

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Tuesday, May 19, 1981 2:30 p.m.

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS**Bill 48****The Municipal Taxation
Amendment Act, 1981 (No. 2)**

MR. MOORE: Mr. Speaker, I request leave to introduce a Bill, being The Municipal Taxation Amendment Act, 1981 (No. 2). The purpose of this Bill is to ensure that certain assessments and taxation derived from power and pipeline throughout Alberta are not altered by way of an earlier decision we made with respect to equalized assessment; in fact, the purpose of the Bill then becomes one of ensuring that the status quo remains in terms of power and pipeline assessment and a formula relating to the Ramsay formula, of which some members may be aware.

[Leave granted; Bill 48 read a first time]

Bill 49**The Technical Institutes Act**

MR. HORSMAN: Mr. Speaker, I request leave to introduce Bill 49, The Technical Institutes Act. This being a money Bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, this Bill will provide for the transition of both the northern and southern Alberta institutes of technology to board-governed status from their present position as provincially administered institutions. It will also provide for the new institution presently on the drawing board and yet unnamed. There are unique features to this legislation, but in large measure it is modelled after The Colleges Act which has been in effect in the province for some years.

[Leave granted; Bill 49 read a first time]

head: TABLING RETURNS AND REPORTS

MR. CRAWFORD: Mr. Speaker, pursuant to statute, I'd like to file copies of the 1980-81 annual report of the Public Service Employee Relations Board. There are copies of this report for all hon. members.

MR. RUSSELL: Mr. Speaker, I'd like to table the report of the Alberta Hospital Utilization Committee. Copies are being distributed to all hon. members.

MR. KING: Mr. Speaker, I'd like to table Return No. 134 to an order of the Assembly of the last session of the Legislature.

head: INTRODUCTION OF SPECIAL GUESTS

MR. KOWALSKI: Mr. Speaker, this is going to be a rather busy week for the Member for Barrhead as he's going to have an opportunity to introduce to you, and through you to all members of the Assembly, six groups. This afternoon I have the pleasure of introducing to the Legislative Assembly some 60 young and ambitious minds representing the Stehelin elementary school in Barrhead. They're accompanied by their two teachers, Mr. Marvin Sheets and Mr. Ken Graham. They're in the members gallery, and I would ask that they stand and receive the warm welcome of the Assembly.

MR. WOO: Mr. Speaker, I am very pleased to introduce to you, and through you to all members of the Assembly, a class of 47 very bright grade 6 students from Brentwood school in the constituency of Sherwood Park. They are accompanied this afternoon by two of their teachers, Mrs. Dale Keith and Mr. Peter Ebert, and bus driver George Bell, who also doubles as one of our County of Strathcona firemen. Also accompanying the students are parents Mr. and Mrs. McDonell, Mrs. Bull, Mrs. Peterson, Mrs. Greenfield, Mrs. Cecchetti, Mr. Hoover, Mrs. Ouelette, and Mrs. Cadieux. They are seated in the public gallery, and I would now ask them to rise and receive the warm welcome of this Assembly.

MR. BATIUK: Mr. Speaker, it is indeed a pleasure for me this afternoon to introduce to you, and through you to the Members of the Legislative Assembly, 24 grade 6 students from Riley school in the Vegreville constituency. Accompanied by their teacher, Mrs. Pepper, and parent-supervisors Mrs. Pyzik and Mrs. Kozdrowski, they are seated in the public gallery. I would ask that they rise and receive the welcome of the Assembly.

head: ORAL QUESTION PERIOD**Provincial Corporate Tax**

MR. R. SPEAKER: Mr. Speaker, my question is to the Provincial Treasurer. It's a concern that has been voiced to me by a number of small business men across this province with regard to the provincial corporate income tax forms sent to them in the last few months. It's indicated that 133,000 companies have had to complete these forms; some 400 or less, which is less than 0.5 per cent, may benefit. Could the minister clarify at this time the basis for establishing such a provincial corporate tax plan?

MR. HYNDMAN: Mr. Speaker, I'm somewhat puzzled at the question of the hon. Leader of the Opposition, because a Bill in this Legislature proposed from the government the reasons for the corporate tax coming home, coming back to the province of Alberta. It was debated at length. It was deemed by, if not all, I think virtually all members of the Assembly to be a major step and one which was necessary if Alberta was to proceed with the flexibility it needed. So I don't really feel that the question period is a time [during] which I can again

explore the rationale for the Bill. I'd be happy to do that during my estimates, but suffice it to say that I think it has been well received, and certainly the general reception from the business community is that The Alberta Corporate Income Tax Act administration is moving ahead very well.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. I differ in the sense that businessmen are concerned with regard to the cost of administering the plan. The total cost in the budget for corporate tax administration is some \$6.8 million. However, I know that just a percentage of that is for the new program. As well, the some 130,000 businessmen are indicating that the cost of filling out the form may be \$100, which is near \$13 million.

In reviewing the program since it has been in effect, has the minister looked at the cost/benefit to the small business men of Alberta? Is the administrative cost, which may be over \$10 million, equal to, greater, or less than the benefit to small business men of the province of Alberta?

MR. HYNDMAN: Mr. Speaker, again, we went into this in some considerable detail when the Bill was brought forward and in second reading discussion on the Bill, which was the rationale for it. I'm somewhat surprised at the implication of the hon. leader's suggestion that he does not feel it was a worth-while move to bring the corporate tax to the province of Alberta, so that as with Ontario and Quebec, the flexibility is there for small and growing Alberta businesses to compete against multinationals and against national companies and, in future, to be able to have the flexibility for processing in the province. That was the rationale. As I said, I'd be happy to explore it further during my estimates. But the government's position was and remains that certainly the benefits are undoubtedly there, will be there in future especially, and are well worth it to this generation and future generations of Alberta businessmen and citizens generally.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. The minister can generalize and talk about flexibility and help, but in specific terms can the minister indicate that there are sufficient economic benefits to the small business ...

MR. SPEAKER: Order please. We've already had a mini-debate on the topic. The question of valuating benefits and measuring them is certainly a matter of opinion. If we go on at this rate, we're going to take the question period up with a debate on which no notice has been given.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer. The businessmen of Alberta would like to know whether the program is run on a businesslike basis. Has the Provincial Treasurer calculated the direct and ...

MR. SPEAKER: Order please. The hon. leader is on the same topic in the same manner. Whether something is businesslike is definitely a matter of opinion. There has been considerable latitude insofar as debate on this topic is concerned. In fairness to the other members, who didn't realize there would be a debate on that topic this afternoon, would the hon. leader revert to questions.

MR. R. SPEAKER: Mr. Speaker, if the Provincial Treasurer knew what the benefits were, it would be easy to answer the questions; however, he doesn't.

My further question to the Provincial Treasurer is: can the minister indicate whether the penalty clause in the legislation passed in this Legislature will be enforced upon the small business men of this province if they do not conform to the corporate income tax forms sent out to them?

MR. HYNDMAN: Mr. Speaker, on the question of the benefits, hon. members will recall that this legislation and corporate tax system comes into effect in two phases. Phase I was to bring it to the province of Alberta to allow flexibility. I gather the hon. opposition leader is questioning that. As well, we have Phase 2, which we indicated last year and on a number of occasions will probably come into effect next year, at which time specific initiatives and incentives to help small business men will be proposed to the Assembly in the form of amendments to the Act.

On the matter of enforcement, the Assembly of the province has passed the statute, which has certain enforcement aspects with respect to laws and certain regulatory enforcement aspects. The laws will be enforced.

MR. ZAOZIRNY: A supplementary question. The Provincial Treasurer indicated that certain incentive programs are under consideration. Can the Provincial Treasurer indicate whether or not one of the proposals under consideration is that of the small business development corporation, which is presently in place in the province of Ontario and apparently working very effectively to get more equity funding to small businesses in that jurisdiction?

MR. HYNDMAN: Mr. Speaker, if I remember, the hon. member's public Bill in the Assembly brought forward that concept very usefully. I can say that that is one of a number of concepts being studied. Rather than go at them piecemeal, I would just indicate that that plus various other aspects of perhaps research, development, processing, and upgrading are all under consideration.

MR. R. SPEAKER: A supplementary question to the Provincial Treasurer. It's very difficult for businessmen to see the economic benefits at present. Could the minister indicate, in terms of flexibility — and this is a concern raised by businessmen — is it just another way to separate Alberta from Ottawa? Is that the major purpose at present?

AN HON. MEMBER: Where were you last year?

MR. HYNDMAN: Apparently, Mr. Speaker, the hon. member wants to be linked in and have to bow down to Ottawa on the basis of the existing corporate tax approach. For the first time Alberta has the flexibility — and I gather the Social Credit position is wholly opposed to that in principle — in the immediate years and in decades ahead, to go ahead and develop a diversified and processing manufacturing base. I'm surprised that the hon. member is opposed to that concept.

MR. R. SPEAKER: Mr. Speaker, the minister can indicate any position of the Socred Party he wants. We're not opposed to flexibility.

AN HON. MEMBER: Inciting a debate.

MR. R. SPEAKER: There is debate.

Mr. Speaker, to the Provincial Treasurer. In light of the fact that the minister has indicated that there will be specific benefits to Alberta businessmen and that amendments will be coming into the Act, could the minister indicate at this time what plans or proposals are being put forward with regard to amendments to the Act so we can see direct benefits?

MR. HYNDMAN: If the hon. gentleman would contain his anticipation, we will have those presented to the Assembly in the form of amendments to the Act, available for full debate and new suggestions and amendments from the opposition if they wish. Meanwhile, over the last year we've heard total silence from them as to whether they feel this is a useful procedure for Alberta, which I think the people feel it is.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. When will the amendments come into the Legislature, this spring or this fall? When can we expect to see benefits?

MR. HYNDMAN: Mr. Speaker, as we indicated last year and on several occasions, the amendments will possibly be released or proposed this year, but they wouldn't come before the Assembly for detailed debate and discussion until next year.

MR. R. SPEAKER: Mr. Speaker, as usual, everything's next year with this government.

International Year of Disabled Persons

MR. R. SPEAKER: Mr. Speaker, my second question is to the Premier, with regard to the program for the year of the handicapped. One of my concerns is that I do not see a co-ordinated program coming from the government. Could the Premier indicate which minister is co-ordinating that program so possibly we could look into the details of the program for the year of the handicapped?

MR. LOUGHEED: Mr. Speaker, I believe the hon. Leader of the Opposition carefully read the Speech from the Throne, and of course would reflect that in that case obviously a number of departments are involved.

The Minister of Social Services and Community Health has a lead role to play in the aspects of the responsibility of his department, and to assure that there is necessary liaison with other departments. That's not meant to say that the total programming involved in the area rising from the international year of the disabled would fall within the ambit of the Department of Social Services and Community Health. Quite obviously, other departments would do so on a line implementation basis, as the Speech from the Throne outlines in detail. But in terms of liaison, the responsibility would rest with the Minister of Social Services and Community Health.

MR. R. SPEAKER: Mr. Speaker, then a supplementary question to the Minister of Social Services and Community Health. Could the minister indicate the dispensation of the some \$350,000 for the Alberta program in relation to the international year of the handicapped? Have those funds been allocated? If not, when will the announcement

be coming forth? Secondly, could the minister indicate the co-ordination going on between the other departments of government, which at this point isn't quite obvious to the Alberta public.

MR. BOGLE: Mr. Speaker, two separate committees with very distinct functions have been created for the International Year of Disabled Persons. The first is a provincial committee, which is chaired by Judge Brian Stevenson from Calgary and has representation from large and small northern and southern communities in this province. That committee has the general responsibility to co-ordinate the activities and funding of various projects across the province. Approximately two weeks ago a news conference was held in the press room of the Legislature Building to announce a number of projects to be funded. If the hon. Leader of the Opposition does not have a copy of the news release, I'm certain we could obtain one very easily. Other activities are being co-ordinated by the provincial committee, including the public awareness campaign.

A second committee, which is interdepartmental, has representation from a variety of government departments to co-ordinate various activities through this significant year. The committee is not high profile, as is the provincial advisory committee. It's a committee to ensure that there is co-ordination between government activities. Some announcements have been made by my colleagues, such as last week when the Minister of Education made a very significant announcement. The Minister of Advanced Education and Manpower has made certain announcements. Other announcements have been or will be made during this year by various ministers. On an interdepartmental basis, the work of that co-ordinating committee is to ensure that various departments are in step with one another for these activities.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Housing and Public Works, with regard to the amount of money set aside for handicapped housing grants. Could the minister indicate at this time the reason for decreasing the grant from some \$420,000 last year to \$400,000 this year? Was that program co-ordinated with the other ministers in government?

MR. CHAMBERS: Mr. Speaker, the Leader of the Opposition has asked me a question which is obviously budgetary. When my estimates come up, I'd be perfectly happy to get into that. I wouldn't want to respond today on an exact budgetary amount without having that budget material in front of me, because I certainly wouldn't want to mislead anybody. During the estimates, I'd be happy to cover that aspect.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister, in terms of principle rather than specific amounts. In putting together the minister's budget, could the minister indicate whether specific emphasis was placed on providing facilities such as housing grants for the handicapped in the province of Alberta? Is there a special emphasis in this year or in the fiscal year 1981-82?

MR. CHAMBERS: Mr. Speaker, there is always special emphasis for the handicapped. One only has to look at any Public Works buildings, if you like, in terms of parking provisions, space for the handicapped, adequate ramps, and so forth. So that's always an awareness. I could go on at some length. I could refer members to the

Sir Douglas Bader building in Edmonton, in which half the units are occupied by handicapped people. There has been an extensive emphasis for the handicapped by the Alberta Housing Corporation and by all concerned in my department. Any budgetary number would of course reflect what the demand would appear to be for the year.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether any department staff have been assigned a special task of looking at programs, looking at needs of the handicapped relative to renting facilities, as well as housing facilities in the province?

MR. CHAMBERS: Well, certainly in the Department of Housing and Public Works, staff are assigned to all the various programs we have. For example, the home adaptation program and other programs for the handicapped have a certain number of man-years assigned to them.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether any special emphasis or special persons in the Department of Housing and Public Works have been assigned during the international year of the handicapped?

MR. CHAMBERS: Mr. Speaker, the Leader of the Opposition can get as indignant as he wishes. We have assigned, and continue to assign, a high priority to the handicapped in all areas. And we have adequate personnel assigned to that responsibility.

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

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. A decreased budget with regard to handicapped housing — I see that the handicapped renters' program is very minimal and that no staff has been assigned. Could the minister indicate how he is placing a special emphasis on this program this year? What is the minister specifically doing with a special emphasis for this year to co-ordinate the program with the Minister of Social Services and Community Health?

DR. BUCK: Say "nothing".

MR. CHAMBERS: Mr. Speaker, you can take those comments for what they're worth. It's obvious that we have assigned in the past, and continue to assign, a high priority to handicapped through both Crown corporations for which I am responsible and the department. Again, because of past work we've done in this area, we've met a considerable amount of pent-up demand. Our current budget obviously reflects demand. If the demand is there, we meet it.

MRS. FYFE: May I ask a further supplementary on this topic? Thank you, Mr. Speaker. I wonder if the minister could advise if an evaluation has been done on the Sir Douglas Bader Tower? I believe it was an experimental project, and that there was going to be some evaluation as to whether this type of housing for the handicapped is successful.

MR. CHAMBERS: Mr. Speaker, there have been other projects in which a number of suites were developed specifically for the handicapped. The take-up has not

been as great as one would normally have expected. However, that doesn't preclude these from being occupied; they can be occupied by non-handicapped people. My last information is that the Sir Douglas Bader mansion has been very successful in terms of take-up. The idea of the mix of handicapped and non-handicapped has been extremely well received.

MRS. FYFE: One last question, Mr. Speaker. I wonder if the success in this project would mean that in other parts of Alberta there would be further expansion of this type of mixed housing, handicapped with non-handicapped?

MR. CHAMBERS: Mr. Speaker, we're certainly aware of that and looking at it. Again, as I say, if the demand is there, we intend to meet it.

Technical Institutes

MR. HIEBERT: Mr. Speaker, my question is directed to the Minister of Advanced Education and Manpower and relates to the introduction of Bill No. 49 on governance of the institutes of technology. Recognizing that general discussion and consultation have taken place, could the minister advise as to any mechanism whereby the interested parties have an opportunity to respond to the specific provisions of the Bill; namely, is there a time line planned?

MR. HORSMAN: Mr. Speaker, with regard to The Technical Institutes Act, it is proposed that the Act be passed during the spring sitting, then only the parts relating to the transitional authority be proclaimed, providing opportunity during the summer months prior to the fall sitting for the various parties to make representation as to aspects of the Bill, such as those affecting faculty, support staff, and students, as well as the administration at the institution.

MR. HIEBERT: A supplementary question, Mr. Speaker. In addition to what the minister has made reference to, are any other extraordinary measures to be taken with regard to minimizing problems during the transitional period?

MR. HORSMAN: Mr. Speaker, a series of meetings between departmental staff and the faculty associations in particular will be held throughout the institutions. As well, the Alberta Union of Provincial Employees and the students' associations have requested an opportunity to make representation. So a series of meetings will be held. In addition Fred Williamson, a former vice-president of NAIT, who has been on sabbatical, will be assuming a specific role in the department to assist in the transition.

MR. HIEBERT: A final supplementary, Mr. Speaker. Once the change in governance has been enacted, will it reflect a reduction in the number of personnel in the Department of Advanced Education and Manpower, or any other costs that have been associated with the administration of the institutes in the past?

MR. HORSMAN: Yes, Mr. Speaker. As in the previous case, where the four colleges moved into board-governed status, both academic and support staff in the administration will cease to be direct employees of government, and therefore will have a very major impact on the number of

employees directly employed by my department. Hopefully there will be some corresponding internal administrative cost savings, but of course the operational costs of the institutions will continue, and the administrative costs associated with that will be borne by the boards of governors.

MR. R. CLARK: Mr. Speaker, I'd like to direct a supplementary question to the minister. What steps are being taken for consultation on the question of course transfer from NAIT to the Stony Plain institution — whatever it's to be called? I ask the question because during this time of a great deal of uncertainty at NAIT, concern is being expressed to me by some of the staff about whole courses being taken out of NAIT and placed, supposedly, at the Stony Plain institution.

MR. HORSMAN: Mr. Speaker, a series of discussions will be held between the existing administrative staff, seconded from my department, which will eventually be replaced with an interim governing authority, and the interim governing authority for NAIT with respect to the possible transfer of courses from NAIT to the new institution. I remind all members it is not to be named the Stony Plain institute of technology, but an appropriate name of more province-wide application will ultimately be chosen and announced. I would say that the consultative process will be very thorough, and everybody will have an opportunity to state their views.

MR. R. CLARK: Mr. Speaker, a further supplementary question to the minister. Mr. Minister, what mechanism is set up and what criteria are being used to determine what courses will be taken from NAIT and placed in this institution that has no name yet and that is going to be located in Stony Plain?

MR. HORSMAN: As I indicated, there will be consultation between the interim governing authorities or indeed between the boards of governors before any final decisions are made in that regard. The earliest possible time that any programming could take place at the new institution would be in the fall of 1983. By that time there will certainly be boards of governors in place, and the consultation will take place between the appropriate governing authorities before any final decisions are made. I should add and emphasize the fact that staff associations as well as the administration at the existing northern Alberta institute will be consulted and, of course, the present interim body with respect to the new institution. So there will be ample consultation and discussion before any final decisions are made.

MR. R. CLARK: Mr. Speaker, one last supplementary question to the minister. Mr. Minister, is that a commitment that in fact no courses will be moved from NAIT and placed in the new institution until boards of governors are in place in both institutions? I took that from the initial part of the minister's answer.

MR. HORSMAN: Assuming passage of the Act — and the institution of the timetable we're looking at would have an interim governing authority in place for each of the institutions immediately after the spring sitting — those interim authorities would commence discussions. Hopefully, pending final passage of the Act in the fall sitting, we would then have a board of governors in effect in the fall of 1981. As I indicated to the hon. Member for

Olds-Didsbury, the new institution would not begin its programming until 1983 at the very earliest.

