mrs. Bauer, and bus driver Mr. Skuba. I ask that they rise and receive the welcome of the Assembly.

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

Department of Government Services
(*continued*)

[Mr. Purdy in the Chair]

MR. SINDLINGER: Mr. Chairman, two supplementaries. In regard to *Career Market* that I brought up, the minister suggested I pass this on the Minister responsible for Personnel Administration. I'll do that because this is a local effort which has national possibilities, and I think it deserves the support of the Alberta government.

In regard to the first question, I'm not too certain what the minister has told me. For clarification, I'd like to ask one simple, specific question: whether the \$200,000 distribution contract given to Baker Lovick was awarded on the basis of tendering and bidding, or was it just plain and simple given to Baker Lovick?

MR. McCRAE: That's a very straightforward question, Mr. Chairman. It was just plain and simple direction to Baker Lovick to develop a distribution of advertising scenario for the heritage logo.

MR. SINDLINGER: Thank you, Mr. Chairman. I have difficulty understanding this now, in light of the comments made in the recent past by the minister in the Legislative Assembly. In regard to asking about the government's policy on tendering practices, the minister specifically said that if there were a contract with a value over \$75,000, that contract would be given out for tender. However, in this case we're told tenders were not put out on this \$200,000 contract. In earlier comments the minister indicated that it's not an unusual thing to do this; this is an add-on type thing to the initial contract. I don't think that makes a lot of sense, Mr. Chairman. If I were in the advertising business, it wouldn't take much insight on my part to realize there would be follow-up work on a contract, in which case I would make sure my initial bid was inordinately low, knowing that if I lost money on that one and if the government's policy was to let me get the second, follow-up one, then I would make up the money on the second one.

So, I'm not too certain that's a satisfactory policy. I wonder if the minister would care to reconsider that and establish some firm guidelines on setting policy in regard to tendering practices. The reason I bring it up here — the \$200 million may seem insignificant — is there's another example I'd like to follow up later on in regard to transportation.

MR. DEPUTY CHAIRMAN: The member said \$200 million, and I think he should have indicated \$200,000.

MR. SINDLINGER: Thank you, Mr. Chairman. Yes, I did mean \$200,000.

MR. McCRAE: Mr. Chairman, the member makes an interesting argument. I guess in these things you don't need any hard and fast rules. You work with a particular segment of the industry, in this particular case the advertising industry. As we say, we try to assure that each of them gets a fair share of governmental business.

To go back to the original question, I thought I'd answered it fairly fully. The general policy of the department of the government has been that beyond the level

mentioned we would normally, or often, tender out. But I did put the caveat that where there's particular expertise, knowledge, or whatever on the part of a particular agency, it would not be unusual — although not always done that way because of the general policy, but it really doesn't breach the policy — to award a contract to a particular firm. A follow-through of the advertising, as I've indicated, is not unusual either. This was a one-shot thing. But if it were a continuing thing, year after year — we've done this with other agencies that may have had a large contract for two or three years — then for re-evaluation, reassessment reasons we might retender it, and the firm that had had it up to that point might not have the contract beyond that.

So it's a question of good judgement. That really is the criterion: the best judgement to effect a particular goal. I think the goal, in response to Alberta citizen demand, was to develop a logo, a means of identification of the heritage fund. Having identified the logo, whatever it should be — and as I said, I think that is a very attractive logo, and I've had many, many compliments on the attractiveness of the logo. I wouldn't take any personal credit for that because I'm not really very artistically inclined. In any event, what we did here was entirely consistent with government policy, although I've said that we do tender in many situations beyond \$75,000.

MR. SINDLINGER: A supplementary, Mr. Chairman. The minister has indicated that it's only fair the different businesses get a fair share of government business. But there's something unusual about this particular situation that makes it unfair, in my opinion, to Baker Lovick. That's the insinuation or innuendo that associates Baker Lovick with the Progressive Conservative Party, in that Baker Lovick does the campaign and political work for the Progressive Conservative Party. So when it's awarded a contract of \$200,000, which is far above and beyond the \$75,000 guideline the minister indicated was government policy for calling for bids and tenders, then it casts some questions or doubts upon the authenticity of the expertise professed to be held by Baker Lovick.

So it would only have been fair that in the first instance where the \$50,000 was given to Baker Lovick without bids being called, bids should have been called for the subsequent contract of \$200,000, to take away any innuendo that might have been associated with Baker Lovick. In that sense an injustice has been done to that firm. I don't question their expertise; they are undoubtedly highly qualified and competent. Nor do I question the fact that it was necessary this be done. On the heritage fund committee, I for one have advocated that a distinctive logo be designed to highlight the projects the heritage fund has undertaken.

MR. R. SPEAKER: Mr. Chairman, I would like to explore with the minister the whole area of advertising as well, and go from the question raised by the hon. Member for Calgary Buffalo. The concern I have with this government with regard to the public affairs division and advertising is, one, the accountability to this Legislature in the type of advertising done. I think that's a very basic principle that must be adhered to and must not be violated in any way; number two, that any advertising that goes out in this province must be offered by contract. That principle should not be violated. In regard to the Heritage Savings Trust Fund logo, I feel that it wasn't a rational decision or good judgment, it was political judgment. That's not good enough when we can take public

funds and play political games. The minister has to be held accountable and answerable for that in this Legislature.

The point I want the minister to focus on in response to me at this point is whether there are written guidelines with regard to advertising, and whether advertising is only done on subjects, legislation, or programs endorsed by this Legislature. When they are endorsed by this Legislature, they are on behalf of all the people of Alberta. When it is only government policy, a government idea — and I would have to say that that Heritage Savings Trust Fund logo is a Conservative government logo. I didn't have the opportunity of voting on it. I had no say at all. None of the members in the opposition did. Whether the Conservative caucus approved it or not, I don't know. I'd have to say there was some bad judgment in that, when they couldn't recognize the difference between the province of Saskatchewan and Alberta on the logo, and how it confused people in Alberta. But \$250,000 was allotted by political, not logical, judgment, and not by criteria.

I challenge the minister to table in this Legislature the criteria he outlined that he said is general and we follow. Is it written? Is it a directive of cabinet? It isn't a directive of this Legislature, because those criteria have never been approved in this Legislature. This Conservative party knows that they want to keep things flexible to promote their own vested interest and political future in this province. That's not good enough, Mr. Chairman. That's not accountability. That's one of the thrusts of this opposition, to determine whether this government is administratively accountable. On this issue of advertising through the Public Affairs Bureau, it is not accountable, and it has not reported back to this Legislature.

I raised the second issue in this Legislature with regard to the advertisement of the eight premiers, a large advertisement that went in all Alberta weekly or daily papers. It is entitled AGREED, an article that's an agreement of the premiers — of this Premier, the leader of the Conservative party — who agreed to some constitutional guidelines, and agreed with other premiers in Canada. But through the premiers' own admission in the last part of that ad:

Signed on behalf of the under-mentioned Governments, to be followed by ratification by the respective Legislatures or National Assembly.

The advertisement was carried. The province of Alberta is responsible for paying for the advertisement. We as taxpayers must pay for it. There's nothing wrong with the ad; it's all right. But there is a violation of a principle. Before money was expended, there was not approval of this Legislature. That is the same kind of advertising, the very same principle, that is violated with regard to the Heritage Savings Trust Fund logo. We have not approved that logo in this Legislature. Have you voted on that logo? Have you? Behind closed doors in caucus you may have. But that does not endorse it as a public project or an item of expenditure.

So, Mr. Chairman, the minister must tell us and lay on the table in this Legislature, if he can, the ground rules for advertising. Are those ground rules available, and does the minister really have ground rules that are written and endorsed by cabinet? They weren't endorsed by this Legislature, because we'd have been a little too accountable. Are they available, Mr. Minister, or are they not?

MR. McCRAE: Well Mr. Chairman, we seem to be hammering away at something here that I almost find . . .

SOME HON. MEMBERS: Speak up. We can't hear you.

MR. DEPUTY CHAIRMAN: We're having difficulty in hearing the minister.

MR. McCRAE: I say, Mr. Chairman, that we seem to be hammering away at something here that is almost . . .

DR. BUCK: It's only a quarter of a million, Stu.

MR. McCRAE: It's very important to the hon. gentleman. He asked a number of questions, and I'll respond to them as I remember them, one by one; the first one being is there a written set of guidelines? I would say firstly that there is now, because my words are in *Hansard* and have been for several weeks on this particular situation. But what I indicated was that this government, this party, has a great respect for the private sector. We don't, as maybe a previous government did — frankly I don't know what they did. But we don't lay down standards or rules without consulting with the people who are delivering the service. The service in this case happens to be the advertising agencies, Mr. Chairman.

MR. R. SPEAKER: Are there written guidelines by that department that have passed through cabinet and, most likely doubtfully, in caucus? Are they on paper or not? This conversation that's going on about the great talk to the private sector and putting it in *Hansard* is totally a bunch of nonsense. It does not answer the question of accountability to this Legislature in the spending of funds.

MR. McCRAE: Mr. Chairman, I don't know whether the gentleman wants me to answer the question or whether he wants to keep making the same rhetorical, inflammatory speech he's been making for the past several days on this question. What I was beginning to say is that the policy, be they guidelines or whatever, is developed through consultation between senior members of the bureau and the industry people who are delivering the service. They're not written in stone for all time; they are developed. They may vary from time to time in consultation with the industry. I think that is the direction to go. Certainly that is the direction of this government. I've indicated what the guidelines are, as developed in harmony and consultation with the service sector, and to the extent that I have stated them here today and before, I suppose they become the written record of the guidelines.

If I could go on to the other matters raised, there was a charge that the logo was a Conservative government logo. I don't know how it could become that or how it is that. It is a heritage fund logo to reflect the fund in the mind of the people. It was not brought to this Legislature for debate or vote, and I think obviously it shouldn't have been. You just don't do that. A government is elected to govern and develop things. In response to popular demand, including the wish apparently of the Member for Calgary Buffalo, we undertook and contracted to develop a logo, and then it was advertised through the newspapers.

Frankly, I don't think, as has been suggested over the past several days, it would be appropriate or sensible to bring back to this House every individual advertisement the government is going to do. In effect, that is what the hon. member is saying. He's demanded to know why we didn't bring this particular advertisement before the House. Did you want the [Check Stop] advertisement

before the House? Did you want the numerous other advertisements that are an effort, and I think a very positive and effective effort, to deliver the news, so to speak, to communicate to the citizens of Alberta what governmental programs are? Do you want the time of the House taken on each of those, where you would add your commas and paragraphs, and you would or wouldn't like the graphic art? We wouldn't sit here 365 days of the year, it would be something like 765 days of each year. We are elected to run the government, and I guess part of that is communication of governmental programs to the citizens of Alberta.

Mr. Chairman, could I go on very briefly to the advertisement of the accord agreed to by the eight premiers. The premiers of British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, Prince Edward Island, Nova Scotia, and Newfoundland agreed that they would advertise in each province. The decision was agreed to by the premiers. I think it was a very responsible decision, a necessary decision, because apparently some people — not too many people of Alberta, I suspect, but certainly some of the members opposite, if we look back to the motion on the Order Paper yesterday which said "the eight Premiers [who were] opposed to . . . Patriation". As we pointed out yesterday, no eight premiers, in fact no premiers, were opposed to patriation of the constitution.

The agreement of all the premiers of several different political persuasions from British Columbia to Newfoundland was that there would be a one-shot advertisement of their accord on their patriation agreement and the amending formula they set forth. As I've said, it was agreed to by all the premiers. A further agreement was that it would also be advertised in the two provinces that were not there; namely, New Brunswick and Ontario. A further agreement was that the Bennett government of British Columbia — with whom, I'm happy to say, this government has been working very closely on a lot of matters including the constitutional and energy matters. It was agreed by the eight premiers that an agency in British Columbia, a national agency with offices in all the provinces, would undertake placement of the advertisement in the newspapers of the several provinces on behalf of the eight premiers.

So that's where we are on that one. I don't understand what all the fanfare is about. If we have sinned here, I guess we've sinned in harmony with the seven other governments represented at that important April 16 meeting in Ottawa. Mr. Chairman, I'm happy to answer any further questions on that, if I can understand them.

MR. R. SPEAKER: Mr. Chairman, the minister is not listening. He's just following the normal practice of this government of turning a deaf ear when there's a problem and isn't listening to the point being made. We heard a lot of verbalization that was about as much waste of time as that department is, about as much waste of money paying for the minister's salary. Some other minister — there could be 15 ministers or less in this government — just walking down the hall could take the responsibility of that department and do it equally well, if policy were established. But this government has learned how to expand into the job and get involved in day to day things that have to be done because they never make a clear, specific policy or support a clear, specific principle that is a guideline for the members of the civil service to follow. Here we have a minister who has denied that there are any written rules for advertising in this province, that they can be blatantly abused and patronage can occur.

We as members of this Legislature, one, can't evaluate them and, two, can't even get information. That's unbelievable, Mr. Chairman. That's number one. That's the way the action is going on.

The second thing is the principle I'm talking about with regard to spending public money on advertising that is representative of this Legislature. If the minister can keep those two points clear in his mind, we'll focus the discussion. I'd like to speak very briefly on the second one with regard to advertising. This issue is being raised not only in this Legislature. On October 9, 1980, the House of Commons raised exactly the same issue. On constitutional advertising across this province, the Liberal government advertised geese flying on our television. The NDP and the Conservative party established in the House of Commons that that position put across to set or change the attitudes of Canadians was determined to be the position of the Liberal party in the House of Commons and not representative of the total House of Commons.

That's what I'm saying here, too. By saying we're paying for the advertisement, we're taking for granted that this advertisement represents the point of view of the Legislature. It says right in there that it still has to be ratified by the Legislature. The same with the goose advertisement. The House of Commons would have been satisfied with that advertisement if it were ratified as a position of the House of Commons, which it was not. If the hon. member will go through the House of Commons *Debates* of October 8, 1980, he will see that very well-known, long-time members, leaders in the House of Commons, spoke on the issue. The Hon. Joe Clark puts his position very clearly that that kind of advertising is not acceptable. I'd just like to quote one or two things he said in the House of Commons:

It is not a question of opinion; it is a question of decision. That is what approval means in the lexicon of Parliament. That is the only basis upon which government advertising of the kind that this minister is attempting to justify, could be justified.