MR. R. CLARK: A qualified yes.

Hazardous Wastes

MR. ZAOZIRNY: Mr. Speaker, my question is to the hon. Minister of Environment on the subject of hazardous waste management. It arises from recent statements emanating from Calgary that the province of Alberta has no policy controlling the disposal of highly toxic chemical garbage too dangerous to be dumped into the Calgary landfill site. Can the minister assure the Assembly that there is in fact a policy with respect to such disposal, and advise the Assembly as to what that policy is?

MR. COOKSON: Mr. Speaker, for some time we've been able to have the United States handle some of our waste materials; they have been transported to Oregon for permanent storage. But since we are now having difficulty moving this material across the border, our policy is that in the case of a clean-up, materials will be stored either on the existing facility in a permanent nature or in such a way that we could ongoing monitor the material so there's no danger to the water system. If it is to be contained, it would be in containers, and stored in such a way that it would be retained that way until a more permanent method of disposal was obtained.

MR. ZAOZIRNY: A supplementary to the minister. Can the minister then advise the Assembly how this provincial policy is being enforced? For example, what kind of inspection is taking place at the Forest Lawn landfill site in Calgary, apart from what the city may be doing of its own volition? What part is the Department of Environment playing in ensuring inspection and monitoring of the area to satisfy itself and Albertans generally that hazardous wastes are not continuing to be dumped in the Forest Lawn landfill site?

MR. COOKSON: The city has its own by-law, which is probably one of the best-supervised in the province insofar as materials finding their way into the landfill are concerned. Aside from that, we work very closely with the city, in other cases with other jurisdictions, also Social Services and Community Health through their health units. With our present expertise we continue to analyse water on an ongoing basis. The water system is probably the area of most concern to us. In addition we give our own expertise advice insofar as establishing any new landfills is concerned, even though, again, these come under Social Services and Community Health. We give our expertise in the testing of the substructure insofar as water table, and the quality of the soil insofar as its ability to retain problem materials.

MR. ZAOZIRNY: A supplementary to the minister. Given the minister's establishment of the hazardous waste team, as I believe it's called, to determine the site locations for comprehensive central disposal facilities in the province, can the minister advise what time frame was given to that hazardous waste team within which it should provide its report? More important, can the minister advise what time frame has been established by his department for the implementation of a comprehensive waste management system in this province? Are we look-

ing at 12 months from now or five years? What time frame has been established by the minister?

MR. COOKSON: The projected time frame is that within a month we will have an interim recommendation on siting, and that by the fall of '81 we will have permanent recommendations for siting or alternate sites, as the case may be. We have a time frame of legislation and the manifest system which will be co-ordinated with the siting, and ongoing recommendations as to how those proposed sites will be developed. When it comes to requirements for any incineration, this time frame will be extended, because it is a complex area. But during the interim period, we will make provision for proper storage on those recommended sites.

MR. SPEAKER: Might this be the final supplementary by the hon. member.

MR. ZAOZIRNY: Mr. Speaker, the minister made mention of legislation. I presume the reference is to a comprehensive waste management Act. Could the minister advise the Assembly again as to a realistic date by which such legislation will be brought before the Assembly? Can he assure the Assembly that it is not the intention of the government to postpone or delay bringing such legislation forward until the system is in place, which may be five or more years from now?

MR. COOKSON: The Member for Calgary Forest Lawn certainly raises an important point insofar as legislation is concerned. A number of departments are involved in pulling together this area of hazardous chemicals. At the present time the Minister of Municipal Affairs, along with the Minister of Transportation, is working on the problem of transporting materials that are a problem. The hope is that by this fall, we should be able to bring in something with regard to transportation at least, and that this will complement the broader aspect of hazardous material problems and help insofar as drafting the total problem as we see it at the present time.

Share Purchases

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to either the hon. Minister of Energy and Natural Resources or the hon. Minister of Economic Development. Bearing in mind the concern of many members in this House about the 40 per cent payment over the closing price last year of Petro-Canada for the Petrofina assets, what assessment has been made of the 56 per cent overpayment, vis-a-vis the closing average last year, of the Noranda ownership of B.C. Forest Products by the Alberta Energy Company?

MR. LEITCH: Mr. Speaker, if the hon. Member for Spirit River-Fairview is asking what assessment has been made by the provincial government, the answer is none. As the hon. member well knows, questions as to whether to make those purchases and on what terms are management decisions made by the board of management.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In view of the fact that the Alberta Energy Company is 50 per cent owned by the people of Alberta directly, to the minister's recollection or knowledge, has any assessment been made, an independent

share evaluation, for the \$25 per share price paid by the Alberta Energy Company for the Noranda shares?

MR. LEITCH: Mr. Speaker, again the answer to that is no, in the sense that there has been no assessment by the provincial government. With respect to assessment of shares in the Alberta Energy Company, I would think all Albertans, including those who hold shares in the company and those whose interests are represented by the 50 per cent shareholding of the provincial government, would be very enthusiastic about what's happened to the Alberta Energy Company shares in the past few years.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Energy and Natural Resources. Was there any consultation between any official of the Alberta Energy Company and either the hon. minister or the hon. Minister of Economic Development, or any official of either department, with respect to this particular deal before it was made?

MR. LEITCH: Only in the sense of passing on information as to what was being contemplated, but nothing beyond that nature.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Was there any discussion on this matter between any official of the Alberta government and any official of the government of British Columbia, in view of the position of the B.C. government, which is that before Noranda could acquire ownership of Mac Millan Bloedel it would have to release its 28 per cent ownership of B.C. Forest Products Limited?

MR. PLANCHE: Mr. Speaker, the government of British Columbia asked us to clarify what position we had in the transaction, and of course I responded the same way my colleague has in the House today. It's my understanding that Noranda, as the vendor of the shares, undertook to find an appropriate buyer, one who was appropriate to both the shareholders and management of B.C. Forest Products. Alberta Energy was such a buyer.

MR. NOTLEY: Mr. Speaker, supplementary question to the hon. minister. Can the minister be more specific as to who engaged in what discussions with the government of British Columbia on behalf of the government of Alberta, in determining whether or not the Alberta Energy Company would in fact be "an appropriate buyer", and were any of the terms of the purchase discussed?

MR. PLANCHE: I don't think I'm going to elaborate any further, Mr. Speaker. It was an informational dialogue, and both parties were satisfied with the responses.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. During the informational dialogue, who took part? Who particularly represented the government of Alberta during the exchange of this information?

MR. PLANCHE: Mr. Speaker, let me make it clear: the dialogue took place after the sale of the shares was consummated, not before. It was only an informational dialogue between me and my counterpart in B.C.

MR. MANDEVILLE: Supplementary question, Mr. Speaker, to the hon. Minister of Energy and Natural

Resources. Has the Alberta Energy Company had a look at possibly purchasing some shares in MacMillan Bloedel in British Columbia?

MR. LEITCH: I don't know, Mr. Speaker.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. In the purchase of these shares they just bought, will it be the intent of the Alberta Energy Company to borrow any money from the government or any source of revenue for borrowing money?

MR. LEITCH: I don't know, Mr. Speaker.

MR. NOTLEY: Supplementary question to the hon. Minister of Economic Development. In view of the \$215 million purchase, was any assessment made by the government of Alberta of the relative merits of this kind of minority purchase — I believe 28 per cent, so we're going to be in a minority shareholder position, with the Mead company still having a controlling interest. What assessment was given of this alternative as opposed to a joint venture, where the \$215 million would probably go somewhat further in expanding ownership of their operations in Alberta?

MR. PLANCHE: That's essentially the same question my colleague answered. He may want to enlarge on his response, but that question has already been asked.

MR. LEITCH: Mr. Speaker, I would only enlarge on it by saying that no such discussions were held with the Alberta Energy Company. Those are management decisions. As we've said on many occasions, they're made by the board of management.

MR. NOTLEY: With public money.

MR. R. CLARK: Mr. Speaker, I'd like to direct a supplementary question to the Minister of Energy and Natural Resources and ask when the minister was advised by the Alberta Energy Company officials that in fact such a purchase was being contemplated. I ask the question because I think it's important that members know whether this has been a recent decision by the Alberta Energy Company or a decision contemplated some time ago. The Alberta Energy Company will now be involved in part ownership in the company that will be involved in getting a rather sizable operation in the Grande Cache-Whitcourt area. Will the company be held to those conditions initially agreed to before the Alberta Energy Company was a part owner?

MR. LEITCH: Mr. Speaker, as I followed the hon. member's question, I think he may be mixing two things, in the sense of tying the purchase to the involvement of the Alberta Energy Company with Simpson Timber. As I followed his question, the latter part of it dealt with the conditions in that agreement. Frankly, I'm not aware of any connection between those conditions and the purchase of the shares.

As to the timing of the advice I referred to a moment ago, Mr. Speaker, I can't be precise. I would estimate it was some two or three weeks ago.

Home Mortgage Corporation Guidelines

MR. OMAN: Mr. Speaker, my question is directed to the

hon. Minister of Housing and Public Works. It has to do with some concerns I've been receiving lately from both builders and prospective clients of housing in Alberta. There seems to be the case that perhaps the qualifications with regard to how much money would be available in the purchase of a home and the income levels required need to be changed. Could the minister indicate whether or not he and his department are considering changing those to bring them into line with current market conditions?

MR. CHAMBERS: Mr. Speaker, from time to time the board of the Alberta Home Mortgage Corporation reviews the limits for the purchase of either new or existing dwellings. As members know, that's currently set at \$70,000 for new and \$56,000 for used. The intention and, I think, the obvious desire, is to keep these numbers as low as practical and still get delivery of supply. Obviously, the lower those numbers are, the more affordable the housing is for people at lower income limits.

A good indicator of supply is the demand from people and from builders. Last year we delivered 8,000 units through the Alberta family home purchase program, 6,000 rental units through the core housing incentive program, and we have similar figures in this year's estimates, as members know. Currently the demand by people and by builders is remaining high. So that's a good indicator that it's still possible to build for people affordable, satisfactory, and good housing under those guidelines.

That doesn't mean to say that we wouldn't be changing those guidelines in the future. They're not currently under review, but we review them from time to time.

MR. OMAN: A supplementary, Mr. Speaker. In view of the current high interest rates, it appears that there's a rather large and enlarging gap between those who would qualify for a conventional mortgage under Alberta Housing and those who cannot. I wonder if the minister would consider looking into that area so there could be some expansion there to take care of that particular need.

MR. CHAMBERS: Certainly, Mr. Speaker, we welcome advice in any of these very difficult areas. I remind members, though, that our current upper family income limit for qualification is \$31,000.

Share Purchases

(continued)

MR. R. CLARK: Mr. Speaker, I'd like to pose a brief question to the Minister of Energy and Natural Resources. It really flows from the last supplementary I asked the minister concerning B.C. Forest Products. Is the firm the Alberta Energy Company bought into — some 28 per cent, I believe — not the same firm involved in the \$300 million newsprint mill and sawmill project at Grande Cache, and the same firm that's also involved in another sawmill at Knight in the Fox Creek area?

MR. LEITCH: Yes it is, Mr. Speaker.

MR. R. CLARK: Mr. Speaker, to the hon. minister. From the answer the minister gave earlier in question period, I take it that he was advised some three to four weeks ago — some time frame like that — of the Energy Company's intention to purchase a portion of B.C. Forest Products. Under its new ownership, will B.C. Forest

Products still have to live with the same conditions the government agreed to a year or a year and a half ago?

MR. LEITCH: Yes, Mr. Speaker.

DR. REID: A supplementary to the Minister of Energy and Natural Resources. I think I heard something wrong. My understanding is the sawmill will be in Grande Cache and the paper mill and another sawmill at Knight and Hurdy, not the reverse. Could the minister clarify for the House?

MR. LEITCH: Mr. Speaker, I wasn't really paying attention to the geographic locations the hon. Member for Olds-Didsbury was assigning to the sawmills and the TMP mill. But my memory is that a sawmill will be at Grande Cache, and that another sawmill and paper mill will be in the Fox Creek portion of the timber berth.

ORDERS OF THE DAY

MR. SPEAKER: May the hon. Member for Edson revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

DR. REID: Thank you, Mr. Speaker. I'd like to introduce to you and to members of the Assembly 21 students from Pine Grove elementary school in Edson. They are accompanied by their teacher Mr. Brian O'Kurley, two parents Mrs. Romaniuk and Mrs. Munro, and bus driver Mr. Kerman. These students are spending the day in Edmonton to see that there are some benefits and assets to larger communities in our province, as well as of small communities. I think they will appreciate being welcomed by members of the Assembly, and I ask them to rise and receive that welcome.

MR. HORSMAN: Mr. Speaker, with regard to questions and motions for returns, I move that Question 133 and motions for returns 125A, 126, 131, and 132 retain their places on the Order Paper.

[Motion carried]

head: MOTIONS FOR RETURNS

113. Mr. Notley moved that an order of the Assembly do issue for a return showing copies of all accounting reviews and auditor's reports on Syncrude Canada Ltd., for the years 1976, 1977, 1978, 1979, and 1980.

MR. LEITCH: Mr. Speaker, I have been reflecting on this motion for a return for some time and regretfully have come to the conclusion that I must recommend to members of the Assembly that it be rejected. I reached that conclusion largely because of its vagueness and lack of precision. The motion calls for copies of all accounting reviews on Syncrude Canada Ltd. for a number of years. Frankly I have great difficulty knowing what is encompassed in the phrase "accounting reviews".

Perhaps it would help the Assembly if I mention that the government actually has three roles in what we might call the Syncrude project. One is as the owner of the leases, another is as an owner entitled to royalty payments, and the third is as an equity owner. A number of entities and departments would be involved in those three roles, including the Department of Energy and Natural Resources and Treasury. On the structure side there would also be the Syncrude joint venture, which was really a group of all equity participants in the Syncrude project. Syncrude Canada Ltd. is of course the vehicle, the private company, through which members of the joint venture finance and operate the Syncrude project.

When we refer to "accounting reviews", it seems to me that would be any document that in any way refers to or deals with a matter of accounting. Those documents could be produced by the departments I've referred to, by the Syncrude joint venture, of which the government is a member, or by the private company Syncrude Canada Ltd. A number of them, particularly if they're produced by departments, would fall within the category, which normally would be of the nature of advice — interdepartmental memos and things of that nature — which would not in the ordinary course be producible pursuant to a motion for a return.

The same lack of precision is applicable to the auditor's reports on Syncrude Canada Ltd. Technically speaking, I think an auditor's report is merely that section of the auditor's statement which says he's examined the financial statements and so on and they meet normally accepted accounting principles. Again, I'm not sure whether we're referring to auditor's reports in the sense of auditors employed by departments in the government, the Auditor General of the province, or private auditing firms.

In conclusion, Mr. Speaker, I simply say that if the hon. member would define with somewhat more precision the information he's seeking, we certainly would be anxious to provide it for him. Finally, depending on the nature of the information the hon. member is seeking, it may be that it resides at the moment with the Auditor General as an officer of the Legislative Assembly. Members will be aware that the Auditor General has a role in respect of auditing the provincial government's equity interest. Reports on that are submitted to Treasury, which in turn reports to the Assembly through the annual Heritage Savings Trust Fund reports, and of course those are audited by the Auditor General. With respect to provisions in the Syncrude agreement under which the provincial government would receive royalty payments, again the Auditor General on behalf of the [inaudible] on behalf of the Department of Energy and Natural Resources audits on a post-audit basis all those financial statements to ensure that accounting is done in accordance with the Crown agreement.

I find myself unable to do anything other than recommend the question be rejected, simply because I don't have any idea how I would go about collecting information covered in the phrase "accounting reviews" or "auditor's reports". If the hon. member wishes to restructure the question and be more precise — or as I mentioned earlier, he may find the information he's seeking is already in the possession of the Auditor General as an officer of the Legislative Assembly.

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

HON. MEMBERS: Agreed.

MR. NOTLEY: Thank you, Mr. Speaker. I really must compliment the hon. Minister of Energy and Natural Resources on a speech that would have done justice to Mackenzie King in his heyday. Absolutely no doubt about that. What a way to find justification for failing to provide information the Assembly should have had about six weeks after the motion for a return was submitted. I must confess a certain amount of sadness at the heavy weight that has been on the shoulders of the hon. minister all these weeks as he's attempted to try to find a way to comply with this motion for a return.

Mr. Speaker, when the Syncrude arrangement was made, one of the desk-thumping arguments of this government was the accounting manual and all the information that was to be made available to members of the Assembly and the people of Alberta. Of course for the last five or six years the people of Alberta have had no information at all on the operations of Syncrude, except the very compartmentalized information contained in the heritage trust fund annual report. But as the hon. Minister of Energy and Natural Resources knows, that is only a small part of the story.

This motion for a return attempted to ferret out of this government the information which we were told with such gusto would be supplied eight years ago when we first had the Syncrude announcement. Obviously we're going to have to pry some more in a little different manner. I give the hon. minister the assurance that in the next several days we will have yet another motion for a return, worded just a little differently. I hope it doesn't take six weeks to come back next time.

[Motion lost]

127. Mr. R. Speaker moved that an order of the Assembly do issue for a return showing copies of all data or strategy information pertaining to the federal/provincial energy negotiations that have been exchanged with former energy minister Don Getty since the termination of Mr. Getty's consulting contract with the government of Alberta.

[Motion carried]

MR. LEITCH: Mr. Speaker, I would like to file the response to Motion 127, which shows that no such documents were exchanged.

MR. CRAWFORD: Mr. Speaker, before the Committee of Supply is called under Government Designated Business, I wonder if hon. members want to indicate whether there is unanimous consent after the hour has expired to continue until 5:30 with government business, which would be estimates.

MR. SPEAKER: Is there unanimous consent?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

head: **GOVERNMENT DESIGNATED BUSINESS**

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

[Mr. Appleby in the Chair]

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

Department of Environment
(continued)

MR. COOKSON: Mr. Chairman, perhaps I could conclude comments of the last session with regard to a question by the Member for Calgary Millican. It had to do with the CIL site clean-up, dealing with the mercury spill. The information I can give the member at this time is that all mercury contaminated plant wastes stored in on-site landfill have been recovered and hauled to the Oregon site for landfill disposal. The buildings exposed to mercury during the manufacturing and storing of products were demolished and also have gone to Oregon.

It might be interesting to note that at the time 7,800 tonnes of material were shipped to the permanent site at Oregon. Fifteen thousand tonnes, or about 8 pounds of mercury equivalent, were used subsequently and contained a much lower mercury content, less than one part per million. They were stored in a roadbed. The balance of 4,500 tonnes of material, containing about 2.5 pounds of mercury, was stored in the Forest Lawn landfill. At present a consultant is in the process of assessing the decontamination program, and will continue to do so. That is with regard to the landfill, checking the banks of the Bow River, and ongoing checking of river sediments. I think that pretty well responds to all the questions raised Friday.

MR. R. CLARK: Mr. Chairman, to the minister. It's not my intention to prolong unduly the discussion of the estimates. I indicated at the outset that I really had three priorities, one being the Environment Council of Alberta. We'll get to that later on. But very, very directly, Mr. Minister — unless I missed this in reading the Blues of the minister's comments on Friday afternoon, which I went over very rapidly this morning — can the department now give us a timetable with regard to coming to grips with the problem of handling hazardous wastes?

In my initial remarks I indicated that the department had been given an action plan in '72. We've had the Environment Council's report. We now have a task force within the department looking at the matter. Frankly, Mr. Minister, through the Chair, I think it would improve the passage of these estimates a great deal if there were some indication of a firm timetable the department is aiming at, so members of the Assembly would have that information with them when we're going through the estimates.

MR. SINDLINGER: Mr. Chairman, to the minister. Mr. Minister, last week when you were dealing with my comments in regard to the south Castle River, you replied that you thought the Member for Pincher Creek-Crowsnest did such an excellent job of responding to my concerns, particularly with the Castle River area and the logging situation, that I sort of stroked that right out of my concerns. I don't want to appear impertinent, but I

think those comments deserve more than that. The comments were posed to the Minister of Environment, not to the Member for Pincher Creek-Crowsnest.

One concern you raised about the things I mentioned was that you wondered why I was bringing them to you and not to another department. I brought them to you because of the stated purposes in the estimates. I'd like to reiterate a couple of them to demonstrate why I brought the concern to the minister. For example, one of the program objectives is:

To provide, in cooperation with other agencies, a comprehensive programme in environmental protection, rehabilitation, control and management through research, development, diagnostic and analytical services.

Another objective of the program is:

To review and coordinate Government and Government Agency policies, programmes, and administrative procedures as they pertain to environment conservation, and to encourage public involvement in the discussion and analysis of environmental issues.

Another objective is:

To integrate land resource management, conservation and reclamation, in order to balance resource development with the maintenance of environmental quality.

Another is:

To prevent or control pollution in order to protect the environment and reduce the possibility of adverse effects on humans, animals, and vegetation.

The concerns raised in regard to the south Castle River deal with all those program objectives. I am not the only one who has a concern about these things. The last day in this discussion in the Legislature we had a presentation of two different opinions in regard to the environmental damage in that area, one opinion presented by me and the opinion presented by the Member for Pincher Creek-Crowsnest. Of course there's no way we're going to resolve that issue standing here. There aren't any trees or streams here, there aren't the small buffer zones, and there isn't the pollution in this Legislative Chamber. The only way we're going to resolve this matter is either by seeking a third expert opinion or going there to look for ourselves.

First of all, in regard to a third expert opinion, I submit for the minister's consideration a petition presented to one of your associates by the Alberta Wilderness Association, which reads as follows:

We, the undersigned, are concerned about the type and amount of logging and the damage done by logging in the Castle River area. We request that an immediate moratorium be placed on commercial logging in this area and that public hearings on the South Castle be held as soon as feasible.

That petition was signed by 860 people, and the release that came with it said it had been sent to the Hon. Merv Leitch, Minister of Energy and Natural Resources, by the Pincher Creek chapter of the Alberta Wilderness Association. The petition calls for a moratorium on all logging in the south Castle River valley until a hearing can be held to discuss the logging methods used in the valley. It makes allegations similar to those I presented to the minister last week.

What we have here is a third opinion. First we had the opinion presented by me. The second opinion was presented by the Member for Pincher Creek-Crowsnest. The minister in his judgment decided not to respond to this. Well, perhaps that's fair enough. However, on the other

hand, whereas it may be fair game to ignore an individual member, I don't believe it's fair game to ignore an 860-signature petition from a reputable group such as the Alberta Wilderness Association. I think we have a matter of serious concern here and that our attention should be directed to resolving that problem.

If we can't accept that third party expert witness, may I suggest to the hon. minister that we go down to the south Castle River and just take a look at what is going on there. I would undertake to take the minister, as well as the Member for Pincher Creek-Crowsnest, to that area as soon as each is ready, or whenever it is convenient to one party or the other. Let's just take a look down there, see what is happening, and see if we can't resolve this difference of opinion we have here today.

If we were to undertake something of that nature, another matter we could address ourselves to at the same time is the question of sulphur dioxide emissions from the gas plants. I understand the minister has announced a study that will look into the impact or effects of the sulphur dioxide emissions from the gas plants. Perhaps in responding to my comments today, the minister can elaborate on that study, indicating the scope and terms of reference, and whether it could cover other areas of the province as well as just Pincher Creek, which I understand it's addressing itself to.

There's a similar matter coming up at Quirk Creek, which is a gas plant just southwest of Calgary. That gas plant is now going to be used for more sour gas from the Moose Mountain region. I have been down in that area, as well as the south Castle River, and one can look at the corrugated culverts along the roadways there. Those corrugated culverts are fine on the top portion, but the bottoms have been eaten off from acid rain run-off from those gas plants. Also, if one looks at the barbed wire fences along the roadside by that gas plant, the wire has been rusted and eaten by the sulphur dioxide, sulphuric acid, where it's been exposed to the gas plant and the wind. However, down from the wind by the fence posts, the barbed wire is still in pretty good shape. These are empirical observations which demonstrate to me that there has to be some substance to the claims made by the people in the Pincher Creek area, and people in other areas contiguous to gas plants, that there are deleterious effects or impacts from those sulphur dioxide plants.

In conclusion I would just like to ask the minister if, during the controversy over the adverse effects of the gas plants in the Pincher Creek area, he has ever been down to that area to review and inspect what is going on. Again, I reiterate my invitation to accompany me and the [member] from Pincher Creek to the south Castle area to resolve for our own satisfaction whether or not there is a deleterious environmental impact from the logging methods in that area.

MR. BORSTAD: Mr. Chairman, this is a follow-up to some questions during question period today. On Friday I asked the Minister of Environment questions regarding hazardous wastes and I think he omitted to answer. I wonder if I could put those questions again. When will sites be picked for the hazardous wastes program? Will it be a site or sites? How are they to be operated, are they to be privately operated, and how do you see these wastes being transported across the province?

MR. COOKSON: The first question from Olds-Didsbury dealt with the problem of hazardous wastes disposal. I'm just trying to see if I can locate the news release at the

time we put the committee together under Mr. Murdo MacKenzie, chairman, who has been assigned the responsibility of siting. The intention — I think I answered it partly in question period to the Member for Grande Prairie — is that we anticipate the recommendations from that committee will be before me in an interim nature next month. Those recommendations will be based primarily on the direction given to them by the terms of reference and by the recommendations of the Environment Council of Alberta. If you think back over the recommendations, they talked about primarily two major collection sites in the province and, to some degree, discussed temporary or minor collection agencies or assembly points throughout the province. They would eventually be directed to the two central points. They recommended that in both instances those points be within about 100 kilometers, I think, of Calgary and Edmonton. So the direction we've given the siting committee is to attempt to locate in that general area. Their interim recommendation next month will be based on that concept, because about 60 per cent of the total wastes are created, for example, in the Edmonton area, and other large amounts in the Calgary area.

In terms of the timetable: that will come before me and the government. Then there's a period of time between now and the fall when we'll attempt to consolidate those recommendations. We've left our options open at that point, because it may be that because we're handling such a delicate operation, we will have some problems publicly. I hope we don't, because I think everyone is pretty well satisfied that we need sites for permanent storage and disposal. Most people in the province today, and we have letters to this effect, don't object to them even within their own general area. There's a positive approach in the province. I think this is attributable in no small part to both the work the Environment Council did and this siting committee.

In part that answers the time frame on the location of our sites. In some instances, we hope we'll be able to use our own regional landfills for temporary storage and eventual transfer. The Environment Council is quite right in saying that there is a danger of spills and so on if you store something temporarily and have to reload and transfer. While I agree with that, the other side of the argument is that economically it's practically impossible to transport five or 10 pounds of a specific material as a load, for example, to the Peace River area or wherever. In terms of practical economics, I'm of the opinion that we have to be able to send a fair amount of the material for transfer.

In terms of the legislation: the Disaster Services group, which has a very active interdepartmental group, are working together to try to work out legislation compatible with the federal legislation. As I said in the question period, my anticipation is that we should have something by way of legislation in place this coming fall. I guess I'll leave that to my colleague the Minister of Municipal Affairs to work through the system. It will complement the federal transportation legislation, which will deal with movement throughout the province and interprovincially.

Insofar as waste management is concerned, I think once we have the transportation legislation in, our legislation has to complement and parallel it, because, as the questions have been asked in the House, it's extremely important that we don't allow an unlicensed landfill area to become a possible dumping ground for waste materials of a problem nature. I'd like to see the thing correlated as closely as I can. Now the question is whether we can pull

this all together in the fall of '81. I'm going to have to leave my options open on that, because I don't know all the pitfalls involved.

Insofar as ownership of these sites, one of the recommendations under the terms of reference is for the siting committee to come in with some recommendations early this summer as to private, public, or joint ownership of these facilities. Those will be coming in. We'll process them through the system to see whether the government should be involved at all or whether it should be partly or totally involved in the construction on those sites. I hope we'll be able to work at least partial funding out of my budget, which may show up in the '81-82 budget, for some of the work that will take place insofar as the facilities.

In dealing with the method of disposal, one recommendation of the Environment Council was that at least one of those major sites should be primarily for neutralizing acids, bases, and other materials; or permanent storage by way of either container or open storage in some cases. The other site would eventually be a site for incineration. So we will be following along those recommendations. The incineration aspect is recommended in the general Edmonton area. But incineration is a pretty expensive business, and we can always temporarily store. For example, insofar as PCBs are concerned, we're not yet sure whether they will have to be incinerated. Some other techniques are being developed to handle this. However, if we decide to go for incineration, I don't think we would have such a facility in place before somewhere in '84-85, because it is a major project. I don't know whether that gives you some idea of the projection and the timetable.

Now Calgary Buffalo: I agree that the objectives you cited in the book are objectives. That's essentially what they are. We all try to shoot for objectives. But we don't always achieve all our objectives. So I don't take that as necessarily the last word on what we can or can't achieve. He raised a question on the Castle River problem. I can just say that in a sense we do have to work together with different departments. The forestry service under Energy and Natural Resources has the major responsibility of coping with the forestry problems. Within their own department, they also have environmental expertise. They call upon our department in that area too.

When you get to the problem of the pine beetle moving into the total forested area of the province — at least it appears that it may do so — one has a really critical time frame to handle that problem. I think they're working as closely as they can to deal with the problem. I think it was alluded to earlier that if you take part of the timber down and then leave the pine beetle to multiply in the balance of the timber, you haven't really solved the problem. So they're attempting to simply stop the pine beetle at the pass, so to speak, and solve the problem before it becomes a major catastrophe for our eastern slopes. They call upon us. We have our land conservation/reclamation legislation, and we have interdepartmental groups that meet at an assistant deputy level. They meet continually to hear recommendations with regard to reclamation and so on. So we are involved, but it is a joint effort primarily initiated by the forestry service. You may wish to question the Associate Minister of Public Lands and Wildlife on that when his estimates are up.

I have the recommendation of the wilderness association, and as yet I don't think I've responded to it. It came in just recently. I could stand corrected on that, but I

don't remember that we responded to it. In hearings, the Environment Council of Alberta generally deals with broader questions of policy. They don't necessarily deal with site specifics. After all, we had the major forestry report in 1979, most of the issues of which the province has worked out, through the Department of Energy and Natural Resources and ourselves, to the satisfaction now I think of pretty well all the panel members and the Environment Council. We can't deal with them all at once because they are ongoing, but a lot of the ways we handle forestry, which was raised during those hearings — those same kinds of recommendations will be applied in the case of the handling of the Castle River thing.

To update the member on the Pincher Creek sour gas problem in particular, Alberta Environment completed our latest survey in March 1981. Perhaps it would be of interest to know that as far as the SO_2 emissions are concerned, both plants are well below the Canadian standards, have been licensed limit, which was set pretty well by Canadian and North American standards. In fact those emissions average about 50 per cent below the standards across North America, certainly Canada.

We're doing a second phase, dealing with the problems associated with selenium deficiency in SO_2 . That's one of the things we have agreed to pursue in the case of the Pincher Creek plants, both Waterton and Gulf. We went as far as we could go insofar as Environment's knowledge and expertise in this area. Subsequently through their health units, the Department of Social Service and Community Health have decided to pursue further in the matter of health — in this case, residents. At the present time they are assessing the work done, determining what other studies are necessary, and setting down some terms of reference of what should be done in the future. That has been left to Social Services and Community Health to complete.

Finally, it is agreed that sour gas SO_2 emissions, problems of acid rain, and so on are going to be ongoing problems in the province. In their summation of the Alberta situation — and I mentioned that in my preliminary remarks — the professional biologists have indicated that as yet there is no danger to the soils of Alberta. That doesn't mean to say, though, that we have to let our guard down. We'll continue to monitor. The plants are operating now at about 98 to 99 per cent efficiency in terms of SO_2 emissions, which is getting pretty high. Whether we can go beyond that, we'll continue to explore. But one has to do a balancing with regard to the economics of it too.

MR. ZAOZIRNY: Thank you, Mr. Chairman. I'd like to ask the minister just one question, because both in question period and a moment ago he dealt with some subjects that I am concerned about in terms of the Department of Environment and his departmental responsibilities. At first blush it may sound like the kind of broad and sweeping question that would invite a very predictable response from the minister, but I ask it with utmost sincerity. It is simply this: given the fact that the minister is the chief advocate, if you will, of environmental concerns of Albertans, and the fact that that is a very large responsibility; given the present growth in the province of Alberta; given the fact that we see predictions of dramatic growth in various industries, petrochemicals and whatnot, over the next number of years, billions of dollars expended in these areas, can the minister advise the committee whether in his judgment he has the tools available in his department, whether sufficient dollars are

being allocated to his budget, whether sufficient resource personnel are either on staff or at his disposal in the private sector to assure the committee and Albertans generally that ten years from now — to pick a date — we're not going to wake up very shocked and dismayed at the state of the environment in this province? Given the fact that until the present time we really haven't had to concern ourselves to nearly the same extent about problems of pollution and whatnot, given the traditional agricultural base in the province, is the minister satisfied that he has the tools at his disposal to do the very large job required of him and of his department in the years to come?

MR. SINDLINGER: Mr. Chairman to the minister. My supplementary comment is along the lines of those from the Member for Calgary Forest Lawn. In responding to the comments I made initially, the minister indicated that the objectives I had stated in regard to the department were in fact the objectives of the department. However, we don't always reach our objectives, and I can understand and appreciate that too. But that's no reason we shouldn't strive to meet those objectives in the long run, as I think the Member for Calgary Forest Lawn is trying to point out.

I haven't really gotten to a point yet where I feel I've had a satisfactory response to the Castle River item I brought up. I refer to the May 15, 1981, *Hansard* where the minister indicated: "In each department we have responsibilities that, in a sense, override other departments." I had the feeling that the minister was making that point again, that there are matters of co-ordination between different departments, and from time to time some departments' objectives have to be subservient to the objectives of other departments which are deemed to be paramount at the time. I know there have been times in the economic development and history of various countries where certain matters considered to be important are relegated to a secondary role simply because the dominant role or objective is the more important one to get at that time. For example, we want to develop an economy; therefore, let's charge ahead and do it, and we'll worry about these other things later on. I think perhaps that might have been the case in Alberta at some time in our history. For example, when we wanted to develop the natural gas industry we said, let's go ahead and develop this natural gas industry; there may be deleterious effects over here, but we'll come back later and pick them up.

I recognize that we do have a good record in regard to controlling pollution from the natural gas plants. Nevertheless, common sense dictates to me that there are problems in certain areas. It's like quoting air line traffic statistics and saying only one out of 20 million passengers gets killed in a plane crash. That's not very significant, unless you happen to be that one person killed in the plane crash. What we have here in Alberta is a similar situation where we can say that generally, overall, and on the average we have a very good track record in regard to sulphur dioxide emissions from natural gas plants. But there are certain instances, just as that one person who died in the plane crash, where the sulphur dioxide emissions have had a pretty large impact. The Quirk Creek area is one place where I can say unequivocally that that's happened. When you look at a corrugated culvert under a roadway next to the plant and see that the bottom has been eaten out by sulphuric acid, I don't have to have a monitor or a sophisticated, elegant device to look at that

and say whether something has happened there with regard to sulphuric acid, because in fact something has.

Boarding an airplane just last week at Calgary International Airport, the wind was blowing from the northeast towards the airport from the Balzac natural gas plant. It didn't take a device to tell there was hydrogen sulphide in the air, because I could tell that myself. There are certain instances where these problems do occur.

I'd like to come back to the reference I made earlier about subjugating some of our concerns to a less important role, or putting them on the back burner until we get our dominant or most important objectives out of the way. The key word here is the advocacy role. The minister is referred to as the chief advocate of environmental concerns of Albertans. In a sense that says to me that the minister and his department are almost a third party between the government and the people of the province. In the early developmental years of this province, it might have been that the flow came from the government trying to develop industry, going through the Department of Environment to the people. However, those days are long gone. I think it is incumbent upon the minister and his department to represent those concerns of the people of Alberta, in regard to the environment, to the government and the things it does. To me this is a very fundamental question, because it identifies the role of the department for us. Is the department there to represent environmental concerns to the government? Or is the department there to represent the aims and objectives of the government to the people? I submit to the minister that the department's and the minister's role should be to represent those environmental concerns of the people to the government to ensure that those environmental concerns are no longer relegated to a secondary role in this province, but in fact receive the prominence, consideration, and attention they so much deserve for our future generations. I believe that's consistent with the overall philosophy of the government.

Having said that, I would like to come back to the one request I made in my earlier comments. I ask the minister if he would give consideration to going to the South Castle area — myself and the minister, or the Member for Pincher Creek-Crowsnest — and taking a first-hand look at the environmental damage being done there, to inspect it first-hand, and then satisfy himself that there is or is not environmental damage being done in that area by the logging operations.

MR. COOKSON: The member for Calgary Forest Lawn asked a question with regard to money and legislation, whether we have sufficient to protect the public. I guess it follows a little along the lines of the Member for Calgary Buffalo. I'll have to try to remember that when we get into special warrants and the opposition starts hammering us because we have too large a budget or we're going over our maximum guidelines of the province or of our government.

I guess one can say that you can always use more funding. We know that areas within our department require additional funding with regard to both manpower and equipment. We continue to upgrade our equipment. This year in the budget we'll be funding another monitoring device, a highly technical piece of equipment that is quite mobile and will detect particulates, carbon dioxide, nitrogen oxide, sulphur dioxide, hydrogen sulphide, and so on. It's very sensitive to those things. We do continue to press for those requirements.

With regard to the question about legislation, we have

some pretty tough legislation. We have to require a licensing procedure of all industries: a permit to construct and a license to operate, in the area of clean air and water, before they can operate. We have tough legislation dealing with sewage and sometimes we come into conflict with the health units, but other than that we seem to work those problems out quite well. All our regulated pipelines, the coal development, and so on, which are essentially regulated, are required to place a deposit with the province, either by way of cash or by way of guarantee of some nature, a bond. We have the Land Conservation Council, which works with the industry out in the field when they have to reclaim this land. We continue to upgrade their responsibility. It's a big job. Right across the province we have appointees at the municipal level involved in terms of inspection. We don't give them a certificate of approval until it's been inspected to the satisfaction of the owner in this case, and the industry. We have some pretty good legislation. The member talked about a subservient role. I would like to look upon it as a team role rather than subservient. All ERCB hearings — any approvals they give are subject to environmental approvals. So we do have a pretty powerful piece of legislation behind us. We negotiate. The public probably doesn't perceive this as much as they should, but we do a lot of behind-the-scenes negotiations to come up with what we think is a standard acceptable to the people of the province, and with what the industry can live with. It seems to me that if you brought in legislation which was so all-encompassing that all departments would be bogged down totally until my name went on a sheet of paper, we'd have some real problems in the province trying to move the way we are, in terms of industrial pressures and so on.

In the United States I understand they have the environmental protection agency, which is a tremendously powerful type of legislation. It has given the United States some real problems in some areas. I notice that the new President of the United States is starting to overrule — he makes the argument that the reason the automobile industry has deteriorated to the level at which it is is because of standards put on catalytic converters. I'm not prepared to debate that, but we try to work out a balance and there are some trade-offs.

I think Calgary Buffalo asked me another question. Maybe he's forgotten the question; I know I have. But I hope that responds somewhat to the question.

MR. SINDLINGER: No, I haven't forgotten the question to the minister, Mr. Chairman.

MR. COOKSON: I remember. It's with regard to a tour of the Castle River area. I have no problem with that, if I can just get all this book work behind me and get out of this House so I have time to move around a little. I'd enjoy this. I'd be happy to go down. If you'd like to come along, that's fine with me. I know I'll want the member for the area, because he is much concerned with it too.