The hon. Leader of the Opposition in the House of Commons goes on to say that in his position:

I think that that attempt to spend public money, to manipulate public opinion on public questions that have not been decided, is an improper practice that offends the rights of this House of Commons.

The hon. leader of the NDP, Ed Broadbent, makes the very same type of statement with regard to that type of advertising not approved by the House of Commons. The point of privilege discussed in the House of Commons is the same one I'm talking about here. I'd like to read the formal point of privilege that was discussed:

That the matter of the financing of public advertising campaigns at taxpayers expense on behalf of a partisan policy or opinion, before such policy or opinion has been approved by the House of Commons, be referred to the Standing Committee on Privileges and Elections.

That sets the ground rule for the concern they had at that point in time.

That's the same concern I'm raising in this Legislature, Mr. Chairman: that we have not had that endorsement. I'm not sure what our position would have been, but if there weren't a distinctive difference in our earlier debate that we added to this Legislature, most likely we would have ratified the agreement. Most likely we would have said yes, we must advertise. But in terms of the sequence of events, I think the government and the minister have made commitments of expenditure that haven't been rati-

fied. Now hopefully that point isn't too technical or too difficult to understand.

Just as a review for the minister, the first point is that there should be written guidelines and they should be tabled in this Legislature. If not, the minister should make a commitment to put those guidelines in place — written, endorsed by this Legislature — so that we know how public funds are being spent for that purpose.

MR. McCRAE: Mr. Chairman, I'd like to respond in some detail to the questions or statements by the hon. Leader of the Opposition. I think I'll start with the latter one first, just so I don't forget all of it. I agree with the debates that occurred in the House of Commons. The Liberal propaganda, the business of the flying or flapping geese, whatever they were, surely was not an effort to communicate a governmental policy at that time. I don't think any of us have any quarrel with that. But to equate that to a decision of eight premiers and having regard to the time frame we're in — that is, the debate in the House of Commons that was going to take place, the assertion of certain federal ministers that the provinces could not or would not agree on constitutional reform — having regard to that time element and the question of the referral of the question on the constitutional propriety of the federal government action being referred to the Supreme Court, the intention to take the federal unilateral package on constitutional reform to the Mother of Parliament in Britain, and equating the decision of the eight premiers to communicate to Canadians — and I say to Canadians because it went beyond the boundaries of Alberta; it went into the hearts and homes, I hope, of every person in Canada — to demonstrate that the eight premiers, the eight governments, the provinces could and did agree to a very appropriate constitutional reform package: to equate that kind of communication with the propaganda thing that came out of Ottawa — which at that time was really an attack on the western provinces; I don't want to describe it in inflammatory terms — just doesn't bear any resemblance at all. I think it is poppycock to suggest it did.

The member suggested that we should have brought the accord signed by the eight premiers back to this House and had a debate on it. I understand there will be a debate on that question sometime this spring. But having regard to the exigencies of time, what was happening in Ottawa, to suggest that we should have done nothing until we had that debate here — I guess we just rest our decision with the other seven governments that supported that decision.

AN HON. MEMBER: Including the Social Credit Premier of British Columbia.

MR. McCRAE: I didn't want to mention that because we are working in such close and reasonable harmony with them. To mention that suggests there is some — that's getting partisan; I'm not going to say that — resemblance between the opposition here and the government of British Columbia. I don't want to get into that. [interjections]

The decision to communicate that accord was a necessary and responsible one and, I think, one that is well received by the people of Alberta. The hon. Leader of the Opposition said that if it had been brought back here and debated, we all could have had our say on it. If I remember correctly he said, I don't know what our position would have been. Well, we're into this thing up to here, and if you don't know what your position is right

now, sir, time most assuredly will pass you by.

On the first point, whether there should be written guidelines, what I have said is that we do have departmental policies that we follow.

DR. BUCK: Table them.

MR. R. SPEAKER: Where are they?

MR. McCRAE: As I have said several times, and perhaps we should get a hearing aid for the hon. individual, they are not written in stone. They are developed with the private sector who are performing the service. They are happily agreed to by that community; that is, the advertising agencies, which I think are very supportive of what this government is doing in assuring that there's a fair distribution of advertising to each of the agencies in their particular areas of competency. Because the agency in this case happened to work for the Progressive Conservative Party — frankly I think they worked for the opposition party too. I suppose it is possible you can work for both parties at the same time. That may not be the case. In any event, to suggest that because they work for this government, as thousands of other firms in Alberta contract with this government — surely because they support the government is no reason to rule them out from participation in the business of the government as long as it is a fair distribution.

That's where we're at, Mr. Chairman. I don't mind answering the questions again and again, but really I think we're becoming very repetitious.

MR. R. SPEAKER: Mr. Chairman, I'm not sure where to start, because the end over there doesn't really know what it's doing. It's very unfortunate that the minister is paid a salary to administer a department without any guidelines and doesn't know what's going on. That's just a representation of the arrogance and insular position of this government. This minister epitomizes the whole thing in one focus. Hopefully that's going to catch up with this government fairly soon.

Mr. Chairman, to help the minister maybe I can sort of lead him through the questions so he understands the question I'm asking. The first question is: has this agreed position of the premiers been ratified by this Legislature? I think that's a fairly straightforward question.

MR. DEPUTY CHAIRMAN: Would the minister care to answer that one question?

MR. McCRAE: Mr. Chairman, I think we all know the answer to that question. Resolutions on the question of constitutional patriation were debated. I thought we had the full support of members of this House; perhaps we didn't. If the question is specifically have we voted on the accord signed by the eight premiers, there has been no vote in this House. I thought the member spent enough time here that he would know that, but I'm happy to enlighten him regardless.

MR. R. SPEAKER: Okay. So the first answer is no. I think we've established that. That was very good of the minister, so we'll give him a few marks there.

Mr. Chairman, the second question to the minister: are government funds used to advertise policy, programs, or legislation that has not been endorsed by the Legislature?

MR. COOK: Mr. Chairman, may I rise on a point of order, please? I think the hon. Leader of the Opposition needs a lesson in parliamentary government, theory and operation. The questions is out of order because it refers to the departmental authority the Legislature has given the hon. minister to conduct his office. The Department of Government Services Act states that the minister may engage the services of experts, conduct programs . . .

MR. DEPUTY CHAIRMAN: Order please. The Chair will rule that the Leader of the Opposition has the authority to ask the minister those questions. It is up to the minister of this House who is responsible for that department to answer those questions, not a member other than the minister.

MR. McCRAE: Mr. Chairman, I'm obviously more than happy to answer all the questions. Why don't we get them all out on the table at one time rather than going back and forth in this debating fashion?

MR. R. SPEAKER: You can't remember them.

MR. McCRAE: The member says he can't remember the questions. Make some written notes.