MR. SINDLINGER: Mr. Chairman, I thank the minister very much for that undertaking, and I'll start to make arrangements immediately. I appreciate the fact that you have a lot of work to do, but I think you'd also like to get out from behind it and just put it away for a while. I'll make sure you have a very pleasant trip down in that area.

One other thing I'd like to bring up here is the question

about the advocate again. I think what I'm going to do, Mr. Chairman, is just pass on it.

Agreed to:

Vote 1 — Departmental Support Services

1.01 — Minister's Office	\$150,661
1.02 — Deputy Minister's Office	\$451,887
1.03 — Finance and Administration	\$234,836
1.04 — Accounting	\$544,622
1.05 — Personnel	\$303,840
1.06 — Office Support	\$600,416
1.07 — Systems and Computing	\$1,508,897
1.08 — Communications	\$262,864
1.09 — Management Training and Development	\$79,215
1.0.10 — Library	\$276,219
1.0.11 — Solicitor's Office	\$39,732

MR. SINDLINGER: Mr. Chairman, I'd like to determine with greater certainty Vote 1.09, management training and development. Is the sum of \$79,000 for all personnel in the department or just for the 95 permanent full-time positions authorized under Vote 1?

[Mr. Purdy in the Chair]

MR. COOKSON: Maybe the best way to answer is to give you the breakdown of what it involves. It involves merit increases, pension and dental plans, normal inflationary increases on supply and services. That's \$9,000. In terms of volume increase, you're just talking about supplies and materials to support departmental growth, a total of \$10,000 over the comparable '80-81 forecast. As I read it, there is no increase in staff. It's primarily increases over the forecast in the normal costs, merit increments, and this sort of thing.

MR. SINDLINGER: Mr. Chairman, just for greater certainty, what portion of the \$79,000 is allocated for management training? Does that cover 95 people, or more or less than 95?

MR. COOKSON: It's all management training and development. Nothing has changed insofar as the allocated funds are concerned. If you go back to the forecast, it all deals with management training and development, the sort of internal work you would do to upgrade your people. The increase of 15.7 to \$79,215 is simply inflationary increments. No change has been made in terms of the number of people involved. If you're dealing specifically with management, you're in the top deputy, assistant deputy, and then the higher departmental heads. But if you want a little further upgrade on that, I can get that for you.

MR. SINDLINGER: Mr. Chairman, all I want to ascertain is whether the vote \$79,000 is spread among 795 people, the total department manpower authorization, or the 95 in that vote.

MR. COOKSON: I would have to check, but I would say it is just the number included in that particular vote. But I'll have that checked for you.

Agreed to:

Total Vote 1 — Departmental Support Services

\$4,453,189

Vote 2 — Pollution Prevention and Control

2.1 — Program Support

\$610,987

22 — Air Quality Management

DR. BUCK: Mr. Chairman, a very short question to the minister. In the areas where industry monitors its own air and water quality, can the minister indicate if other monitoring devices are in place through the Department of Environment, or is it left entirely up to industry?

MR. COOKSON: In terms of air quality, we do a number of things. First of all, we require the industry to do its own monitoring and reporting. Secondly, we provide some funds — and that's where these come in — for our own portable equipment. I suppose we have a couple of hundred monitoring devices out there, not of a mobile nature. In addition, we have a number of mobile units. We have everything computerized, in a sense, so all this data comes into a central agency. In addition, we can pull those portables into an area pretty quickly and do our own monitoring. So it's really a combination of the two areas.

DR. BUCK: Mr. Chairman, is that monitoring done on a random basis or because of a complaint that comes to the minister's department? How is it done?

MR. COOKSON: It's done regularly, weekly or bi-monthly, depending on the licence. But we can go in at any time and do our own assessment. We don't advise them at all. So they always have that hung over their heads.

Agreed to:

2.2 — Air Quality Management

\$2,256,977

23 — Water Quality Management

MR. ZAOZIRNY: Mr. Chairman, if I might address a question to the minister on this vote. I think the minister has received a significant number of bouquets on one topic in this environmental area, that of the decision of the government to provide funding for phosphorous removal equipment so the Bow River downstream from Calgary is cleaned up in terms of the level of phosphorous which has built up over the years and is continuing to build up because of the emissions from the city of Calgary. At the time this issue was more in the forefront, and prior to the announcement about the phosphorous removal facilities being installed, a second issue was brought before the minister. Of course that was the question of the bacteria level in the Bow River downstream from Calgary. That issue was brought to the minister most effectively, I might suggest, by a group of ladies who travelled to this Legislature from the constituency of either Little Bow or Bow Valley and presented to the minister a petition of citizens in that area, imploring the minister to put in place the necessary mechanism to clean up the Bow River, not only in terms of the phosphorous content, which affects the oxygen and the life line in the river, but the bacteria as well. I believe their concerns resulted from reports, some emanating from the minister's office, which indicated by their own assessment the bacteria count was dangerously high on a periodic basis. In fact they called for installation of tertiary equipment at

the Calgary sewage treatment facilities, not just equipment which would reduce or eliminate phosphorus deposits into that stream. Since that time, we really haven't heard much on this issue.

I'd appreciate the minister advising the Assembly as to what steps he has taken since this issue was brought before him by members of this Assembly and delegations such as I've referred to, in first of all assessing the gravity of the situation; secondly, exploring avenues and mechanics by which we might eliminate or substantially reduce this problem; and thirdly, actually moving on implementation of such a remedy.

MR. COOKSON: All three are good questions. But I can't remember all three, so I'll just run through what we are doing in the South Saskatchewan River basin eutrophication study. It will give an idea of the progress we are making, primarily of course to control aquatic plant growth in the Bow, the Oldman, and the South Saskatchewan. Of course we had to do this by controlling the phosphorus. The member touched on the work being done in that area. Calgary has opened the new Fish Creek treatment centre, and so far we're getting positive results from a better holding of the material. Although a fair amount is now being removed because of improved facilities, I think that actual phosphorus removal by treatment will be in place in '83. The work we did on phosphorus removal in the Bow River system was actually ahead of this South Saskatchewan study.

I stand corrected on the time frame. It notes here that implementation of phosphorus removal is currently scheduled for the spring of '82 at both city of Calgary sewage treatment plants. So they're well on their way to that.

Our study is composed of five components. We've been collecting information since 1979, which deals with algologists' assays, sediment geochemistry, algocology, and macrophyte ecology — and this primarily deals with the ecological condition of the Bow. At this time perhaps I can say that analysis of the interaction of these different components is now in process. As a result we'll make some adjustments in our '81 field study. Most importantly, I think, an intensive co-ordinated study of water chemistry, algal and macrophyte populations, in the Bow River from Calgary to below Carseland will be carried out and will give us a more thorough understanding of nutrient plant growth relationships in this river. That primarily deals with the problems of elements within the system.

Insofar as the biological oxygen demand in the river is concerned, I haven't got an update at this time on the situation. But my information is that the opening of the new plant at Calgary has certainly improved and minimized both solids and improved the BOD requirements of the river. Of course when that happens, it permits a larger amount of oxygen available for fish growth. I haven't any reports as yet on whether the people downstream from the Bow have detected quality improvement in the river. It's difficult to detect this just by eyesight. They are still required — and I've always said this — to treat the water when using domestic water supply. We require under our licensing that whenever two or more people are involved in a joint system, then both ourselves and the health unit, through Social Services and Community Health, are involved. So far this spring I've had no complaints as to water quality.

MR. ZAOZIRNY: Mr. Chairman, I might follow up the minister's response with another question. Can the minister advise the committee that in his judgment no danger to public health is posed by the bacteria level in the Bow River. I don't have the benefit of the report before me. But I have a particular report which on a number of occasions showed variances where the bacteria count was exceeding the standards, if you will, established by the department. Can the minister advise the committee that, for example, as a result of the opening of the Fish Creek treatment plant — even though it's only a primary treatment plant — the bacteria level has been reduced so that at no time we are running into those excessive levels.

I ask the question because quite apart from the minister's suggestion that people should be careful about using that water — which I think is a distressing situation, and maybe we need to post the river to show that it's unsafe for human consumption. I think that would be a sad testimony to the state of the environment in this province. In fact there were reports that by having mere skin contact in a river that had a sufficiently high bacteria level, a person might run the risk of contracting hepatitis. I recall reading a report to that effect in *The Calgary Herald*.

I'm simply looking for assurance from the minister, subject to these additional studies apparently being conducted, that as a result of the Fish Creek plant opening he is satisfied there are no circumstances in which the bacteria level is exceeding provincial standards and in his judgment there is no hazard to public health.

MR. COOKSON: Through our department, we continue to take samplings and so on. We do that on emissions. I don't know whether I could go so far as to categorically say there isn't some health risk in our water systems. I always found — even as a boy, before we were polluted with people — that when I went into water I either ended up with the itch, which usually lasted seven or eight days, or sometimes a stomach upset from water intake. But insofar as I know — barring minor upsets that can occur from intake of water which may contain substantial coliform — the water in general is in pretty good shape at this time. As I said, I've had no correspondence so far this year. Maybe we'll get a rash of it in July when the water warms up a little. I don't know.

Agreed to:

2.3 — Water Quality Management	\$1,729,855
2.4 — Municipal Water and Sewerage Management	\$112,493,917

DR. BUCK: Just one very brief question to the minister, Mr. Chairman. It has to do with the regional water pipeline running through Fort Saskatchewan, Bruderheim, Chipman, Lamont, Vegreville and out that way. Can the minister indicate if there's going to be a clear-cut policy or any opportunity for people in the near vicinity to hook on to that line? If the minister doesn't know now, he can give me a memo on it. I've had many inquiries. Apparently if it runs through your farm you can hook up, but if you're in proximity of it you can't, even if you're willing to pay for your own hookup.

MR. COOKSON: Mr. Chairman, we have always taken the position that there's no possibility of hookups other than for municipalities, unless the individual is prepared to stand the total cost of that hookup. I'm not saying that down the road our policy may not change.

There was an instance in the line that runs south of Red Deer where an individual applied for a hookup. In fact he included this as part of the bargaining process. In that particular instance I think we took the position that we were prepared to stand the cost of that, that we would have a look at it. As yet we haven't shifted from our original objective to get it from one municipality to another. I'm not saying that we will continue to stay on that position. It would have to be a change of policy to include some of them.

MR. R. CLARK: Mr. Chairman, to the minister. While we're dealing with water lines, I'd be remiss if I didn't make some comment with regard to the Red Deer water line and the desire — I hope that's an accurate assessment — of the department for the municipalities involved to take over the responsibility for the administration of the line. From representation I've received, I don't think there's any great problem with that. Mr. Minister, it seems to me that where the problem will develop is in fact what I understand to be the desire by the department that the municipalities should take over the operation of the intake plant on the Red Deer River where the filtration is done.

I don't expect an instant policy decision, but I would appreciate it very much if very serious consideration could be given to not hoisting that on to the communities, if I could put it that way. I put it in a positive sense: if the policy decision could be reconsidered so the department would continue to take responsibility for the management of the filtration facility there. I know that representatives of various communities have met with department officials, and generally have had a very good meeting with the exception of this question of the department wanting the towns to take over the filtration plant itself. I simply ask that that be kept in mind and that the minister be prepared to reconsider that initial position by the department.

MR. COOKSON: I appreciate the submission by the Member for Olds-Didsbury. The project that went from Red Deer south was a pilot project. It was one of the first in the province. Now we're faced with a large number of these so-called regional systems. We consider a regional system to be two or more municipalities jointly, both with water and sewer. For some time we have been looking at legislation which would set up a board made up of those different municipalities. Very similar to municipal government authority, they would have authority to borrow money, invest, expand, and so on. We're still working on that.

Down the road I think we'll see a provision where two or more municipalities may look at shared use of water and sewer facilities, on their initiative. We would want them to initiate that. However, we think it would be in the best interests for local government to administer. Whether that comes about, time will tell, and the member can make his case at that time. A lot of discussion is going on now within government circles in that particular area. This fall, if everything goes according to plan, I think there will be some legislation which comes under the Minister of Municipal Affairs. As to details which would lay out the terms of reference of regional systems, I'm not sure.

MR. COOK: Mr. Chairman, I want to address a question to the minister and ask him about the effect of regional water systems on urban sprawl, and whether the depart-

ment has done any studies on the impact of providing regional water and sewer on promoting urban growth outside the major towns. The concern I have is that by providing these kinds of services, in effect we're promoting the conversion of prime agricultural land to industrial and residential development. We're also encouraging urban development in a sprawling way that in the long run increases the costs to the province of providing services to those people. I'm thinking of road services, hospitals, schools, those kinds of things.

So my question is very simple. Has the Department of Environment or the Department of Municipal Affairs conducted any studies to assess the impact of regional water/sewer systems on urban development in outlying areas?

MR. COOKSON: To the Member for Edmonton Glen-garry: we haven't done that. I agree with his comments that such systems could impact on good agricultural land, for example. Perhaps we have to look at our policy more in this respect. The other side of the argument is, for example, that if we run water lines out of Edmonton to satellite communities, we tend to take the pressure off sprawl by the city of Edmonton. Possibly we could direct the pipelines to areas of low agricultural potential. I think that would be an excellent issue for debate in the Legislature at some time. Our policy has always been simply to supply water and sewer.

MR. COOK: A supplementary question, Mr. Chairman. Is the minister then making an undertaking to the committee and the Assembly to examine the question of the development of urban sprawl as a function of provision of water and sewer lines — and I hope that is implicit. Secondly, could the minister's department review the question posed by the Member for Clover Bar, which scares me as well? If people are free to tie in, we may see the development of more residential and commercial growth along those water and sewer lines. Finally, could the department assess the experience of other jurisdictions which have done similar things — in the United States in particular, I understand — where this kind of development has in fact encouraged the development of urban sprawl and poor planning in the conversion of agricultural land to other purposes? Could the minister look at the Alberta case and other jurisdictions and see what's happening?

MR. COOKSON: We will commit ourselves to an ongoing study in that area. I'm not sure though. The Environment Council of Alberta is planning major hearings in the near future on problems of agricultural land and so on. I would like to think the presentation the member has made would be taken into consideration in terms of routing of pipelines.

25 — Earth Contamination Prevention

MR. R. CLARK: Mr. Chairman, a very brief question to the minister. Mr. Minister, I assume we would find in votes 2.5 and 2.6 the money that would enable the department to start to put in place the waste management systems we talked about earlier during these estimates. If that's accurate, then fair ball.

MR. COOKSON: That's correct. I could get the breakdowns for it, but I know at least \$2 million is in 2.6 for the committee now working on siting.

Agreed to:	
2.5 — Earth Contamination Prevention	\$1,969,211
2.6 — Waste Management	\$6,058,114
2.7 — Chemical and Pesticide Management	\$1,475,657
Total Vote 2 — Pollution Prevention and Control	\$126,594,718

3.1 — Program Support	\$113,879
3.2 — Land Conservation and Reclamation	\$2,317,470
3.3 — Environmental Assessment	\$1,604,582
Total Vote 3 — Land Conservation	\$4,035,931

Vote 4 — Water Resources Management

MR. MANDEVILLE: Mr. Chairman, I'd like to ask the minister two questions on this. What progress has been made with the Three Rivers project as far as the studies are concerned, and also with the agreement they have with the native people down there as far as getting access to Lethbridge Northern? Is that agreement coming close to being finalized?

MR. COOKSON: I'm just checking to see whether it comes under that particular area. A large part of that is work on the Dickson dam, but I can answer the question by the member. We have signed an agreement with Chief Nelson Small Legs of the Piegan Band, Brocket. At the present time that agreement is being processed by the minister, the Hon. John Munro, in Ottawa. We also made provision for some funding to the Piegans to assist in some preliminary irrigation work, and hopefully part of the agreement will settle the issue for a long time to come. But it's probably a little premature to get into too much detail until I get the whole thing tied up in Ottawa. It shouldn't be very long.

[Mr. Appleby in the Chair]

MR. MANDEVILLE: The other is on the Three Rivers project. Is the study completed yet? When will they be going ahead with the Three Rivers project? While answering that, would the minister have any of the basic terms of the agreement they've signed with the native people down there?

MR. COOKSON: The basic terms of the agreement are being processed in Ottawa. That will be available before too long, hopefully.

Insofar as the dam is concerned, one condition we wrote into our agreement with the chief and council was that we would make provision through our department, our expertise in the area of dam construction and so on — a feasibility study, if you wish — to give them some assistance in that area insofar as making a proposal on the Piegan Indian Reserve. We have given them a time frame, because if we can't pull something together in that time frame, we want to be able to revert to Three Rivers. I think it's commonly understood in the area that we would give the Piegans an opportunity to participate and that will take a year to 18 months. If we can't arrive at something, we then revert to the Three Rivers concept.

Agreed to:	
4.1 — Program Support	\$89,807

4.2 — Surface Water Development and Control	\$70,513,616
4.3 — Regulatory and Regional Advisory Services	\$1,820,579
4.4 — Operation and Maintenance of Water Resources Systems	\$5,835,247
4.5 — Data Collection and Inventory	\$5,491,038

4.6 — Water Resources Planning and Co-ordination

MR. R. CLARK: Mr. Chairman, perhaps this is as good a place as any to make one very brief comment with regard to water resources planning and co-ordination. It relates directly to Vote 4.2, basically the Dickson dam provision, as I understand the estimates.

I simply want to say, Mr. Chairman, through you to the minister, that the cost of that project has skyrocketed from a figure initially announced by the government. It has nearly doubled now. For reasons which a number of the people in central Alberta indicated had not been taken into consideration when the announcement was made, we now have announcements being made dealing with seepage problems and the power generating capacity. I find it extremely interesting that all of a sudden we now have additional costs being added to this project for power generation, when I remember very distinctly a meeting in Red Deer one evening when officials of the government, the former Minister of Environment — who has been elevated, I think the term now is, to hospitals; or at least moved to hospitals, which perhaps would be more appropriate to the Minister of Environment — made the pitch to the crowd that one of the really enticing parts of this project was the power generating capacity.

Mr. Chairman, to the minister, since those initial estimates, these kinds of problems — that power generating capacity, the seepage problems, the problem of the road over the spillway — have added up to where the dam site ... There's no sense fighting the argument over again, but the dam site west of Sundre which Department of Environment people said was going to cost a great amount of money, far too costly to start with, and some people in the department ruled the project out, is now, taking the department's own estimates, going to be less than the Dickson project.

I simply make these comments now. Obviously the project isn't going to start, but I certainly hope that when we make decisions in the future about where we're going to build dams, we don't play hanky-panky with the figures, as I believe we've done here, to justify a decision that is unjustifiable, and then come back years later, under the guise of these new developments causing the costs to go up, because these aren't new developments. The minister has been kind enough to send to my office the reasons for the inflation of the costs. I don't blame the present minister, but I want it clearly on record that in my judgment anyway, whether it's the water resources planning and co-ordination people in the department or whether it was done for political reasons or whatever, the cost of this project is going to be far greater than the cost anticipated by the Department of Environment of that dam west of Sundre.

MR. COOKSON: I guess that's water over the bridge now. The Member for Olds-Didsbury has a copy of the memo I sent to him. It gives the cost breakdown. I wasn't sure about the member's comment on the potential for power. I'd understood that we would build in a capacity

to develop power if and when someone wished to proceed. That would have to be built into the initial structure. I'm trying to find out here whether that was an additional cost from the original cost estimate, but I can't seem to locate that.

MR. R. CLARK: It's very expensive water over the bridge.