MR. R. SPEAKER: Mr. Chairman, it's not me who can't remember the questions. I have raised the questions, but the answers I've been getting are unclear in the sense that there are no answers. The second thing that is clear to me is that the minister is not doing his job. We have a minister in a portfolio who doesn't even want to be answerable and accountable to this Legislature. That goes for the whole government, and he represents the government in this position. He is trying to say that he has the endorsement of the rest of cabinet, which means he is representing government. When he is not accountable, that means government is not accountable. He can't tell us a very simple thing like whether advertising guidelines are in place. He can't tell us all those guidelines; it's play it by ear, which is very haphazard and very unfortunate to the private sector of this province because that way leads to special treatment for special people. When you have no principles to guide your department, you will deliver unfair treatment, and that's unfortunate.

Mr. Chairman, the second thing is that I have asked the minister a very simple question. The second question was a very simple question, not a compound question or sentence, so I could gain a yes or no, to establish at least one aspect of policy with regard to advertising. The minister is unable to listen to that question. He talks in generalities. He wants 10 questions to answer at one time. If we can't answer one at a time, I think we better rethink that position.

Mr. Chairman, to the minister. My question is very straightforward.

MR. COOK: On a point of order, Mr. Chairman. The hon. Leader of the Opposition is asking questions which go against the grain of parliamentary government, against the whole concept of government as we know it in the British Commonwealth system. If he persists in asking this sort of question — he's asking the minister to contradict the form and theory of government that we have. He's asking the minister to produce evidence that he has the legislative authority to do what he's doing.

Mr. Chairman, I respectfully ask you to reconsider your ruling. My point is that he has that legislative

authority in the department Act he administers, in the estimates he has provided for the Legislature, and in the annual report he provided for the Legislature. He has met the test of accountability. The questions the member is asking are unparliamentary, unconstitutional, and the minister should not answer them.

MR. DEPUTY CHAIRMAN: I beg to disagree with the hon. Member for Edmonton Glengarry. The questions that are being asked by the Leader of the Opposition are correct questions for committee.

MR. McCRAE: Mr. Chairman, if I may respond to the question whether specific programs are advertised before they are debated or voted on in this House, perhaps I should re-explain how the Public Affairs Bureau operates because obviously the Leader of the Opposition and the opposition party do not understand it. For instance, we have public affairs officers in the several departments of government. Through their estimates procedure, the process of voting in this House, each of those departments has a budget, included in which is a communication budget.

[Mr. Appleby in the Chair]

For instance, if we could deal with the Department of the Solicitor General. When his estimates go through the House, they are voted on under different votes, different appropriations. But let's look at a specific program, Check Stop, with which all members must be familiar. That program is widely advertised, widely known, and I think greatly appreciated by Albertans. I could say to the member, do you recall voting on whether or not we would advertise the Check Stop program? The answer would be no, you don't, because we didn't. That is a departmental responsibility, worked out through departmental officials and the public affairs officer. When the program is worked out, it is advertised.

If we would apply that reasoning across all departments of government, I think the answer becomes obvious: no, we don't vote in this House on individual advertisements or whether or not programs will be communicated. Obviously if a program in someone's estimates is debated here, there must perforce be some decision that that particular program, once approved here, will be communicated to the public of Alberta. If that involves advertising, it involves advertising. There's no point in having a program if we're not going to tell the people it's intended to help what the program is, be it a farm loan program, agricultural opportunity development program, the Opportunity Company, a Social Services and Community Health program, or sewer and water in the Department of Environment. Those are voted on as programs, and the decision as to how and when the communication will be made is made by the government. The advertisement of those programs is done by the government.

I don't know if that helps, Mr. Chairman. I certainly hope it does.

MR. R. SPEAKER: Mr. Chairman, it partly answers the question. This is what the minister has been saying to me: this government only advertises programs, legislation, or thrusts of the government that have received the endorsement of this Legislature.

Let me give a couple of good examples that I think were right. The blue pamphlet and that wine-colored pamphlet relative to energy and the constitution were

endorsed by this Legislature through a resolution. The government advertised the position to Albertans and to others. All right. I'm not arguing that point. That's acceptable. Check Stop: discussed in this Legislature, acceptable to advertise. I don't care how the advertisement goes out. That's up to the professionals. It's up to the minister to deliver that. In terms of programs of the Alcoholism and Drug Abuse Commission, the member has mentioned them in this Legislature. We have not reacted to them. We have given endorsement to a budget to go ahead with those programs, and advertising proceeds; acceptable.

I could go on and list them. The Department of Labour advertises in the paper. I don't want to see any of those advertisements. The program is endorsed in the Legislature, advertised through whatever medium, and acceptable. The Department of Agriculture, ADC loans — we've passed the principles in this Legislature, passed a budget. The principles of the program were established. The minister related them to this Legislature, and advertisements went forth; acceptable.

That's the principle I'm talking about: programs endorsed by this Legislature and advertised under your department through guidelines that I hoped were there; acceptable. And I determined from the minister's remarks that that is the policy of the government. But here is an advertisement — I'm not against the advertisement, the format, or the content. I'm talking about the principle of how advertising is paid for. By the Premier's own admission, the content of this advertisement has not been ratified by this Legislature. However, the government committed itself to spend funds. Is that also a policy of this government? At that point in time, I feel that the minister has violated the principle he enunciated a few moments ago and the concept of spending public funds on public policy; has now spent public funds on the Premier's and the Conservative party's position, but not the position of this Legislature. It still has to be ratified.

That's my position, Mr. Chairman, at this point in time.

MR. DIACHUK: Are you against it or for it?

MR. R. SPEAKER: All right. Hon. members are raising two things. One is the position of the Premier on the constitution. That's a different debate than is going on right now. That is not the debate. The principle we're discussing here is spending public funds on an advertisement, whether this one or others, on programs, policy, or legislation not endorsed or discussed in final detail in this Legislature.

MR. McCRAE: Mr. Chairman, I think we're onto a very narrow point. I was happy to see that the member understood the explanation of the departmental programs that are voted on and the fact that all the advertisements that might communicate the departmental programs are not going to come back to this Assembly for ratification. I was also pleased to hear that the hon. member supported the preparation and distribution of the other governmental policy advertisements, to the very limited extent that they have been done. Frankly, I don't recall any specific debate on those particular projects, but I'm happy to know that it has the full support of this House, as it should, because these times are critical to Canada and particularly to Alberta as a resource province.

I think it's fundamental that we should be attempting

to communicate the very fair positions adopted by this government certainly and, I had thought, by this Legislature, through the various resolutions and other matters that have been debated here over the years. We've had constitutional discussions, resolutions. As I recall, the one was a vote of 71 to 1. So there would appear to be some harmony between this House and the people of Alberta on this question.

When we come right down to it, Mr. Chairman, the decision was made by eight premiers that their accord should be immediately communicated to all the people of Alberta. The distribution of the advertising was made, and that's where we are. Having regard for the things that are happening in Canada on the constitutional questions and the claims that were coming out of the Ottawa government that the several premiers of the provinces were unable to reach any agreements on constitutional matters, I think it would have been irresponsible for the premiers not to agree to communicate their responsible accord to all the people of Canada.

I'm happy that this government and the seven other governments have reached that conclusion. To suggest it is party advertising, Mr. Chairman — if it is party advertising here, I suppose it is in British Columbia and in Saskatchewan. I don't think it is here. I don't think it is in Saskatchewan, and I know it isn't in British Columbia.

MR. R. SPEAKER: Mr. Chairman, I'm going to conclude this discussion with a final question to the minister, and I think a yes or no answer will clarify it from this point on with regard to the position of the government. Can the minister assure this Legislature that no further public funds will be spent on advertisements of legislation of programs, of policies, that are not endorsed by this Legislature?

MR. McCRAE: Well, Mr. Speaker, the question was, could I advise him with a yes or no? The answer to that would be no, I cannot advise him with a yes or no. But I would like to assure him that generally I think the advertisements, the communications efforts we make, are reflective of governmental policy and, hopefully, as approved by this Legislature; not always on a unanimous vote, but certainly approved by the Assembly in general through the estimates process we're going through right now.

During the next several months of this constitutional, energy, and related debate, if it appears that certain responsible communication efforts should be made on behalf of the people of Alberta and, therefore, indirectly on behalf of the people of Canada, I hope we will have the courage, strength of conviction, and wisdom to take reasonable communication efforts. I'm not forecasting we will. In this critical period of time, I just say I hope we will be responsible in that area. To tie ourselves down with the type of yes or no suggestion by the hon. Leader of the Opposition — as a politician I can appreciate why he would like us to do that. But as the minister responsible, a taxpayer, and an Albertan, I would not want to be tied down to that very rigid manner of communicating, particularly inasmuch as we only meet here for several months and then a shorter fall session. If something critical were to happen in the early or late part of June or summer, I hope we would have the support of this Legislature to do whatever would be responsible in the best interests of Canadians and Albertans to communicate the position of western Canadians or Canadians in general on

a given subject. To equate that to the wild goose advertising of the federal government is an unfair comparison.

MR. GOGO: Thank you very much, Mr. Chairman. The minister gave an overview on the department, and I want to raise several questions within the context of what he raised. I hope I would be permitted to do that. First of all Government Services seems to be all-encompassing. I'd like some clarification from the minister, perhaps when we go through the votes, how it impacts on other departments.

Mr. Chairman, since The Legislative Assembly Act was amended to provide services to members of the Assembly in the form of constituency offices, I've been very pleased — and I'd like to pass this on to the minister — that in the ridings of Lethbridge West and Lethbridge East, the personnel of the minister's department in the Lethbridge office, Mr. Roberts and Mr. Monaghan, have been just so helpful to me as a member in seeing that that office has been furnished. When I've required various services, they're right on the spot. I'd like the minister to pass that on to those people. I think it's important not only to me, but to the minister's department.

With regard to conservation of energy, that's really what I'd like some answers on. I have some difficulty trying to differentiate between Government Services and Housing and Public Works. Perhaps the minister can help me out in that regard. I understand that Housing and Public Works acquires space for government use, Government Services equips those buildings in most cases, operates the buildings in terms of maintenance costs, and looks after energy conservation. My understanding is that about 25 per cent of the energy costs in the government-used buildings we have are related to lighting, as opposed to heat, air conditioning, and so on. So it's obviously a very substantial cost.

I understand that the Provincial Building in Lethbridge has reduced its operating costs for utilities by about 40 to 50 per cent. I would like to know from the minister, either now or later, if that's come about as a direct result of the government policy for energy conservation. In addition, is it on a manual system or is it computerized? What intrigues me about the computerized system, it seems to me it's just so important to have an automatic system in place when we look at the entire province in terms of energy costs and if we're sincere about conservation. I can see where a policy of government is to use whatever measure is available, not only with design but in operation.

This brings me to the question of computerized lighting controls. I understand they're not only available, but we have pay-back indications from them where, in most cases, in five, six, or seven years we can actually pay for the cost of installing that equipment. Could the minister respond on that in the estimates, Mr. Chairman?

Next, I understand we lease a tremendous amount of space for government use. It would seem to me that if government is going to lease that space, particularly prior to construction going on — in other words, we arrange for lease for a building to be built for our use — that we as a government insist on energy conservation at that point because once it's built, obviously we have to pay the bills.

With regard to mailing costs, it's always intrigued me that the mailing bill must be pretty horrendous. Could the minister indicate whether his department would know the total cost to the government of Alberta for postage, or would one have to go to each of the 26 departments to find that cost? I'd like to find out what that cost is. The

courier service is extremely helpful to all parts of Alberta, not the least of which is to constituency offices, Mr. Minister. That's certainly appreciated.

On a more personal note, the policy of government with regard to decentralization is not only a good one, it's been proven time and time again. However, part and parcel with that, I hope the Minister agrees that we're not going to end up in a situation where we're going to decentralize departments around the province and then insist that supplies for all those offices have to come out of this capital city. If we're sincere about the department of the minister of Tourism and Small Business, of the energies put in by other ministers to see that decentralization is effective, surely we must have a policy in place that, where possible, purchases of both furnishings and supplies for government use in those communities will, in the first instance, come from those communities. I'd like the minister to confirm that.

The minister made a comment about local purchasing. On several occasions it has come to my attention that — for example, go up on Jasper Avenue and try to cash a government of Alberta cheque. I challenge you to do it. It's a very difficult thing to do. The reason is that many cheques are stolen from mailboxes, nothing to do with the credibility of the paper of the government of Alberta. Yet you go into a community in southern Alberta, and you want to buy a truck tire for \$200 for a government vehicle and charge it. Forget it. They tell you to get lost, with very good reason. It takes heaven knows how long to pay the bill, and the red tape. I question whether local purchasing at \$100 is reasonable. For many years it was \$25. Now I hear the minister saying a recommendation that it is to go to \$250. I hope it could go to \$250 very quickly, because I think it's causing a lot of ill will to government; the fact that people will not accept credit from the government because of the long time to pay on the one hand, and yet the departmental people out there don't have the authority to go beyond such a minimum point.

Finally just two points, Mr. Chairman. A couple of years ago the minister's department instituted a policy of getting rid of used furnishings and equipment, which I think is very helpful to other parts of Alberta. We used to store in tremendous size warehouses in Calgary and Edmonton, and then auction them off in those centres. We instituted a policy where that would be done locally, if possible. If he could, I'd like a report from the minister as to how successful that's been in southern Alberta. My information is that the policy is working extremely well in the Lethbridge community. I'd like to ask the minister if he would also see that it goes to Fort Macleod, Cardston, and other communities down there that have auction markets, if that's possible, rather than taking it even into Lethbridge.

The final comment, Mr. Chairman, is with regard to the regional information telephone enquiry system. Could the minister advise the committee if Lethbridge operators, who receive calls from all over southern Alberta, have a constituency map indicating the member of the Assembly who represents the caller? I think it could save us a lot of time and money. If a citizen phones government looking for their member to speak to, that index is there with the operator. I think it would save a lot of time for everybody concerned if that information were available at that spot and the citizen could be advised.

Just let me conclude on the point, Mr. Chairman, that of all the departments of government, it may appear that Government Services impacts least on the public. I think

it impacts at a very high level. Quite frankly I think if some of the issues I've raised are addressed and resolved, that would certainly improve the image of the government to the citizens of Alberta.