Agreed to:

4.6 — Water Resources Planning and Co-ordination	\$8,656,491
4.7 — Groundwater Development	\$1,224,372
4.8 — Water Rights Administration	\$1,540,649
Total Vote 4 — Water Resources Management	\$95,171,799

5.1 — Environmental Research Co-ordination	\$1,481,653
5.2 — Alberta Oil Sands Environmental Research	\$2,092,139
Total Vote 5 — Environmental Research	\$3,573,792

6.1 — Administrative Support	\$1,551,878
6.2 — Environment	\$31,011,380
6.3 — Municipal Affairs	\$250,000
6.4 — Culture	—
6.5 — Recreation and Parks	\$4,063,000
6.6 — Energy and Natural Resources	\$4,399,500
Total Vote 6 — Land Assembly	\$41,275,758

7.1 — Program Support	\$1,998,011
7.2 — Plant Sciences	\$1,387,177
7.3 — Chemistry	\$2,921,573
7.4 — Animal Sciences	\$1,601,398
7.5 — Environmental Technology	\$1,579,795
Total Vote 7 — Interdisciplinary Environmental Research and Services	\$9,487,954

Vote 8 — Overview and Co-ordination of Environment Conservation

MR. R. CLARK: Mr. Chairman, just not quite that quickly. When the minister responded to the overall barrage of questions put before him, the minister indicated that the Environment Council of Alberta should help the minister in doing his selling job to not only the other departments but other people across the province. I think the record will show that in the course of the minister's reaction — I pose the question that if that's the purpose of the Environment Council of Alberta for this year, how is it going to do that with a 19 per cent increase in its budget?

I confess, Mr. Minister, that we made progress in the estimates on the question of hazardous waste materials. I'm pleased to see the addition there in the estimates. But the other concern I have is the Environment Council of Alberta involved in this new role that the minister indicated — and the minister challenged the members at their annual meeting in Calgary last fall to become more actively involved in helping the minister do the job of selling a concern on environmental issues to other departments. Last day the minister said that he sees the Environment Council of Alberta playing that role. I remind members that a 19 increase in the budget will likely mean about an 11 per cent reduction in the spending capacity of the Environment Council of Alberta. If

we're really serious about the council playing that kind of role, what areas of the council's operations for the year does the minister see being severely cut back?

MR. COOKSON: Mr. Chairman, it's a fair question on the budget allocation. We rely on the chief executive officer to put together what he considers a fair estimate of what he requires for a given year. One has to remember that they had major hearings. The forestry report, the report on the Oldman River basin, and the hazardous chemicals hearings were major hearings. They can usually only deal with, at most, one hearing per year. The rest of it is pretty well in terms of the advisory groups, their meetings, and so on. There are only three or four permanent staff. All the others are representatives of different organizations across the province. I think about 120 represent these different ones.

Since their only major hearing is the one on noise, Mr. Crerar, in his own wisdom, has suggested that this amount would be sufficient for the year '81-82. He's also served notice that the hearings on agricultural land, et cetera, which will follow this particular hearing, will require major additional funds. I've taken that as notice. There's no attempt on the part of our department, or in fact government, to cut down on the necessary funding for this particular group of very well qualified people under the council. So there's no disagreement with what the Member for Olds-Didsbury has said insofar as providing sufficient funding. It's just in the wisdom of the chief executive officer for this year, that in fairness he couldn't see that he required the additional funds.

MR. R. CLARK: Mr. Minister, just one last comment, as far as I'm concerned. I welcome the statements by the minister that the minister would in fact welcome the support by the Environment Council of Alberta in activities affecting a variety of other departments. Mr. Chairman, in light of what the minister has said, if I interpret the comments accurately, that this in fact is the budget which Mr. Crerar asked for, I think the acid test. . . . That being the case, the minister is on record in the Assembly as pointing out that you'd welcome the Environment Council being involved in other departments. If that doesn't happen in the next year, the responsibility clearly will lie on the shoulders of Dr. Crerar and Environment Council of Alberta. Because on record in *Hansard* of this Assembly, they have the word of the minister that the minister would welcome that kind of activity.

On the other point, Mr. Minister, we've been advised today that this is the budget Dr. Crerar asked for. I'd assume now that Dr. Crerar and the council have the mandate of the minister to be involved in the lobbying process, if I can put it that way. They have the budget they desire, and there will be no one or no group that Dr. Crerar and the council will be able to say is preventing them from meeting the aspirations of the Environment Council within the next year. One year from now, those of us who were here in the Assembly will be able to see what kind of job the Environment Council of the province has done this last year. Because during the last year I've repeatedly heard them say that on the one hand they don't have the money on some occasions, and secondly their mandate isn't broad enough. We now have it clearly on record that both those matters are looked after. In my judgment, the ball clearly rests in the court of Dr. Crerar and the ECA.

MR. COOKSON: I'm not sure of the import of the comments by the Member for Olds-Didsbury. I've stated that the budget is primarily what has been asked for. I've also stated in a number of instances that the Environment Council can help me in my role by also communicating with other departments and presenting their cases. There's certainly no disagreement with that. I feel they should be doing that.

A question was asked earlier about their appearing before committees. I think I commented in a letter to Mr. Crerar on that issue. So unless there's some other import to the comment by the Member for Olds-Didsbury, I don't think we have any disagreement.

MR. R. CLARK: Mr. Chairman, just so there's no misunderstanding. I for one, as a member of the Assembly, simply want to put clearly on the record once and for all that, at least from my point of view, during the past two years from time to time I've had people associated with the ECA and their work point out these two reasons why in fact the ECA couldn't meet the mandate set out for it. I think we've ascertained pretty clearly in the estimates that the budget they've asked for is there. The minister has in fact urged the ECA to be actively involved in the kind of lobbying, making representation . . . Mr. Minister, I simply say that in a year's time members of the Assembly will be able to determine whether the ECA in fact has the intestinal fortitude to do the things they say they wanted to do in the past but weren't able to, and once and for all we'll have the acid test as to the effectiveness of the organization.

Agreed to:

Total Vote 8 — Overview and Co-ordination of Environment Conservation	\$1,189,250
Department Total	\$285,782,391

MR. COOKSON: Mr. Chairman, I move that the vote be reported.

[Motion carried]

Department of Hospitals and Medical Care

MR. CHAIRMAN: Did the minister wish to make some opening remarks?

MR. RUSSELL: Thank you, Mr. Chairman, I do. As hon. members know, the main function of the Department of Hospitals and Medical Care is primarily as a funding transfer agency: on the one hand, by way of transfers, funding several hundred million dollars for health care for Albertans; on the other hand, providing by way of grants operating funds for all the hospitals involved in the system throughout Alberta.

I'm making the comments I'm going to make because I think the coming year will be one of major decision and direction-taking insofar as health care is concerned, not only for Alberta but probably for most of the provinces in Canada. We've been able to respond to the growing demand for services and to the rapidly escalating costs, both operating and capital, in a variety of ways in this province which I think have allowed us to maintain a good level of health care for our citizens. But not all provinces are that lucky. I refer to the very nominal

increase we made in health care premiums and which is included in this budget. As hon. members know, the premiums pay for a very small portion of health care and nothing toward the cost of hospitalization. Those of you who've been reading the national media know that in the coming months the provinces are in for a tough time with the federal government insofar as financing is concerned. The established program financing Act is up for renewal early next year, and the early signals from Ottawa are that there'll be not only tougher criteria applied to the transfer of some of those funds but a net decrease in the total number of dollars supplied. If that is true, in a case like Alberta's, with a rapidly expanding population, an increasing number of services, and increased costs for each of those services, a reduced amount of funds from the federal government toward the cost of those services will be a very serious matter for us to deal with.

The other area in which I perceive there's perhaps liable to be some period of difficulty is with the establishment of satisfactory fee schedules for our professionals who provide services under the Act. No doubt members have read what's going on currently in the neighboring province of British Columbia and the kinds of numbers and increases some of those people are looking at. In a way, that's tied in with the problems of extra billing and what it means or doesn't mean to our citizens. Frankly, I don't believe anybody in the province is being hurt by the fact that extra billing is still a permissible practice here in Alberta. The statistics available indicate that it is being done with reasonableness. The first report received from the assessment committee set up by the Legislature last fall is encouraging, both by way of the numbers of complaints they're dealing with, which total 33 to date, and the way those are being decided, roughly half and half in favor — if I can use that term — of the doctor or the patient.

Notwithstanding all those things, I've mentioned increasing costs and perhaps a gloomy forecast of where the revenues are coming from. We have expanded the services by way of adding physiotherapy to the schedule of benefits this year, and at the same time are transferring it from a hospital benefit into the health care insurance plan. Members are aware that some years ago a freeze was put on the number of recognized clinics outside the hospital system that could receive remuneration from the health plan for services by a chartered physiotherapist. Since that time the population in the province has approximately doubled, and pressure has been mounting to have those services expanded. So we're doing that. The system is expected to go into effect on the anniversary date of the medical care plan, which is July 1, Mr. Chairman, I think that touches the highlights of the things we might want to consider when we're talking about the health care insurance vote within the department budget.

When we get to hospitals, there are a number of factors with respect to operating costs, ongoing maintenance and provision of equipment, and the replacement and expansion of the existing system. I don't think I need to point out to anyone in this room what increasing hospital operating costs are doing to the budget. It's interesting to note that in our 10th year in office as a government — I recall that in 1971 the then Provincial Treasurer brought in a budget of \$1 billion and something for the first time in history. That was a kind of landmark, that we'd finally cracked the \$1 billion mark. Of course now just the budget for this one department is \$1.3 billion. So I think increases in those kinds of figures, with our still relative

small population, have to give rise to some concern for the members here.

Today we were able to table the utilization report, which has been a long time in coming. There are some interesting figures in there. Members may want to refer to it. I'm only going to use one figure from there that shows that the per-person daily operating cost for hospitals has increased by a factor of 182 in the last decade, but in the same period the consumer price index has gone up by only 87 points. That gives you some idea of the accelerating nature of the ongoing operating costs in hospitals.

I'm pleased that the Hospitals vote this year contains a special equipment vote of \$25.5 million, which I believe is a fairly substantial number of dollars to include in one year for the replacement and provision of equipment in our hospitals.

I think the extended-care portion of the hospital system — that is, the auxiliary and nursing home sectors — has to be some reason for concern for members of the Alberta Legislature. We're now approaching the stage where we have one of the highest proportions of beds per capita for the elderly of any province in Canada. The occupancy rates in all of them are running beyond 95 per cent on any given day. I said in the House on another occasion that there must be a limit to what rate we can continue to institutionalize elderly Albertans as they're perceived to have some kind of health care problems. So the challenge is there for all of us. That is one of the reasons we established the nursing home review panel, not just to look at the system as it is now and compare it with what other jurisdictions are doing, but perhaps also to take a look ahead. I suppose we're all part of the problem. Statistically, by the year 2000 a number of members presently here are going to require some kind of extended care in one or more of those institutions. There are going to be proportionately more older people and fewer younger working people to carry the financial load. So I think it behooves all of us to rise to that challenge and see if we can't find ways of responding to those health care problems other than simply using bricks and mortar.

Insofar as the capital vote of the department is concerned, Mr. Chairman, again it's very substantial. I think members in this Assembly are aware of the massive program that is under way. Last year we made a capital commitment of \$1.3 billion. That same program is now worth \$1.6 billion simply because of inflation, not because of any changes that have been made. I think the problem of inflation is a spectre that haunts any minister who is responsible for substantial capital works, whether in Transportation, Housing and Public Works, or Environment. Just the rate of inflation in these large capital projects that go over a period of four or five years is very awesome indeed when it's compounded on a cash flow basis. There are a number of areas in the province where, notwithstanding everybody's best effort from the local hospital board through consultants and staff persons, it's obvious we're going to have some really tough challenges trying to accommodate the inflation factor and the competition now under way for experienced contractors and personnel.

I want to end on that note because we in the department, particularly in the capital works division, are finding there is a great competition for any kind of trained people. The private sector consultants have looked at that committed budget of ours, and expecting another phase to be announced later this year, many of them are establishing practices in the province and are looking for

experienced personnel. Many hospital boards too are finding that the strain of maintaining an existing hospital and planning and constructing a new one at the same time is creating challenges for their staffs, and they are looking for people. The bottom line is that anybody with any training — and they tend to be in the Department of Hospitals and Medical Care — is receiving any number of attractive offers. Frankly we're having quite a problem retaining experienced people. So there is a very high staff turn-over rate in that part of the department.

I'll just end on a positive note. We've received the last tenders on the little 10-bed hospitals which were invented to serve the small communities around the province that did have existing hospitals. Happily they've all come in just slightly under budget. They've all been recommended for approval to local contractors, except in one instance. We've had some very competitive, very tight, good bidding, and some good estimated construction times. So those will be starting within the next few days in six communities around the province.

The second part of that program, the larger prototypical hospitals that are meant to go ahead in segments of 25 beds or more are well under way by way of design. We expect that the working drawings will be finished by the end of the year so those projects, and there are several, can be tendered in various parts of the province in the first quarter of 1982. We're encouraged by the progress being made there, and very pleased with the way the prices came in on the smaller 10-bed hospitals.

That's an overview of what I see as the current highlights of activity in the department, the coming major programs and challenges. The budget presented here for consideration by the members attempts to provide adequate funding to respond to those programs and challenges, Mr. Chairman. I'd now be pleased to hear the comments of the members.

MR. SCHMIDT: Mr. Chairman, if we could reconvene in the Committee of Supply again this evening at 8 o'clock and carry on with the estimates of the hon. member, we'll call the present time 5:30.

MR. CHAIRMAN: I have some difficulty with that motion. It was my understanding that when the hon. House Leader made the motion that we extend the afternoon for committee stage, it wasn't included that the Assembly gave direction to the committee to go on into the evening. But I'm not hard to get along with.

MR. SCHMIDT: Would it be easier then, Mr. Chairman, to ask the committee to rise, report progress, and ask leave to sit again?

MR. CHAIRMAN: Having heard the motion, are you all agreed?

HON. MEMBERS: Agreed.

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

For the Department of Environment: \$4,453,189 for departmental support services, \$126,594,718 for pollution prevention and control, \$4,035,931 for land conservation, \$95,171,799 for water resources management, \$3,573,792 for environmental research, \$41,275,758 for land assembly, \$9,487,954 for interdisciplinary environmental research and services, \$1,189,250 for overview and co-ordination of environment conservation.

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

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

HON. MEMBERS: Agreed.

MR. SCHMIDT: Mr. Speaker, I move we continue in Committee of Supply with the votes of Hospitals and Medical Care when the House reconvenes at 8 o'clock this evening.

MR. SPEAKER: Do hon. members agree that when they reconvene at 8 o'clock, they'll be in Committee of Supply?

HON. MEMBERS: Agreed.

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

[The Committee of Supply met at 8 p.m.]

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

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

Department of Hospitals and Medical Care (continued)

MR. R. SPEAKER: Mr. Chairman, I would like to raise eight or nine issues for the minister to respond to, in somewhat the same order as he set out his opening remarks. In Vote 2 one of the areas of discussion we've had in this Legislature for some time is with regard to a dental program or dental insurance, either private or public, being initiated or co-ordinated by government. I'd like to know where the government is with regard to that plan at present, whether a dental insurance plan is in the near future or not, and possibly what kind of problems, other than costs, we are facing at the present time.

The second item I'd like to raise under that vote is with regard to ambulance service. We've had discussion in the Legislature on that topic as well. To the present time ambulance has been the responsibility of the municipalities. I wonder if the minister could comment on the question with regard to jurisdiction, whether or not the government is considering a province-wide ambulance program, and whether it would become part of the basic health care package for Albertans.

The third area I'd like to comment on is with regard to the fiscal arrangements with the federal government. The minister touched on this in his opening remarks. He indicated that the federal minister has initiated the negotiations and that the federal government may wish to cut back in its expenditures, which does two things to the province: one, it puts pressure on our expenditures and, two, it raises the question whether we may have to cut back in services as well.

I'd like to raise two areas in those discussions. One is with regard to balance billing. I've noted on television

and radio and through the newspaper that unless our province — and the federal minister specifically refers to Alberta — outlaws the practice of balance billing, they may withhold federal funds. I wonder if the minister could comment as to our position on that at the present time, and whether that type of thing can legally be done.

Secondly, related to the federal minister's comments, on March 17, 1981, the government passed a special warrant for \$10,826,000. I wonder if that special warrant was due in large part to the reduction in the federal cash grant that normally comes to the province for extended health care benefits. Possibly the minister could expand to a greater extent as to what we may expect from the federal government, whether they're initiating any new directions, any new programs, or they are going to withdraw and allow us as a province to take our responsibility in the area of health care, which I believe was granted to us many, many years ago when we became a province in 1905.

The fourth area I'd like to comment on and request a response to is with regard to local requisition. Mr. Chairman, the minister has indicated it is possible we will initiate a program of hospital requisition on the local tax bill. I'd like him to bring us up to date on that and raise that within the area of whether it's justified at this point and when it would be justified. For example, when we look at the spending last year, the expenditure over estimates for active care hospitals in the province was about 5 per cent. Of all the hospitals listed in the estimates, in no case did it reach a 10 per cent overexpenditure. Possibly those were not final figures, but I'd appreciate it if the minister would consider that. Will it be based on when the hospital overexpenditure becomes 15 per cent, 20 per cent, or 25 per cent, or will the new hospital requisition possibly go in just to say to the local hospital officials, I think it's time you take on more responsibility?

The fifth area is with regard to blood fractionation plants. This would be under Vote 3, I believe. I understand the provincial hospital ministers agreed last year to establish three blood fractionation plants in Canada. However, I understand the Red Cross has reacted to that and has a concern that the plants would be paying their donors, which establishes a new principle and rather a change in direction here in the province of Alberta. There is much concern that the volunteer blood donor system would be threatened. I'd like to ask the minister whether they've reviewed the concerns of the Red Cross, and possibly what will happen with regard to that program in the coming months. I'd also like the minister to respond as to what could be the potential cost to Alberta with regard to those three units located in Canada, and whether possibly one of those units would be located in Alberta.

Also with regard to Vote 3, I'd like the minister to respond to the 1980 recommendations of the Health Facilities Review Committee that made three conclusions. I'd like the minister to indicate whether the recommendations are being acted upon or not. These are the three conclusions, Mr. Chairman: first, that there is a need for refresher training for nurses to be expanded in light of the current severe shortage of nurses; secondly, there is a need for provision of pastoral care in hospitals and nursing homes; thirdly, there is a need for greater publicity regarding the programs offered by the department. I wonder if the minister could comment on the actions taken with regard to those conclusions.

The seventh area, Mr. Chairman, is related to Vote 5

and the Nursing Home Review committee. On April 7, 1981, the minister appointed a Nursing Home Review committee. There was quite a bit of concern with regard to the fact that no senior citizens were on that committee, and we raised it in the Legislature. The minister indicated that the various bodies can make representation to the review committee. Questions are still being raised with regard to the involvement of the Senior Citizens' Advisory Council and the Alberta Council on Aging. I wonder if the minister is reviewing that matter as such.

The other area under Vote 5 is with regard to further recommendations of the Health Facilities Review Committee that professionals trained in gerontology and psychiatric nurses be hired for nursing homes and for the care of the elderly. I wonder if the minister could comment on whether those recommendations are going to be carried forth as well.

Mr. Chairman, the other area of questioning I'd like to follow in the estimates is with regard to financial assistance for capital construction. I just make the general comment that as we examine the estimate, in a number of areas there were underexpenditures in the fiscal year 1980-81. At the same time, however, there were a number of overexpenditures. When we get to Vote 6, I'd like to go over each of those and raise them with the minister so he can indicate why the underexpenditure or why the overexpenditure at this point in time.

The other matter I'd like the minister to comment on is with regard to the Hospital Utilization report tabled this afternoon, not specifically with regard to what is in the report but a comment the minister made to reporters after the Legislature closed this afternoon. The minister indicated that the primary surgery practices of some hospitals — I believe Medicine Hat was mentioned and, potentially, Lethbridge — would be reviewed by the Alberta Medical Association. I wonder if the minister would comment on the amount of involvement the government or even the Alberta Medical Association can have in the patient/doctor relationship. What type of thing would the minister be looking for when he is requesting that an investigation be carried out?