Thanks very much.

MR. STROMBERG: Thank you, Mr. Chairman. The Member for Little Bow isn't here, but I just want to point out to his short circuited memory that I can recall, prior to my entering this Legislature, when Albertans were flooded with gold and green pamphlets put out by the government of that day advertising a land for living. I mean flooded. I think some are still stuck on my granaries on my farm and throughout rural Alberta. I can remember when Senator Manning would go on his weekly TV program. Who paid for that? I doubt if it was a church donation. They couldn't afford that kind of money; they were on the way out.

That's all I want to comment on, Mr. Minister.

DR. BUCK: Mr. Chairman, to the members of the committee. I would just like to make one or two points to the Minister of Government Services. When the minister indicated that the government shows respect for the private sector, I would like to say that when we do not ask for bids we are insulting the private sector, Mr. Minister. In light of the fact that we did not ask for bids, what is the policy of this government as far as invitational bidding goes? Is there more of a tendency to that by this government than there is otherwise, or is it just used in isolated cases?

It's just an indication of the arrogance of this government when we see a flagrant, blatant use of the colors orange and blue so prevalently in this province. You have to be arrogant and you have to think that only you are right. I refer to the buckle-up signs, identical Tory blue colors, the hopper cars, and now the new licence plates.

Mr. Chairman, can the minister table in this Assembly the different varieties of logos that were presented to the government, from which the government chose its final logo? There must have been more than one. I would also like to know from the minister what other color combinations were given to the selection committee, whoever that was, what other color combinations were made available for that choice. Can the minister table that information?

One other question I would like to ask the minister: why were the logo that was chosen, or the available choices and the color combinations not presented to the Heritage Savings Trust Fund legislative committee?

The last question: can the minister indicate if government automobiles are self-insured or is the insurance still with the former president of the Alberta progressive party, Mr. Watson? Shortly after this government came to power, that insurance was given to that firm. It's public knowledge. Is that insurance still in the hands of that agency, or is the government now self-insuring its autos, as many jurisdictions do?

Basically those are a few questions I'd like the minister to answer.

MR. COOK: Mr. Chairman, I won't take very much time. I just want to deal with one small constitutional point. I'd like to make the point that the line of questioning of the opposition this afternoon has been basically on two points, financial accountability — and I think the minister has answered those questions very satisfactorily. On the constitutional point, I think the Leader of the Opposition is out to lunch. I'll just take two minutes and

deal with the points in a way I think the Assembly should be familiar with. Maybe the hon. Member for Clover Bar can listen and pay attention to this.

The accountability and control of government expenditure is basically provided for under The Financial Administration Act that, I might add, was basically approved of by the Social Credit opposition when it went through the Assembly in 1977. So it seems odd to me that four years later they would now be raising this, having endorsed that concept and procedure as a means of financial control. The constitutional points that underlie The Financial Administration Act, 1977, are that the executive, or the Crown's ministers, provide services to the people of Alberta on behalf of the Crown. They have two forms of authority to do that. One is that the legislation sets up a department, in this case the Department of Government Services.

I'd refer the hon. Member for Clover Bar and his leader to that Act. It's very clear the minister has the authority, the responsibility to do just as he has been doing — and, I might add, doing very well and very competently, and his department is doing a fantastic job. He has the authority from the Legislature, provided for in 1975, when both members from the opposition, who were here earlier this afternoon, were here and supported The Department of Government Services Act. He has the authority of The Financial Administration Act, provided for in 1977, which was approved by this House when both these members were members.

Secondly, the minister has provision of financial authority under the estimates. This year's estimates are the estimates the minister is operating under for this particular piece of advertising, under Vote No. 5. The Legislature, if it sees fit to grant him Vote No. 5, will provide him with that authority. He is following that vote, and it's a very detailed description of his departmental responsibilities and financial control.

Finally one more point must be raised. Maybe I'll give this to the hon. Member for Clover Bar and he can pass it on to his leader. It is the annual report, 1979-80, of the department. Again, it outlines general government policies and procedures for that department, and is a very thorough review of the government's activities in this department.

I'd like to close by saying the minister is doing a fantastic job and so is his department, and he is doing it under the authority of the Legislature.

DR. BUCK: Mr. Chairman, on a point of order. The hon. member is always bringing up points of order. The questions are being addressed to the minister of the Crown. The minister of the Crown is the one I want the answers from. I don't need a lecture from the hon. Member for Edmonton Glengarry about The Financial Administration Act or what the minister can do. This Legislature can question any minister on any expenditure, 1 cent up to \$6 billion. We have that right. It is the responsibility of the committee as a whole to ask those types of questions.

Mr. Chairman, we will continue to ask those kinds of questions because it is our right and duty. The hon. minister can answer for himself. He doesn't have to have the Member for Edmonton Glengarry giving us that kind of lecture.

MR. KNAAK: On the point of order, Mr. Chairman, I don't think my colleague was addressing the question of whether or not a right of questions exists. Of course the

opposition is entitled and obligated in their responsibility to ask questions. The issue is a broader one: what is the responsibility of a minister in the House? That's the point that was being addressed.

One of the things I've noticed with the opposition is almost a belief that this government does not have the support of the people of Alberta. We're not merely a caucus, we're the government of the province of Alberta elected to do a job. The ministers are going about doing their job. The opposition seems to suggest that every time a minister wants to do something, he must run back to the Legislature and ask the opposition, can we do it? That's the issue we're addressing. That is not the way democratic government works. The people of Alberta have put us here to do a job. Yes, we are responsible and accountable to them, and you're entitled to information. But it's up to us to do this job they have elected us for, and we want to do it.

DR. BUCK: Mr. Chairman, I think I've heard about everything after being in this Assembly a few years, but the stuff that comes out from the hon. Member for Edmonton Whitemud and the hon. Member for Edmonton Glengarry — what they are really saying is that once a government is elected, then don't question any decision that government makes. That's basically what the Member for Edmonton Whitemud is trying to say. [interjections] Well, that's what he said. He said we are elected by the people. We are elected to govern. That is true. Nobody argues with that.

But, Mr. Chairman, as members of this committee, and that includes both sides of the House, surely it is our responsibility to question, to find out how funds are spent, and what policies are. The minister cannot table in this Assembly the things we have requested, the guidelines the minister has so the people who work for him can do their job. That's what we're asking for. We are asking on what ground rules or criteria the government selected the Heritage Savings Trust Fund logo. What information is available to the minister? They are spending public money, and that information should be here. Can the minister give it to us or not? We don't need lectures from the members in the south 40 about what questions we can ask. This whole committee can ask or not ask. What they are trying to do, as far as I can tell, is to intimidate us that we can't ask those kinds of questions.

Mr. Chairman, no member of this Assembly should be intimidated. It's our responsibility. We will keep asking those questions until the government tables the information. The hon. backbenchers had better figure that out.

MR. COOK: Mr. Chairman, on the point of order . . .

MR. CHAIRMAN: The point of order has been well made by the Member for Clover Bar. Maybe if the Member for Edmonton Glengarry completes his remarks, we can ask the minister to respond.

MR. COOK: Mr. Chairman, on the point of order, the member certainly does have the right to . . .

MR. CHAIRMAN: Perhaps the member would continue with his remarks. The point of order has been discussed sufficiently, I believe, to be well made. Did the member wish to make any further remarks?

MR. COOK: I'd made my remarks. Thank you, Mr. Chairman.

MR. McCRAE: Mr. Chairman, I'd like to respond to the comments of the Member for Lethbridge West, and certainly compliment him on his very positive approach to the situation in Government Services and the government generally.

He asked a number of questions, first of all in the energy conservation project, whether it's manual or computerized. Really, it's a mix. Part of any energy conservation program has to be a modicum of common sense. When you leave your office you might manually turn off the lights if you're in a small office. Or on a weekend, if no one is going to there, you might manually shut down your thermostat, or whatever. In the larger buildings computerized programs will, when people are not in the offices, say, after 5 o'clock, 4:30, or whatever the departure time is, turn down the lights or heat through an electrically operated system. If people were coming back, say at 8 o'clock in the evening, the mechanical system would turn itself back on so that when people returned later in the day or the next morning, you would have an appropriate level of lighting and heat. So it is a mix of both manual and computerized facilities. The programs being developed are continually improving and have shown remarkable energy conservation over the years. If memory serves me, the accumulated saving is something in the magnitude of well beyond \$10 million over a short period of years.

With regard to the responsibilities of Housing and Public Works as distinguished from Government Services, Housing and Public Works is responsible for the planning of government space needs and for the construction, through the, private sector, of that space. As of recent years, they design appropriate conservation programs into the new buildings. So there is a conservation program in any new building. They also have responsibility for working with the private sector with regard to leased space, which is about 20 or 25 per cent of total government space, to assure that appropriate conservation programs are there as well.

I do not know the total cost of postage for all the government. It would obviously be out there with all the departments. I could, and will, give the hon. member the appropriate cost of the government courier service, which is so effective in handling constituency and government mail, department to department, and so on.

On his comment about the decentralization program of government, how effective it is and how he hopes that the purchasing policies will reflect decentralization, that is the goal and aim of our regionalization or delegated authority purchasing policy. As I've indicated, we started off about a year or 15 months back with delegated responsibilities for local purchasing up to \$50, and have increased that to \$100. Within the next several weeks I propose going to Executive Council with a recommendation — and I hope it will be supported by my colleagues; I feel confident it will — to increase that to \$250 so that local managers will have the opportunity to purchase regionally used supplies in the regional area.

He also made a very positive comment about the RITE operators. I'm glad to hear that, because I think they're doing just a whale of a job of assisting Albertans in being in touch with their government. The specific question as to whether or not they have constituency maps: yes, they do have constituency maps with the names of the elected representatives so they can better respond to the phoner to tell him or her who his elected representative may be, in addition to advising them which government department they wish to be in touch with.

The Member for Camrose made a very worth-while contribution to the debate. I don't think it requires any further answer from me. I think it was a self-answering question. Members for Edmonton Glengarry and Edmonton Whitemud made equally valid contributions to the debate.

The Member for Clover Bar raised a couple of very interesting questions. On the question of invitational bids or the tendering system, the general policy of Government Services in the supply/purchase area is to invite tenders in any significant area of bidding. But there are circumstances — and I think we should distinguish the general supply/purchase area from the Public Affairs Bureau area. In the supply area you're dealing with a myriad of manufacturers, suppliers, suppliers' representatives, and so on. There are literally thousands tendering on thousands — or hundreds, I don't know; many, many anyway — of invitations to supply a particular commodity.

Why I said we should distinguish that from bureau activities is that the advertising area, if that's what the member was advertising to, is really a very narrow and specialized field. What you do — I think it bears repeating, and it will be repetitive because I've said it in one form or another several times — is work it out with the people who are going to supply the service. What is the best means of their doing it? You could go to tender on every particular advertising contract. The people who are going to supply that service would not want that, Mr. Member, because it would involve them in assessing what was going to happen in a particular area, submitting a bid, all of which costs a lot of time and work for them. They're much happier just to take the professional talent and competency that is within the bureau and have those people make a decision how to fairly allocate certain types of business among all the advertising community.

So it isn't written in stone, with directed guidelines. It is worked out — and I think this is where the member erred. In effect he said it should be written into something, whether stone or just on paper, so the people working in the area know what they're working with. What it boils down to is that the department people and the people in the private sector, both of whom are working in this area, develop what they think is a harmonious relationship, and then bring it to the ministerial table for confirmation or approval. They have said to us, we think this is an appropriate way to do business. Subject to my non-concurrence, that would then presumably be the way they should conduct their business, until we find it isn't working properly. To date we have not found that. We have found it to be a very satisfactory way, not only of communicating legislative matters, governmental matters, but of assuring a fair distribution of work throughout the advertising community.

The member also asked a couple of other questions to do with the development of logo, the color combinations, other logos that may have been suggested, and why it wasn't referred to the heritage fund committee. I want to say to the member that similar questions were directed to the Provincial Treasurer some weeks. The heritage fund reports to the Legislature and the heritage trust fund committee through the Provincial Treasurer. I think the Provincial Treasurer responded very fully to those questions a couple of weeks back. In short he simply said — and it's his responsibility, although just for the member's memory refreshment I'll attempt to repeat what I think I heard and which I concur in; that is, it is the final decision that surely is the matter of interest. The final

decision was the selection of the heritage fund logo as we know it, appreciate it, and like it, I guess. Any further questions on that would most appropriately be referred to the Provincial Treasurer when his estimates come up.

With regard to the question about whether or not we as a government are self-insured, that again is a question that falls within the ambit of the Provincial Treasurer's responsibilities. Just so the hon. member will have a good question to ask the Provincial Treasurer, I will not answer that question at this time, but leave it to the Treasurer's estimates.

Thank you, Mr. Chairman.

DR. BUCK: Mr. Chairman, just one small question. The minister talks about harmonious relationships. I'd like to ask the hon. minister how a new supplier cracks this harmonious relationship system the minister is speaking of. If I am a supplier in a certain field that has the ability to tender or to offer a product to the government, how do I, as an outsider of this harmonious relationship technique, crack that system?

MR. McCRAE: Mr. Chairman, that's a very good question, and it's one I attempted to address in my earlier remarks. In Alberta are thousands and thousands of suppliers. We're purchasing thousands and thousands of goods. The problem is to link a particular supplier with a particular purchase order to assure that — for instance, if you're buying tires, you wouldn't want to send your invitation to bid to all the ice cream manufacturers; this would be an extreme example. You would want to direct them to the tire manufacturers. So what we have tried to do is to isolate the supplier groups into commodity areas, and we have commodity buyers who are responsible for given areas. I suppose in a stagnant province, it wouldn't be too hard to catch up and have a continuing up-to-date list on who is able to participate in a given purchase area. But with the growth of suppliers in Alberta — there are literally hundreds of new incorporations a week — the catch-up or keeping current aspect of the tendering policy is difficult.