MR. KOWALSKI: Thank you very much, Mr. Chairman. Just a few comments to the minister with respect to a subject I raised in his estimates a year ago; that is, the necessity for a hospital in the remote community of Swan Hills. Since that time a number of significant developments have occurred in that area of Alberta which need to be brought to the attention of the minister to amplify the increasing need to see the delivery of such a facility.

The minister talked about one of those developments earlier this afternoon. That was with respect to his 10- or 15-bed prototype hospital. I would like to compliment him and the officials in his department for coming forward with that kind of proposal. I've studied the outline of the document. I think it's very positive and will be of significant benefit to some communities in remote parts of Alberta.

The second point I would like to make to the minister is regarding the document he tabled in the Legislative Assembly this afternoon dealing with hospital utilization and the report just presented to him. I refer him to a document in the manual called Appendix E, which essentially looked at bed complements per 1,000 population for various general hospital districts in Alberta. In particular I would ask him to take a look at the one identified as the Barrhead General Hospital District, with a 1978 estimated population of 12,892 people. That area is cur-

rently being served by an 80-bed hospital. If you take a look at the number of beds per 1,000 population, you'll find that there's a ratio factor of 6.21, which puts the Barrhead General Hospital District at the lower bottom of the list, indicating that there are certainly many, many more people who do not have access to beds compared to some of the other jurisdictions in the province.

I raise that matter because I think it adds further proof to the very significant need for a hospital to be located some 65 miles away from the town of Barrhead, and that of course is in the community of Swan Hills. In essence, I have only one question to the minister; that is, dealing with a proposed hospital for Swan Hills. Recently the minister provided some documentation to me which indicated that a review was being undertaken by officials in his department to determine that perhaps a 15-bed facility should be built in the town of Swan Hills. He also indicated to me that it could be tendered almost immediately. My question to the minister simply deals with a clarification of what the phraseology "almost immediately" means to him.

Thank you very much.

MR. ZAOZIRNY: Mr. Chairman, I would just like to address three questions to the minister. They arise from the report on Hospital Utilization tabled in the Assembly this afternoon. The first really arises from statements I believe the minister has made on more than one occasion, both inside and outside the Assembly, to the general effect that the rate of hospitalization of Albertans is among the highest in the country when comparing this province to other provinces. I can't recall the exact terminology used by the minister, but it seemed to me that he used phraseology much to that effect on more than one occasion.

However, on looking at page 5, the Summary of Performance of the Hospital Utilization study, I'd appreciate the minister reconciling what I believe to have been his general comment with some of the points raised in that Summary of Performance. I'll simply refer to two or three of them. Firstly:

Alberta's beds/1,000 population ratio is very close to the Canadian average.

Secondly:

Alberta's length of stay for public general hospitals is the third lowest in the country.

Another point in that summary:

The cost per patient day of hospitalization in this province is below the Canadian average.

I was somewhat surprised to see that Summary of Performance in light of what I understood to be the general situation in this province when compared to the hospitalization rate, if you will, in other jurisdictions within this country. I'd just appreciate the minister's clarification on that point.

Mr. Chairman, the second comment and query I would like to address to the minister is with respect to a statement on page 10 of the Hospital Utilization report that indicates there has been a significant decline, I believe of some 15 per cent, between 1971 and 1979 in the province's bed per 1,000 population ratio. The report goes on to make clear that this is largely a result of the rapid growth experienced in the province. The report goes on to point out that in fact the decline was most pronounced in the two major urban centres, and refers specifically to Calgary, where there has been a 27 per cent decline in acute care beds over that period of time.

In light of that statistic and the clear need for addition-

al acute care beds in Calgary, as well as other types of beds I believe, I'd appreciate the minister's advice as to what steps his department might be able to take to encourage local officials, if you will, to move even more rapidly with the construction and completion of the two hospitals that are on the boards right now, and I believe there is talk of a third in the not too distant future. So in the first instance, I would simply encourage the minister to take whatever steps he feels he may be able to in his capacity as minister to speed up that building process, and perhaps advise the Assembly what steps he feels are within his purview for that purpose.

The third comment and query, again arising from the Hospital Utilization study, is from page 58, where in its recommendations the Hospital Utilization Committee states that the department should

provide necessary incentives to home care programs to develop ways and means of sustaining long-term patients in the community as an alternative to institutionalization.

I noted that recommendation with great interest, particularly as a result of the minister's comments in question period last week when questioned about health care for the elderly, and his endorsement of the home care approach and the need for Albertans generally to maintain their responsibilities in terms of our elderly. I was pleased to hear the minister take that position, and in his opening remarks I believe he reiterated that we can't respond to these problems simply on a brick and mortar basis. Having taken that policy position, could the minister advise specifically what incentives he intends to put in place to promote home care? If one examines the record of *Hansard* in this Assembly in the last couple of years, I think questions have been directed more to the Minister of Social Services and Community Health, urging that this government move more rapidly in the area of home care and expand that program. I think it would be fair to say that we've been moving quite cautiously in terms of expanding the home care program.

So I would be most interested in what the minister feels, having endorsed the home care concept — what incentives and what accelerated programming the government intends to put in place so that in fact we can have a more extensive home care program.

Thank you, Mr. Chairman.

DR. PAPROSKI: Mr. Chairman, the hon. Member for Calgary Forest Lawn has literally asked all the questions, and I'm just going to make a few other comments. I would like to echo those comments and questions and ask the minister to respond to them, because they are indeed very important. I think he's hit the nail on the head with many of them, respecting community care and so forth.

Mr. Chairman, the building program for hospitals is certainly second to none in Canada. I would like to compliment the Minister of Hospitals and Medical Care for the sensitivity he has for this whole area and the whole department. Certainly I would like to express my thanks to him for his willingness to listen and always hear the MLA for Edmonton Kingsway — at least listen and willing to hear.

Mr. Chairman, two or three questions: one regarding the small model type of hospital being built now out in the rural community. I would like the minister to expand on that and confirm that such hospitals are in fact expandable. In other words, if there are 10 or 15 beds, could they be expanded to double that size, for example, with a minimum of cost? I hope that is so, for that would

be distinctly an advantage with respect to costs.

Mr. Chairman, I would also like to ask the minister to comment similarly on the larger rural hospitals being built now. Is this following a model pattern? If it is — and I hope it is — does it have an expansile characteristic in that the costs would be kept down and the hospital beds can be expanded in numbers so that in the future, when communities enlarge, as they are doing so rapidly in the booming Alberta economy, there will be some flexibility in that regard?

With respect to active, auxiliary, and nursing homes, I would like to have the minister maybe articulate the daily costs, if he has that. How does it compare to last year, and what are the daily costs now? Especially with respect to nursing home costs, I would like a comparison with other provinces; for example, Saskatchewan. How much do we subsidize and how much does the patient have to pay? I know it's recently gone up slightly, but it would be very interesting for members of the committee to know those costs. Is the subsidy for the province of Alberta for nursing home care greater or less than most other provinces?

The other point on nursing home care follows on the comments the minister made earlier in the afternoon in his opening remarks, that there is extreme pressure on nursing home beds, as there is for all active, auxiliary, nursing home, and extended care facilities in general. Is the minister developing or contemplating any policy in the regard that patients categorized as nursing home patients could stay at home in lieu of going to a nursing home bed, which is very expensive, if their relatives and/or the patient's friends received some degree of subsidy? I've raised that question on a number of occasions over the past year or two. I still think it's a good direction to take, because a lot of the patients who are in nursing homes would rather stay at home with their relatives and/or friends, but a degree of subsidy would be helpful for that relative or friend to take care of that patient, because of dressings, medications, even getting a babysitter once in a while so that they can go out for an evening without having to stay home all the time.

Following that, Mr. Chairman, what effort is being put out or reviewed to decrease the institutionalization or hospitalization of patients, because most patients will tell you that they prefer to stay at home. If more effort can be put out to keep the patient at home, either discharging the patient earlier or some community type of care in a broad way to help that patient stay at home, I'm sure the hospital costs would decrease; in other words, we'd get optimal value for our dollar.

These are my brief comments. Thank you, Mr. Chairman.

MR. CHAIRMAN: Would the minister wish to respond now?

MR. RUSSELL: Yes, Mr. Chairman, I'd be glad to do that. Insofar as a dental program is concerned, I don't know if there's very much I can add. The responsibility for developing a province-wide plan rests with my colleague the Minister of Social Services and Community Health. I think all members are aware of what dental benefits there are now by way of employee benefits and voluntary insurance schemes in the province. Most employer groups now have some kind of dental plan available to their employees, but there still seems to be a great deal of public support for the idea that the government ought to be involved in dental care in some way. My

colleague could comment on that.

Insofar as the status of ambulance service is concerned, I'm finding this a very difficult program to work with. As the hon. Leader of the Opposition has stated, it is now a municipal responsibility which is delivered three ways: a voluntary co-op, a commercial service, or a municipally owned service. To try to impose a minimum level of standards and of manpower training, together with some standardized user fee and perhaps financial support — and I emphasize "perhaps" — either on a per capita basis or on a cost-sharing percentage split and still maintain the three systems of delivery, is proving to be very, very difficult. During the past two years we've had sessions with outside groups, everybody we could think of who's involved in the provision of ambulance service, as well as an interdepartmental task force working on it. The subject's also been a matter of discussion for cabinet and caucus committees. I believe we are making some progress, but the final determination as to whether as a province we ought to get into the ground ambulance business is one I can't comment on at this time.

I should say that I believe we have the air ambulance program in good shape. It's paid for entirely by the province and seems to be getting good and wise usage. The third element of course will be a communications system that, through an emergency number, connects the citizens and all the hospitals to the ambulance services on the ground and the ground services and the hospitals to the air ambulances. I know progress is being made on that too.

The matter of balance billing was referred to by the hon. leader, particularly with respect to statements made by Mme. Begin the federal minister, which I think are interesting. I have said, and I believe I said it in a courteous way, that it really was none of her business and that she should attend to other things. I repeat that. Five principles of major import are involved with the participation of a province in the medical care program, and certainly Alberta subscribes to and supports all five. When Justice Emmett Hall did his review of medicare very recently, he could find no evidence of any kind that Alberta wasn't very sincerely and conscientiously upholding those five principles or that, secondly, which is more important, any Alberta citizen was being denied health care because of any of the so-called barriers or elements of erosion that some people have stated are there.

Is it legal for her to cut off funds because we don't administer the program the way she would wish us to? Perhaps we'll only find that out in the courts. I don't know. I don't believe it is. Certainly if the federal government, as a matter of policy, wishes to reduce funding, they could do that, and they've indicated they would like to do that. The finance ministers and officials have had preliminary discussions with the established program financing Act, under which these funds flow. So I suppose if they want to let the Act run out and reduce funding that way, that would be legal and they could do that. That would be a political decision of their government. But I don't believe that at the present time, under the present conditions, the federal minister can say, because you're not running your medical care program the way I would like to see it run, I can reduce your funding. I don't believe she's correct in that.

We believe that the federal minister's role is to make sure the program is in place, to uphold their commitment to the federal level of funding, to make sure there's a minimum level of services for all Canadians across the country, that the element of portability is working, and

that there's non-profit attached to the agencies running the program. But beyond that, Mr. Chairman, when you get into the day to day administrative matters of running a health care program, surely, as the constitution of this country says, that is the responsibility of the provinces.

It's not Mme. Begin who has to deal with hospital boards, the Alberta Hospital Association, or the Alberta Medical Association on fee negotiation. In all cases across the country it's the provincial ministers. I think I speak for all the provincial ministers who subscribe to that, except Saskatchewan. Quite frankly we're very alarmed at the direction she would like to see medicare take. I've said this before, and I probably sound like a broken record, but she would like to see state medicine. Here's the package she would like to see instituted, and I'd like to know how she intends to pay for it: expanded benefits, no user fee of any kind, no extra billing, no health care premiums, no hospital user charges, but expand the benefits. So you expand the program, eliminate any financial participation by the people using it, allow unlimited access to it, and don't even have a health care premium. Quite frankly we're very alarmed about that direction.

The hon. leader asked me about the special warrant of some \$10 million; that's true. That was brought about by a combination of two things. We were short in our money under that vote for two reasons: the estimate of federal funds we thought we would get was too generous, and we actually got less than we expected; and there were higher extended health and Blue Cross benefits than what had been estimated. So the combination of those two things resulted in a shortfall of \$10.8 million last year for health care.

The leader asked me if there were any new programs from the federal government. I don't know of any, other than they would like to see benefits expanded. I believe the present minister personally is particularly interested in preventative dental care for young school aged children, but we already have that in place in Alberta so perhaps that wouldn't impact upon us.

Insofar as the question of local requisitioning and how it would work is concerned, if we did it — and I must emphasize that in answering questions about this I'm always answering the question, do you have it under consideration? The answer is yes, we do, as a possible method of finding discretionary additional funding for hospital boards. It would work the same way in which it worked until 1972. That is, a hospital board would receive its global budget just as the school board does now, based on historical data, patient load, and the current costs of things as far as we're able to determine them. Then if a board still wanted additional money beyond that level for some valid reason that they as a local board decided was necessary, they would have the chance to locally requisition.

An important aspect that goes along with that is, should hospital trustees be elected or appointed if they have the right to supplementary requisition the property tax? A pretty strong school of thought believes that appointed people should not have that responsibility or that right. I have mixed feelings about it because I think many of our very good trustees are appointed people, and perhaps they might be discouraged from running if they thought they had to seek voluntary contribution to a hospital board by way of a contested election. However, that's conjecture on my part. But if the step were ever taken, when there would be a return to local requisitioning, I believe we would have consider that other element

along with it.

Under Vote 3 the question was asked about blood fractionation plans. A question was also brought up about paid donors. I'm glad *the* leader brought that issue up, because there certainly is a lot of misunderstanding across the province with respect to that. Consciously or unconsciously, I think some well-meaning groups have been very successful in spreading misinformation around the province. The solution to blood fractionation, which was arrived at after more than two and a half years of study by the 10 provinces and their various working subcommittees, as the leader said, was three blood fractionation plants in three parts of the country. This has obvious advantages for all Canadians. That decision is based on the fact that we're going to maintain our blood donor system, that donors won't get paid, and neither will the recipients have to pay for blood. At the same time it expresses very, very strong support for the present voluntary system of blood donors and blood collection as administered by the Red Cross.

I think we, as most people in this room, would be very distressed if we thought that present donor system would in any way be damaged or threatened by the decision we took. That's certainly not the objective. We've tried to point this out in many letters to concerned people. There is no intention to pay donors for blood. There have always been some kinds of donors who have been paid, but they are not part of what we regard as the traditional blood donor system. Those blood donors are usually people who allow their blood to be mined, if I can put it that way, for diagnostic purposes by a process called plasmapheresis. But therapeutic blood — that is, blood which is given to sick people — is given by the unpaid donor and received gratuitously by the recipient. We would intend to support and reinforce that system to the extent of our ability.

We don't yet have the cost to Alberta for the three plants, but it will probably be slightly less than the cost of one new centralized fractionation plant, which is estimated capital to be \$25 million, if my memory serves me right. So the \$25 million would be divided on a proportionate basis among the 10 provinces and paid for in that manner.

The question came up with respect to the Health Facilities Review Committee and some of their 1980 recommendations. The refresher course for nurses is in place. Nurses who have let their registration lapse are being encouraged to return. I think this was specifically mentioned when the Minister of Advanced Education and Manpower announced recently the government's plan for trying to increase the number of nursing students and graduate nurses that we would have in the system in Alberta. That refresher course is part of that.

Pastoral care is a very interesting topic, and one we have hesitated to fund as a hospital service. Traditionally it's been a function of the church and the community to provide this kind of care on a voluntary basis. The idea of paying for it and organizing it as a recognized hospital service would mean a pretty dramatic departure from the present system, which we're not anxious to do. Perhaps a little more time and experience will give us more direction as to whether or not that is necessary.

I believe the comment about the publicity relating to the programs of the department is a good one, and frankly it's something we have been working on. There's any number of brochures, and advertising programs have been carried out. To date, because of the competition in the mass media by way of paid advertising, I'm not

completely happy with the results that have been achieved. Sometimes it's frustrating to get letters from Albertans complaining about things we feel they ought to have known because we feel they are so well known. A good example of that is out-of-province hospital insurance. I can't imagine anybody leaving Alberta today on a vacation with their family and not going to Blue Cross and getting a couple of weeks of out-of-province hospital insurance. Yet people are doing that, getting stricken with an emergency illness, coming back to the province and finding that their bill in Hawaii, Mexico, or wherever, isn't paid for and wanting us to pay it. You would think people would know that, but they don't. So that's an example of the kind of thing we're trying to advertise better.

I don't know what more I can say about the membership of the Nursing Home Review Panel. This utilisation committee report that was tabled today is a good example of a committee that was put together from specific interest groups. The first appendix lists the members of that committee and who they represent. Now that's one way of going. When you do that, you must recognize that if, for example, four doctors are on this utilization report, you are very strongly going to get the professional and background views of four doctors. Or if you get two hospital trustees or two registered nurses, you're going to get their specific views. With the Nursing Home Review Panel, we felt that we would like to get a broad cross section of people from throughout the province who did not specifically represent a special interest group. That's how the panel was chosen.

I've exchanged correspondence with the senior citizens council and the Council on Aging, and told them that I believe they can have a very important contribution to that review panel by coming to panel meetings, making their views known, either privately or publicly, and doing it that way. I believe that would work. If it doesn't, I would certainly give my commitment to take steps to correct that, because we want it to work.

When we get to underexpenditures and overexpenditures in Vote 6 on specific projects, I'll be pleased to answer questions as they're raised. Of course, with so many parties involved, it's very difficult to accurately forecast what your cash flows will be on some of these capital projects, and whether or not the builders and architects can spend all the money they've been given or whether they can spend at a more rapid rate. That's the problem there.

I want to comment on the utilization report, because the leader and the Member for Calgary Forest Lawn referred to it. There are a number of statistical tables in here. I know members haven't had a chance to read the report yet, but in the beginning they will see that a caution is raised by the authors of the report about the use and interpretation of statistics. In the list of recommendations in the various chapters, they recommend that further investigation is needed for even some of the statistics that are by their nature hard, fast data.

For example, if I could go to Appendix G, this is one the media apparently picked up this afternoon, because I was asked about it right after we got out of the House. It's several pages long, but the first page is called Total Hospital Separations. Now a separation is merely when a patient leaves a hospital. They count how many people have been in the hospital during the year by how many have left during a specific period. If you'll look midway down that report at the separations involving surgery per 100,000 population, Alberta is so far above the other four

provinces that were examined that it's really startling. We have nearly 12,000 for that measurement, British Columbia has 8,000, Saskatchewan has 7,500, Manitoba has 7,600, and Ontario has 8,700. Below that, the patient days per 100,000 population are equally distressing.

When you get to the earlier part of the report and start looking at occupancy levels and average lengths of stay, and then look in the back appendices at some of those detailed tables, I think you'll see what is happening. Perhaps I shouldn't even be making these remarks, because it's too early. But what appears to be happening is that many people are using our hospitals at a much greater rate, perhaps at a shorter average patient stay, but resulting in a much higher number of procedures and separations occurring. If that's occurring, we as legislators have to ask ourselves why so many Albertans are using our hospitals, particularly for surgery. This is not new news, but I believe this is the first time we've had it put together this well. Other tables in the back of the report specifically deal with a number of major hospital districts throughout the province by way of surgical procedures. In some cases in specific localities, you can see where there seems to be a trend for that phenomenon to occur.

So I should give members time to look at those statistics, because those appendices at the back are very, very interesting. As a matter of fact, they have rated Alberta across Canada, and by a very dramatic factor we stand number one on a per capita basis for surgical procedures. We must ask ourselves why that is happening, and is it necessary in all cases? The authors of the report want the medical staffs and the College of Physicians and Surgeons to take a look at that phenomenon.