That is why we've gone to a computerization of that, the study that is currently under way and should be concluded within 12 or 15 months, at which time I hope it will be possible — and I don't fully understand computers. If we are to invite a tender or a bid on a particular supply, it will be almost as simple as touching a button or code reference and having a list of suppliers' names come out. We will then know that we should address our invitation to tender to that particular group and not to others who may not be interested.

As to how you get on the list, our commodity buyers try to keep current on new suppliers in a given area. They're in constant touch with the supply community. To the extent they know who the new suppliers are, they make the opportunities known to new suppliers. There is obviously some responsibility on anyone who would like to do business with government to make himself aware of how he can do it. We have pamphlets that explain it to them. We work through the chambers of commerce, whatever, to assure that people know how, where, and when they can do business with the government. It has to be a mutual thing, where the person who wants to do some business makes an effort to find out where the opportunities are. Similarly the buyers make a corresponding effort to communicate to them. I guess that comes back to communication policies of government. We do some advertising to try to make these opportuni-

ties known.

Thank you, Mr. Chairman.

DR. BUCK: Mr. Chairman, I would like to say to the minister and members of the committee that I believe the reason the minister has trouble getting his estimates through the committee is that he insults the intelligence of all members of the committee and of the people of this province. I say that with great pain, Mr. Chairman. When I ask the minister how you crack this harmonious relationship, the minister — a minister of the Crown, getting paid by the taxpayers of this province — says if we are going to ask for an invitation to tender on tires, we don't go to ice cream manufacturers. Mr. Chairman, it's quite obvious you wouldn't do that. You don't have to insult me; that doesn't matter. But the members of the committee and the people out there, the people who are doing business with the government, don't insult their intelligence.

Mr. Chairman, the minister still hasn't fully answered my question about how people outside this harmonious relationship . . . There are many, many suppliers in this province who say to me, how do you get an opportunity to bid on some of these government contracts? They say that to me, and I tell them that I presume it is all public tendering. Is the minister saying to me at this time that it is not that easy to go through the system of public tendering because there are so many different suppliers? Mr. Chairman, the minister is not spending his own money. He is spending the taxpayers' money.

The minister of highways: practically everything goes out to public tender. Mr. Chairman, I can understand if contractor A-B has a contract for \$230,000 for 4 miles of road and, if the weather is good and that contract is completed and there's maybe another mile or two of road that can be finished, funds are available, the contractor is on the site, the minister, in his wisdom and protecting the taxpayer's dollar because the equipment is right there, saying, okay, Mr. Contractor, will you do these additional 2 miles of road for the contracted price that you did for the other 4 miles? I can understand that, and I have no criticism of that system; none whatsoever, Mr. Chairman. That's reasonable. The man in the street, the taxpayer, can understand that. But he cannot understand why one company got the opportunity to design the logo and to advertise it. Are the members of the private sector in this province, the other advertisers, the other public relations firms, so afraid of their own government that they wouldn't challenge this government, saying to this minister and this government, why did we not get an opportunity to bid on the logo and the advertising of the logo? Are these people that afraid of their own government because they're afraid if they cross this government, the next time they may not have an invitation to bid? I hope not. If that is so, we're in worse shape than I thought.

Mr. Chairman, the point we're trying to make is that every businessman in this province should be able to bid on government contracts in his related field. That is the public tender system. This government and this minister had better remember that it's taxpayers' money we're spending, and spending other people's money is more of a sacred trust than spending your own. So when we ask the minister what guidelines are established, is the invitation open to all people in related fields, we're not asking for it to be written in stone. We're asking the minister if these guidelines are in effect in the minister's department so the civil servants who administer the minister's department know what the guidelines are.

Ninety-nine point nine per cent of civil servants in this province are absolutely honest. But, Mr. Chairman, we never want to place ourselves in the position where there are no guidelines, where somebody has a buddy who has a buddy who would like a contract. If that happens, it's the minister's head that roles. We're asking the minister that these guidelines be set out so the people who administer the minister's department know what the rules are, so we don't have an opportunity for buddy-buddy deals.

Like I say, here in western Canada our politics are, relatively speaking, lily white. Mr. Chairman, let's make sure we keep them that way, because we do not want to see the old patronage system that runs rampant in some countries. We don't want that. What we're saying to the minister is, let's establish the guidelines. Let's make sure everybody knows what the rules are so that governments, this government or some other government, don't get themselves into that kind of bind. If there's anything the private sector doesn't like, it is that the buddy-buddy system is in effect.

Mr. Chairman, I'm not trying to be difficult with the minister. I'm saying that all business people who have a service to provide or things to supply to the government be given an equal opportunity.

MR. COOK: Mr. Chairman, on a point of order. The hon. member seems to be adopting the approach that you can use the big lie. You can say it over and over and over again, and eventually people will begin to believe you. I object to the suggestion that this government is ...

MR. CHAIRMAN: The hon. member is not on a point of order dealing with the discussion under way this morning. I would have to rule him completely out of order himself.

MR. COOK: I'm dealing with the point the hon. member was dealing with, sir.

MR. McCRAE: Mr. Chairman, if I might respond briefly to the ...

MR. CRAWFORD: Mr. Chairman, if the hon. member had finished, however, the hon. Member for Edmonton Glengarry has every right to claim the floor and speak himself. I don't know if the hon. member was finished.

DR. BUCK: Mr. Chairman, to the hon. Government House Leader. They're not my estimates; they're the hon. minister's estimates. If the hon. member has a question to ask the minister, he's free to do so. I'm not answering for the minister's department.

MR. CRAWFORD: We're grateful for that. [laughter]

MR. McCRAE: Mr. Chairman, if I might come back to the estimates for a moment, I'm really sorry the member was offended by the ice cream analogy. No insult was

intended to him or anyone else, and certainly not to the private sector. I just took an extreme example. I could take another example. We buy a lot of asphalt for the Minister of Transportation, who sits next to me. We have a selective invitation process, so we send out the invitation to tender only to those producing asphalt and not to the ice cream manufacturers. So nobody's insulted. Okay? It was a straightforward comment related to a selective invitation to tender system.

I certainly agree with him that we haven't and we don't want patronage or suggestions of it here. We want the straightforward tendering system we have unless otherwise agreed to in a given situation, whether it is special competency or whatever.

I think it would also be helpful to say that the advertisement question being debated is really a pretty straightforward thing. After the development of the logo, the firm in question was also asked to develop a plan for communication of the logo to the people of Alberta. That simply involved a recommendation as to where certain advertisements should be placed. That was the sum total of the commitment the firm was to undertake. The bulk of the moneys — it sounds like \$150,000 or \$200,000 is going to this firm. The money is going to the publications that carried the advertisements of the logo. That's where the money went, with a management fee for the particular firm who developed the program.

That's where we're at on that one. To suggest there's any wrongdoing or patronage, I think — although I'm being argumentative — really isn't applicable to this situation. It's very straightforward and simple.

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. APPELBY: 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, do you all agree?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, on Monday the proposal is to return to the Department of Social Services and Community Health, Committee of Supply, and at 8 o'clock begin Executive Council whether or not the other one is completed.

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

[At 12:58 p.m., pursuant to Standing Order 5, the House adjourned to Monday at 2:30 p.m.]