I very much appreciated the remarks of the member from Swan Hills. I know how anxious he is to get a hospital there. He's certainly been very sincere in working on it. I must disagree with him, though, when he talks about the active bed ratio for the Barrhead hospital district compared to other parts of the province, because it's still quite above our target of five beds per 1,000 population as an overall provincial average. So if he has in excess of six, he's not doing too badly. In a relative sense, he's not that well off, because some hospital districts have a much higher ratio. [interjections] Well, he's muttering back there, Mr. Chairman.

He asked me what I meant by "almost immediately". I have the second batch of applications in. Last year, we invited hospital boards throughout the province to get their applications for proposed capital works in no later than the end of January, and said that we would need till sometime in the middle of the summer to put them all together and adjudicate them. I understand that work is nearly done. Following that, we as a government will have to take a decision as to how many and which projects are able to go ahead. Then all members' projects will be considered on that basis. But we're now in a position that, if a community qualified for one of these little 10- or 15-bed prototypes, the drawings are all done. In that case, as soon as the local board got the site and a site plan was drawn, the thing could be tendered and a hospital could go ahead immediately.

The Member for Calgary Forest Lawn asked me about the comments on page 5. I referred him to the total report, as well as Appendix G, and hope that answers his question. I think his comments about the bed ratio in Calgary are very valid. They're also there to some extent in the city of Edmonton, and are cause for concern. I think the government has recently reacted fairly well try-

ing to get more beds into those two rapidly growing metropolitan areas in as short a time as possible. It hasn't been easy.

In most cases, the boards — and I say this critically — seem more interested in their own specific projects rather than total community bed needs. We've worked with them through their area planning councils and through getting them to form joint planning committees to share the same programming consultants and to form architectural consortia. We've encouraged them to do all those things. To their credit, they've responded and done them. As a result, I'm confident we will see the four new metropolitan hospitals built quicker and cheaper than we would have had each hospital gone its own way. But it's been a process that has gone against the traditional way of doing things. I think there were some valid concerns on the part of hospital boards that their specific worries wouldn't be recognized. I hope we're dealing with that.

In the case of the city of Calgary, I expect things to get better this summer. The rejuvenation of the Colonel Belcher hospital is under way. The bed reallocation there should give us an immediate 80 extra beds for the city for active general use. Later this summer the Foothills addition will open. That will bring in excess of 150 extended-care or long-term beds on the scene. That should free up for active use that many beds now scattered throughout active-treatment hospitals in Calgary.

The children's hospital will also gear up and go into full operation this fall. They've already moved from the old building into the new. That will also involve moving all pediatric patients from the Foothills hospital into the new children's hospital. So again it is creating extra beds in those cases.

There's still a long waiting list and there are still beds to be built. But the program that has been approved is ... The Rockyview hospital's 300-bed addition is well under way with respect to programming and design. I'd like to see if we can't push the construction date of that one ahead a little. They seem to be taking an inordinately long time with their drawings, and this is frustrating. But in any event they are committed and well on their way to bringing that on stream.

The two hospitals for Calgary will be a 500-bed hospital in the Rundle area of The Properties and an identical 500-bed hospital for southeast Calgary, initially not built to the full 500 beds — perhaps 400, with the last 100 shelved in because of the Rockyview expansion in the same sector of the city. I've also asked the Calgary area planning council, in conjunction with the city of Calgary, to start selecting a site for another 500-bed hospital in northwest Calgary. We may have to move the planning time forward for that, but that will be sort of phase two down the line. But in any event if we can get that program implemented during the next 10 years, I think Calgary will be in a good situation as far as hospital beds are concerned.

The situation in Edmonton is quite a bit better. They've always been ahead of Calgary in the number of beds per capita. But under the same kinds of working conditions, they are also getting two 500-bed hospitals, one in Mill Woods and one in Clareview. Of the four hospitals I mentioned, it's very likely the Mill Woods hospital will be the first to break ground because it was off and running first.

The Member for Calgary Forest Lawn also made reference to home care programs and what intentions I had for home care. Again, Mr. Chairman, home care is the responsibility of my colleague the Minister of Social Serv-

ices and Community Health. We discussed this matter today, and I know he is working on the continuous expansion of this program. They're getting ready to assess the effectiveness of the first three years of the program, so I expect you'll be hearing more about it.

From a layman's point of view, I think I can say the essence and principles of the program have caught on and been very popular. I think what the Department of Hospitals and Medical Care can do is expand the concept of day hospitals. This has proved to be very popular. A great number of people can be treated through day use, then sent home at night. Or the other way: allow a person to work in the day, check into the hospital for medical treatment after work, perhaps stay overnight, and come home again. But I think you can anticipate that those two programs under the day hospital program will see rapid expansion.

The Member for Edmonton Kingsway asked me some specific questions about the daily costs for the three categories of hospitals. I don't have those at my fingertips, but have sent for them. I hope to have them before my estimates are finished.

He asked me another question about the status of prototypical hospitals. There are two kinds, the little 10-bed hospital which easily can be expanded to 15 beds simply by building another 5-bed unit across one end of it. Those hospitals have recently been tendered and should start construction any day now for communities that have small existing hospitals and rate some kind of medical care facility that's more than just a walk-in clinic. They've been criticized, and I believe only time will tell whether or not they'll be successful. As hospitals go, they're very small at 10 beds.

[Mr. Purdy in the Chair]

The other is an exciting concept based on units or modules of 25. Many jurisdictions have standardized hospital plans called the cookie-cutter approach, where you stamp them out, mass produce them, and drop them in communities around the province.

MRS. OSTERMAN: No baking required.

MR. RUSSELL: We're not going to do that. These are going to be better than that.

DR. PAPROSKI: They'll be more expensive too.

MR. RUSSELL: Yes, they will be more expensive. They're on the concept of units of 25 active beds and 22 extended-care beds. The idea is we'll have two classes of these built on standardized chassis or service cores. Depending on their site, the hospital board will be able to arrange modules of 25 beds onto the standardized chassis in a way that suits their community and the specific site they have. They can stretch it out linear, L-shaped, or T-shaped. The units can be stacked. If they want a two- or three-storey hospital, that will be possible. They'll also be able to plug in extended-care units and give them the complete range of hospital services, if desired. I'm kind of excited about the concept, because I think it will try to marry the best points of both ways, the custom design and the advantages that accrue by way of standardization.

I think I've responded to the points raised, Mr. Chairman.

MR. R. SPEAKER: Mr. Chairman, one other question that comes out of the remarks of the minister is with regard to waiting lists. It's in the report as well. I must admit I haven't had time to study all of this report on Hospital Utilization. The indication there is that waiting lists with regard to surgery are on the increase. There's also an indication that pressure with regard to acute-care beds is increasing. I wonder if the minister could comment on that. Is any program being put in place, outside of just building more facilities, that may meet that requirement at the present time?

MR. RUSSELL: Mr. Chairman, I know it's unfair to be discussing this report when it was tabled only today, but those waiting lists are obviously not accurate. Two elements affect that. Some doctors maintain their own waiting lists within their own practices and establish their own priorities. In other cases, if they have staff privileges at more than one hospital, doctors will put their patients on waiting lists at all hospitals where they have staff privileges. So we believe there is a significant amount of duplication in those lists. None the less, I think it's important to try to get a more accurate handle on what that is, because that's a criterion by which a large segment of the public measures the effectiveness of our hospital system. They do make the comment in here, though, and it's quite interesting, that waits which we consider to be almost unacceptable in Alberta are recognized as routine in the U.K. That's one thing that accrues as a result of state medicine.

I now have the figures the Member for Edmonton Kingsway asked for with respect to the range of costs. For active beds it ranges from \$150 to \$300 per day. That range used to be \$150 to \$200 per day. I understand the \$300 per day is the new hospital opening at Fort McMurray. Those of you who have seen it know why it costs that. It's really overbuilt for an expanding population. The auxiliary hospitals are running \$65 to \$75 per day, and the nursing homes approximately \$32 per day. Starting at the bottom, they sort of double as they go up through each category. So you can see the advantages of getting extended-care patients out of active beds.

DR. PAPROSKI: Mr. Chairman, on that point the hon. minister didn't indicate the support level of the province. How much does the patient pay and how much does the province pay for a nursing home patient, and how does this compare to our neighboring provinces; for example, Saskatchewan or British Columbia?

MR. RUSSELL: The province pays all costs beyond the \$6 a day co-insurance fee. That's by far the lowest in Canada.

MR. LITTLE: Mr. Chairman, I am concerned about the high rate of days spent in the hospital by Albertans. If you say that we have the Canadian championship, obviously we have the world championship also. I understand that Canadians are the most hospitalized of all people in the western world. But I notice our figure is up around nines and tens. I understand there is a hospital in Calgary where the average is 18 days per patient. A year ago I visited with the director of the Phoenix hospital boards, and their average stay is three days. Mr. Minister, I suggest that this is an area that could do with some more research. We've been given the numbers but not the solutions. While I realize that in the United States, not having medicare as we do, there are probably high

numbers of persons who require hospital care who aren't getting it, this is a rather significant difference.

MR. RUSSELL: Mr. Chairman, the hon. member brings up a very valid and important point. I'm sure we've all been acquainted with the kinds of patient cases that contribute to those statistics. I'm not in a position to say what the answer is. You can go through all the appendices and read what provinces are doing what kinds of surgery. There was a list of the most common kinds of procedures included in the terms of reference. But it certainly is very alarming when you look at the capital cost that is involved in a hospital bed these days. One bed is now worth several hundred thousand dollars by way of capital investment, and you know what the operating costs are. I think it behooves all of us to try to see that those are used very judiciously.

One other important thing this report says is to find ways to try to keep people out of hospitals. Now the number one cause of death for Albertans under 40 is accidents, primarily motor accidents. As we know, all those are preventable. We could keep all those injuries and deaths out of hospitals if everybody used clear logic, but the world doesn't work that way.

Vote 1 — Departmental Support Services

MR. R. SPEAKER: Mr. Chairman, on Vote 1, from 1.0.1 to 1.0.7, maybe if we clear it up right now it would be easier. Comparing estimates to estimates or even forecast to estimates, there are some significant increases in the area of the minister's office, medical services, policy development, hospital services, and financial administrative services. I wonder if the minister could comment on the increases.

MR. RUSSELL: Any of the votes through the department, in fact through all the departments of government, on those manpower costs, or specifically if you're taking just one office like the minister's office, the costs of the dental and pension plans are now shown as a cost of running the department. In all cases in the divisions in my department, that's one significant increase. We could go through each one, if you like — I've got reams of details here if I can only find them — and respond to any specific requests you have as to what causes some of the major increases. You were on 1.0.1, and which was the next one?

MR. R. SPEAKER: Mr. Chairman, I went down the line. Medical services is up 44 per cent, or 69 per cent by the figures here. Hospital services is up 33 per cent if you compare it to estimate, 30 per cent compared to forecast. I think the one more important to me is in the area of policy development. The increase there is 41 per cent compared to estimate, 50.5 if you compare it to forecast. Is the minister taking on a consulting group or an outside group, or is more personnel going to be placed in the area of policy development? Is that causing that difference?

MR. RUSSELL: There are six more people in the policy development division, and I'm looking for some of the larger increases. That shows up in salaries for permanent and non-permanent people. We also have some consultants coming on; for example, the '80-81 forecast in that was \$14,000. The change shows 573 per cent, but that still just gets us up to \$94,000, which I believe is the cost of one consultant for a specific study. There are others in

the same range. Employer contributions under that vote is up 511 per cent. Although the percentages are very high in that segment, the dollars involved aren't. It's mainly manpower costs. Here's one: 31 per cent for professional, technical, and labor services. Again, that's manpower. But the policy development division of the department is really just getting started. A year ago we hired a new ADM, Dr. Meilicke. Just in the last year he has been putting that division together. So policy development is almost in a start-up position.

MR. R. SPEAKER: Mr. Chairman, to the minister. Under policy development, is there a list of proposed projects for the coming year? Would they be available to the Legislature? Or is a list of consultants taken on by that area available to the minister at this time? Or is it all proposed type of work for the year ahead?

MR. RUSSELL: No, a number of specific working papers are being developed. I don't have the lists at my fingertips, but I can get them. One I can think of that I believe is very important is the analysis of the assessment and entrance system used for the extended-care facilities in the province: how people get into and move throughout the auxiliaries and nursing homes. I know another paper is being produced for my own use on hospital financing, which will include the matter of deficits and surpluses, fiscal years, and supplementary requisitioning: all those things. Those are two examples of the kinds of things they're working on.

MRS. EMBURY: Mr. Chairman, I'd like to direct a question to the minister in regard to the proposed expansion of payment to private physiotherapy clinics in the province. I realize that would come under Vote 2, but I wonder if under Vote 1 there would be any reflection in regard to that type of proposed service.

MR. RUSSELL: Not really, Mr. Chairman. Vote 1 is essentially all the central support services for all divisions of the department, like policy development, personnel services, and legal services: all those things. The payments for physiotherapy will be under Vote 2 as of July 1 and, until then, in Vote 3 as a hospital benefit.

Agreed to:

1.0.1 — Minister's Office	\$230,394
1.0.2 — Deputy Minister's Office	\$610,508
1.0.3 — Medical Services	\$375,833
1.0.4 — Hospital Services	\$3,140,229
1.0.5 — Health Care Insurance	
Plan Administration	\$14,818,558
1.0.6 — Finance and Administrative Services	\$6,069,881
1.0.7 — Policy Development	\$1,558,010
Total Vote 1 — Departmental Support Services	\$26,803,413

Vote 2 — Health Care Insurance

MR. R. SPEAKER: Mr. Chairman, maybe I could follow the same procedure and ask the questions at this point. Health care insurance is up 42.9 per cent from 1980-81 estimates. Last year there was an overexpenditure of 28.9 per cent relative to Blue Cross. I wonder if the minister could comment on that. There are some major increases this year: basic health services up 45.5 per

cent, Blue Cross non-group benefits up 51 per cent, and extended health benefits up 36 per cent. Possibly the minister could explain what's causing that.

MR. RUSSELL: The three major reasons are the same as for previous years. Number one is the higher fee schedule. This year it's 'annualized' at 12.8 per cent, so there's a minimum of 12.8 per cent on every procedure that takes place. With growth in population, of course, more people are using the services and, if present trends continue, there will be more services per person. So those three things are all increasing and compounding by way of accumulation.

Agreed to:

2.0.1 — Basic Health Services	
Expenditures	\$379,409,000
Revenues	[\$206,848,000]
Total Budgetary Requirement	\$172,561,000
2.0.2 — Blue Cross Non-Group Benefits	
Expenditures	\$44,180,000
Revenues	\$5,525,000
Total Budgetary Requirement	\$38,655,000
2.0.3 — Extended Health Benefits	\$18,369,000
2.0.4 — Out-of-Province Hospital Costs	\$11,866,000
Total Vote 2 — Health Care Insurance	\$241,451,000

MR. RUSSELL: Mr. Chairman, I've mentioned in the House before, but perhaps I should say again to the hon. leader that three new things are also in this vote this year. Physiotherapy is estimated at \$6 million. The amendments we made to the ground ambulance regulations now provide complete province-wide interhospital transfer as a hospital benefit, and that's in the hospital vote. The third thing is . . . Let's see. I mentioned physiotherapy, ambulance . . . I forget it.

Agreed to:

Vote 3 — Financial Assistance for	
Active Care	
3.1 — Program Support	\$96,753,793

3.2 — Major Medical Referral and Research Centres

MRS. EMBURY: Mr. Chairman, I'd like to ask the minister a question regarding this item. I notice 3.2.1 and 3.2.2 refer to the Calgary Foothills hospital and the University of Alberta, Edmonton. I wonder if other hospitals, such as the Calgary General, receive some funding for their teaching responsibilities.

The second question I'd like to ask the minister in this regard is that in Appendix D of the Hospital Utilization report we received today, there is a report representing the Alberta teaching hospitals. I think it makes some significant comments in regard to the role of teaching hospitals in the province of Alberta. While it deals primarily with the opportunities for teaching undergraduate medical students, interns, and residents, it also talks about other health professionals. It goes on to state that "Budgets clearly do not reflect the facility cost of this service". I think the service these teaching hospitals provide to medical students is well known to most citizens in the province, but I don't think the type of service provided in regard to teaching is as well known to other health professionals. I'm thinking primarily of the nursing profession, particularly the registered nurses. So often people in the public say, how can nurses be educated in

our colleges and universities, they're not getting the practical experience that is needed in hospitals. Anybody associated with these programs is well aware of the fact that all nurses in the educational environment certainly do go into hospitals for part of their experience.

[Mr. Appleby in the Chair]

I wonder if the minister could please indicate what proportion of the budgets to these two major teaching facilities might be allotted to the teaching of nursing students. In view of the many issues that have come before us over the past year with regard to the nursing profession, such as shortage of nurses in our acute-care hospitals, this is one area we really should look at, because there is a heavy demand on the staff in the hospitals when they're not only trying to give optimum patient care but also trying to teach students to give that care. I would appreciate if the minister could indicate if any of the budget does go to teaching nursing personnel, or if this has been a consideration of his department.

Thank you.

MR. RUSSELL: Yes it does, Mr. Chairman. Commencing next year it's something that will be transferred, particularly the teaching hospitals, the four hospitals that have schools of nursing, to my colleague the Minister of Advanced Education and Manpower, making that part of the advanced education system.

I can't break it out for you. In the major teaching hospitals, there is a component called medical education service component. Their total budget is in excess of \$20 million. I would have to get a hospital's individual budget for you and get you the specific information that you want. That is present, but in a global budget form in all the hospitals you referred to.

While I'm on my feet, the third thing that slipped my mind when I was up the last time is that out-of-province hospital benefits have been tripled this year. For Albertans in an out-of-province hospital, we will now pay more closer to the Alberta average than the \$50 a day we were paying.

MR. R. CLARK: Mr. Chairman, with regard to overall Vote 3, I'd like to ask the minister to explain four or five sets of figures if I might, starting off by saying that financial assistance to active-care hospitals is up close to 25.4 per cent this year. That's very, very sizable. Are we to some kind of levelling off period now, Mr. Minister? Does the minister expect that there will be the almost yearly problem of deficits at the end of the year for a number of active boards, especially, it seems, the larger urban boards? That would make it mandatory that there be a special warrant again to meet those problems.

Mr. Minister, the reason I put it that way is that we're approving a 25.4 per cent increase over the '80-81 estimates. If there is a likelihood of the deficit situation which seems to occur annually in a number of hospitals, we could well be looking at a 30 per cent increase over the period of estimates to estimates, putting the two years back to back. I'm sure that frightens the minister as much as it frightens all members of the Assembly.

Within the specifics of the estimates before the House, in four areas: I notice there is a decrease of 30 per cent in research grants. Then under major increases, there is a 178 per cent increase in system development; physiotherapy, 147 per cent increase — I believe that was referred to in answer to my colleague. I note the air

ambulance is up 35 per cent; medical education, service component, is up 30 per cent; human tissue and blood services is up 47 per cent.

With regard to the major medical referral centres, the University is up almost 32 per cent and the Foothills is up 34 per cent. In the major urban medical referral centres, the General is up almost 26 per cent, and Edmonton district 106 is up almost 28 per cent. Can members of the Assembly expect that there will be those types of increases on an annual basis, or is there some major catch-up provision here — I confess I was out of the House earlier this evening — that may have been alluded to at that particular time.

Mr. Minister, if I might ask one general question: as a result of the announcement made over a year ago concerning the erection of a large number of hospitals across the province — very candidly, a program which includes two hospitals in my riding — what kind of impact is that going to have on the operational budget? Perhaps I'll leave it there. I recognize that it would be impossible for the minister to be precise in attempting to deal with that impact, but perhaps it's a sobering thought to all of us to know that tonight we're looking at a 25 per cent increase in these budgets' over one year ago. Where will we find ourselves when the large number of projects that were in the minister's announcement are on stream?

MR. RUSSELL: Mr. Chairman, I certainly share the concerns raised by the hon. Member for Olds-Didsbury. I couldn't help but remember 10 years back, when I was sitting almost in that chair. Jim Henderson had my job. I think his target at that time was to say he'd like to bring annual spending in this department down to a 12 per cent increase. I can remember thinking that was very high. This year it was a real struggle to get it down to 25 per cent.

These votes primarily reflect the effects of two things: inflation and the wage settlements of last year. The settlement negotiated with the united nurses association of course has the biggest impact. This reflects the second year of that settlement. But all the other bargaining units were in similar ranges. Then the inflationary factor, which we've tried to recognize, is there. Those two things in themselves take up the bulk of the increase you referred to. You can go down each institution one at a time, and that's there.

The volume increases and the activity increases, those other two elements in estimations, are both very reasonable. The larger metropolitan hospitals particularly are all operating at near top capacity anyway, so we're not going to have much of a volume increase in the nursing bed parts of those hospitals. The laboratories and the radiology departments will certainly have volume increases. But there's a limit to how far we can ask the hospital boards to cut; for instance, on their utility or food bills. And they're being hit by inflation just like everybody else. Those are the main reasons: inflation and manpower costs.

When we look ahead, what can we expect with the new buildings coming in? I can't say, because all of them are not add-ons. Many of the buildings being built are replacements, but the rule of thumb which to date has proved pretty accurate is that the operating costs in two and a half years equal the initial capital costs. So you can get some idea of the range of hospital budgets by looking at those kinds of figures. It's going to be big.

Agreed to:

3.2 — Major Medical Referral and Research Centres	\$137,310,252
3.3 — Major Urban Medical and Referral Centres	\$258,178,173
3.4 — Other Referral Centres	\$74,037,718
3.5 — Specialized Health Care	\$61,625,761
3.6 — Community-based Hospital Care	\$140,722,143

MR. R. CLARK: Mr. Chairman, this would perhaps be as good a place as any to ask the question that's been posed on two or three occasions in question period, and the minister has flown kites on it from time to time. That's the question of local requisitions. Given the cost projections the minister was just talking about, I have taken from the minister's comments in the House that at this time he, along with the Minister of Municipal Affairs would be kite-flying — if I could use a term the hon. member used to use when he sat on this side of the House — and that sometime in the course of this year the kite will either have the air let out of it once and for all, or in fact we'll be seeing legislation within a year that would move in that direction. I appreciate that local requisitions couldn't be put on the major referral centres, but could I ask the minister to confirm the present state of the kite.

MR. RUSSELL: I answered this question earlier in the evening, Mr. Chairman. In a very summary way, when I'm asked if that's being considered, I have to say yes, it is. We're looking at optional ways of finding additional discretionary funding for local hospital boards, and requisitioning has to be one of the ways considered. We've been talking about it for two years now, and it's not something that would be done very suddenly or without good advance notice to the parties that would be involved in such a move. Beyond that, there's not much more I could say.

Agreed to:

Total Vote 3 — Financial Assistance for Active Care	\$768,627,840
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Vote 4 — Financial Assistance for Long-term Chronic Care:

4.1 — Program Support	\$2,585,189
4.2 — Long-term Chronic Care	\$81,879,028
4.3 — Specialized Long-term Chronic Care	\$1,222,700

MR. R. CLARK: Mr. Chairman, just before the vote is asked, three of the recommendations that came from the Health Facilities Review Committee, 1980 — one, that there is a need for expanded refresher training for nurses in light of the current severe shortage; two, that there is a need for pastoral care hospitals and nursing homes; and three, that there is a need for greater publicity regarding the programs offered by the department. Quite directly to the minister, what steps have been taken to deal with those three recommendations from the Health Facilities Review Committee?

MR. RUSSELL: Mr. Chairman, I'm not trying to embarrass the member, but are you using the list Mr. Speaker had? I just answered those questions earlier this evening. The answers should be in *Hansard* for you.

Agreed to:

Total Vote 4 — Financial Assistance
for Long-term Chronic Care \$85,686,917

5.1 — Private Nursing Homes \$32,447,536

5.2 — District Nursing Homes \$22,818,136

5.3 — Voluntary Nursing Homes \$12,241,691

Total Vote 5 — Financial Assistance
for Supervised Personal Care \$67,507,363

Capital Construction:

6.1 — Program Support \$14,276,263

6.2 — Major Medical Referral
and Research Centres \$300,000

6.3 — Major Urban Medical
and Referral Centres \$26,426,000

6.4 — Other Referral Centres \$35,906,000

6.5 — Specialized Health Care \$1,697,220

6.6 — Community-based Hospital Care \$92,695,000

6.7 — Long-term Chronic Care \$3,817,000

6.8 — Supervised Personal Care \$2,216,000

Total Vote 6 — Financial Assistance
for Capital Construction \$177,333,483

MR. R. CLARK: Mr. Chairman, just before we call the total vote, I'd like to ask the minister — I'm afraid I know the answer already — what progress has been made on this question of a northern Alberta children's hospital? If that also has been dealt with earlier, I'll read *Hansard*.

MR. RUSSELL: Mr. Chairman, there really has been no progress on the government's part since the last time I met with the proponents. We have asked the Edmonton metropolitan area hospital planning council to take that specific request as a term of reference when they carry out the bed need study for Edmonton. A similar study is being done for the city of Calgary. The province is funding both those studies. That study will at least address the answer as to whether or not the beds are needed in the long term. The philosophical question of whether the beds and the programs that accompany them should be in a separate building or several community hospitals is still something that has to be addressed in the future.

MR. R. SPEAKER: Mr. Chairman, could the minister update us on what is happening with regard to the Canmore hospital? There is a sort of gap in the health care for that community. Are some renovations being put in place now to improve that facility and help those people out, or are they still going to commute into Calgary for certain procedures?

MR. RUSSELL: They're one of the hospitals that will get one of these prototypical hospitals that will be tendered in the first quarter of 1982. We should then see construction completed by the end of '83 or very early in '84, depending on weather and labor conditions. The question we're looking at now is whether or not some temporary emergency repairs need to be made to that building to keep them going for the next two to three years. Obviously, whatever is spent for that short term we want to keep at a minimum. There was some controversy involved, because in two respects the board was anxious to do a custom hospital and wanted to go that way, but finally did agree very nicely to accept a prototypical. They also wanted to build a nurses' residence and use it as a temporary hospital, and we said no to that request.

Agreed to:

Department total \$1,367,410,016

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

[Motion carried]

Department of Transportation

MR. CHAIRMAN: Does the minister wish to make some opening comments?

MR. KROEGER: Mr. Chairman, I have no particular urge to make a speech. I would like to comment, though, that I have developed a healthy respect for people in the department. We have a lot of professionals who obviously know what they're doing in the way of delivering a program. I want to acknowledge the support of MLAs in helping us with the operation. I think the request for funding is reflected from '79 when we were \$440 million to this year at \$750 million. Obviously the government is listening.

I think the biggest job we have, Mr. Chairman, is to be as fair as we can in the allocation as it spreads through the province. We listen very carefully to the members, to the municipalities, counties, and IDs. We compare those requests with the ongoing monitoring by the department itself. We try to blend those and deliver in the fairest form we can.

MR. R. CLARK: Mr. Chairman, in making some initial comments, I'd be less than honest to the minister if I didn't say we're extremely pleased, Mr. Minister, that this year we won't have to move an amendment to the estimates so that you'll have to vote against an increase of the estimates of the Department of Transportation. I'd be less than frank if I didn't say we're pleased that obviously some of the advice we gave last year filtered through, because we see a rather sizable increase.

On a more serious note, Mr. Minister, I raise the question of the future of LRT, especially from the standpoint of the experience we've had now in the city of Edmonton. I think it would be very helpful if some assessment from the minister could be available to the committee at this time, so that members of the committee would have an indication as to how the department views this period of time of operation of LRT.

Mr. Minister, the first phase is about ready to open in Calgary, and politicians of — I was going to say all stripes; that would hardly be accurate. But certainly politicians at a variety of levels in Calgary are now talking pretty seriously about how effective a system can be that in fact isn't anywhere near a complete system.

Thirdly, Mr. Minister, I ask the very direct question: what kind of paving work is anticipated this year on Highway No. 2 between Calgary and Edmonton? I drive that road, not as often as a number of members, but certainly a variety of sections on that road are less than awe-inspiring. I think it becomes basically a question of what steps we are going to take to protect our investment on Highway No. 2. Where do I find that in the budget?

MR. BRADLEY: Mr. Chairman, I'd like to generally congratulate the minister on the manner in which he's been conducting his portfolio. I'd like to say that I've appreciated the working relationship I've had with the regional office in Lethbridge. I think the regionalization

of Transportation has resulted in significant improvement in terms of transportation delivery systems within the province.

However, I want to raise one specific concern with the minister today, with regard to Highway 22 from Lundbreck to Longview. This road has been closed for some days now. Basically it's due to the fact that with heavy rains the roadbed has basically disappeared. I want to know specifically what projects are under consideration in the longer term to see the improvement of this stretch of road from Lundbreck north to Longview. I recognize there is a project 4 miles south of the Waldron Bridge to 4 miles north to the boundary of Improvement District No. 6 in the constituency of Pincher Creek-Crowsnest. But I would like to know what plans there are over the longer term in terms of bringing this highway up to primary highway standards. I believe we should be looking at improving the grid system in the province. There is a question in southern Alberta of the twinning of Highway 2 south from Nanton to Fort Macleod. I believe we should also be concentrating on bringing Highway 22 up to standard, in terms of our future expenditure. I think it will fill in the grid system, provide a needed alternative to 2, and perhaps lessen the amount of traffic on Highway 2.

So I'd appreciate the minister's comments with regard to the future plans for Highway 22, specifically from Lundbreck to Longview.

MR. SINDLINGER: Mr. Chairman, could the minister indicate if competitive bids were called for the highway development in the Kananaskis park area? If I recall correctly, the initial estimate on that project was something like \$20 million. It ended up somewhere around \$110 million or \$114 million. I wonder if the minister could indicate if competitive bids were called for that portion between the initial \$20 million and the subsequent \$110 million, and whether competitive bids were received from firms which were not already employed through the initial \$20 million in the project?

MR. CHAIRMAN: Would the minister wish to respond now?

MR. KROEGER: Thank you, Mr. Chairman. On LRT and the future planning on LRT specifically, as the question was asked by the Member for Olds-Didsbury, I had a meeting with Mayor Klein in Calgary on Friday, keeping in mind that the Calgary section will be opened on the 25th. Prior to the meeting, I had written to Mayor Klein suggesting that we monitor the Calgary system something like we had suggested to Edmonton. Edmonton was invited to monitor theirs for two years. We also talked about how we as a province could help other than by direct funding.

In the discussion we had on Friday morning, I made the offer that we should set up a joint working group — two from Calgary, two from Edmonton, and two from the Department of Transportation — to take a look at what we were headed into. One of the ways we would do this would be to check with what's happening on the American side, where the President appears to coming down rather heavily against funding of public transportation. We had a concern with that when at the same time we're being pressured to increase the funding we have scheduled. Mayor Klein agreed that that would be a useful thing to do. I have checked with Mayor Purves. We've already identified the two people from the depart-

ment who will form part of this working group. We think it would be presumptuous to contemplate a second leg in Calgary with no idea at all of what's going to happen there, keeping in mind that the downtown section in Calgary is surface, whereas the one in Edmonton is underground. We think it will bear watching. So in the short term we want to be part of working with the cities to establish, as soon as we can, some sort of feel for how the system is working.

The future as it relates to the department of course is pretty clearly defined, in that in 1979 a six-year program consisting of about \$275 million for each Edmonton and Calgary was set up to be reviewed at the end of each two-year period. We have just done that assessment, as a result of which we have now moved the funding for the cities up by 26 per cent. That relates to a number of criteria that we used, inflation being one of them. So we still have four years to go on that part of the program. If a major expansion were to occur, such as has been requested by Calgary and Edmonton, it would not be a department decision; it would really be a government decision. So we're working within the parameters of what we as a department are able to do in the way of support, increasing as a result of a review. As a department, we are certainly working with the cities, and we have expanded the funding to the degree we thought we could.

I think the second part of the question related to the extension of the second leg. I don't think we can work on the premise that even most of the traffic would be clear across town, from the southeast to the northwest. You have to concern yourself with origin and destination. Obviously, the destination concentration is there in the city of Calgary. We're not sure about the origin, whether the city can attract the ridership starting at the outer end where the concentration doesn't exist. Of course, that's another reason for actually trying to monitor this thing. It's a minor thing, but the suggestion was made that we could use STEP to assign three, four, or five students who could do the on-site thing by riding the LRT, talking to people who are using it about why they are using it or, conversely, talking to people who should be using it and why aren't you; and thereby report to us.

I think the third question was twinning Highway No. 2 south. Because of weight of use, we've assigned priority to the twinning of No. 1 and No. 16. We've had to make the choice. Because we can only spread the budget so thin, there is no plan to move with twinning on No. 2 this year. That is not part of our program.

Moving on to the Member for Pincher Creek-Crowsnest, I can't really come up with the specifics of every project we have. I know the member appreciates that. I can't tell you exactly what we will be doing on No. 22, but we are totally aware of the need for that becoming a completed road. Right now we have sections of it, and then we have sections that are really not passable. Included in our 1981 program are grading contracts that I could get the information on for the member. I don't have that detail with me. I'd be pleased to provide that. But we're going to be working as rapidly as we can towards the completion of No. 22, because the member is quite right in suggesting that by having that as a through route, we could unload the pressure on No. 2.

The question from the Member for Calgary Buffalo: I think the initial figure on the road system for Kananaskis was \$40 million. Those figures were developed prior to my assuming the portfolio, but I believe that's what it was. It was confined to certain limited parts of Kananaskis Country. That was not intended to do all the road

development that could occur there in future years. And yes, we do use a bidding process.

MR. SINDLINGER: A supplementary, Mr. Chairman. The minister has just indicated that a bidding process was used. Was it used in this specific case, and were bids received from companies not already engaged in the initial \$40 million development?

MR. KROEGER: Mr. Chairman, I don't know how you take a question as notice. That is not the sort of detail I have with me. I have no difficulty in providing that information for the member, but obviously I don't have it as part of the package I brought. It's a detail I just simply didn't think about.

MR. SINDLINGER: I appreciate that the minister does not have the information, and I'll look forward to receiving it. But just for greater certainty I would like to know whether or not the companies which did the work subsequent to the initial \$40 million, up to the \$113 million, I believe — I'd like to know what companies bid for that additional work, and perhaps a short summary of the bids they tendered as well.

MR. KROEGER: I'd be glad to provide it, Mr. Chairman.

MR. R. CLARK: Mr. Chairman, just two further questions. One goes back to the comment I made with regard to Highway No. 2. If I gave the impression that I was making representation to have Highway 2 twinned, that wasn't the point I was trying to make, Mr. Minister. It was the matter of putting pavement or capping on the existing surface. I raise it because I think certain portions of Highway No. 2 run the risk of our losing our investment if there isn't a capping program involved in a portion of this year.

Mr. Chairman, the additional question I'd like to pose to the minister deals with the question of availability of materials. If my memory is accurate, last year and certainly the year before that, we had a shortage of materials that didn't enable us to do as much work as had been initially anticipated by the department. Is the minister in a position to give us the assurance that the materials we had problems in the past with will be available this year? What steps have been taken to guarantee that?

MR. KROEGER: Mr. Chairman, we met with the suppliers. We certainly worked with them last year. They increased their storage capacity as a result of those discussions. We now have assurance from our suppliers that the 1981 requirements will be met.

Mr. Chairman, I'd like to go back to the comment on No. 2. That's a valid point. Part of our program — even on the twinning, for instance, where there's pressure on the twinning of No. 1 specifically, to use that as an example. While we realize that the twinning is very important, at the same time part of our budget for this year is being used to rehabilitate parts of the highway that are deteriorating, keeping in mind that some of it is now 20 years old. The same kind of care has to be taken with No. 2 south.

MR. SINDLINGER: Mr. Chairman, in regard to the LRT in Calgary and Edmonton, some of the comments the minister made begs another question. I can't quite put my finger on it, but I presume that origin and destination

studies were done on the LRTs in an attempt to gauge the market for the service. Yet on the other hand we're now talking about monitoring the use of the two systems for two years. The question that comes to mind is what happens if after two years the monitoring doesn't demonstrate that the system is viable in either city? Does that mean we do not proceed with the other parts of the LRT systems in the two cities? What do we do with the LRT system we already have? I would have thought that before undertaking an expenditure of this magnitude, there would have been a relatively high degree of certainty that the service would be utilized.

So the question that comes to my mind is what happens after two years if the monitoring doesn't demonstrate it's a viable thing? Do we just scrap the whole works, or where do we go?

MR. KROEGER: Mr. Chairman, I'm sure some in-depth studies were done prior to the first LRT line going into Edmonton. You can physically count the number of people available, but it's pretty difficult to guarantee how people will respond. In tests we've done in Edmonton, we established that the ridership is about 15 per cent of capacity. I don't think anybody could forecast it was going to be 15 or 25. So I think the system has to be operative, because people make those kinds of decisions without necessarily telegraphing ahead what they will do. You have to offer the service, let the system work, and let people get used to it. Then if they will use it, the answers are fairly clear.

Conversely, what do we do with what exists if people won't use it? I guess that would be one reason for this working group I described. We invited them to go to heavily populated cities of the U.S. that have had this kind of thing and experienced some problems. We would like to know why the senior government on that side of the border is pulling back from funding public transportation. We aren't presuming that we know why they're doing that. We don't even know to what degree they're going to do it. But I think it behooves us to do this kind of checking before making the investment, and that's really the object of the exercise. I wouldn't have a good answer as to what we would do if people in Calgary refused to use the LRT system.

MR. SINDLINGER: Mr. Chairman, the minister indicated it would be a good idea to do this kind of checking before the investment is made. The comment is made with regard to subsequent investment and begs the question why this type of checking wasn't done prior to the initial investment. The minister indicated studies were done. Wouldn't this type of study have been done before to demonstrate this would be a satisfactory way to meet the demand for mass transit in the city of Calgary?

With regard to the two-year monitoring, did monitoring the Edmonton LRT begin when it was first implemented, after the Commonwealth Games? Is that the two-year monitoring period that is being discussed, or are we talking about another two years, beginning now until some time in the future?

MR. KROEGER: Mr. Chairman, the Edmonton system was watched very carefully right from the beginning of its operation. Going back to the first question on whether proper information was put together prior to construction of either the Edmonton or Calgary LRTs, I'm sure it was, although those studies have not been brought to my attention particularly. But the fact is that people's notions

change and what was valid in 1976 — if it was 1976 — when the decision was made to go with the Edmonton, may not be valid today. I think that's demonstrated in places where they've been using this system for many years — the question is now coming up: we'd better take a look; maybe we should pull back from that kind of approach. That's the reason for taking a look at what is current today, rather than relying on information gathered four or five years ago.

MR. SINDLINGER: Mr. Chairman, a final comment to the minister. I get the distinct feeling that underneath all this is a feeling or sentiment that we might have a white elephant on our hands and a real possibility we may not proceed any further with any more LRT development. That seems to be the undercurrent of this two-year monitoring policy.

MR. KROEGER: Mr. Chairman, we have to remember that the cities of Calgary and Edmonton are relatively small to try to support this kind of system. I think one reason it was proceeded with was the very rapid growth that was occurring. But I wouldn't like to imply that we have a white elephant on our hands, because I think we're still in the development stage of getting ridership up. I think a promotion can be done. The cities are also contemplating a counterreaction. I guess you could force people to use the systems if it's difficult enough to bring your car downtown and no place to put it or the price of parking becomes too high. So I guess the cities have some options.

I'd also like to mention that we've given the cities a good deal of flexibility on how they can use the funds we provide. If in their judgment they prefer to spend the majority of their transportation funding on this kind of system, we're not really inclined to fight them anymore than we're inclined to fight the direction they want to go. We have said very clearly that if they want to choose a direction, that's their choice. We don't really want to get into influencing that.

MR. OMAN: Mr. Chairman, continuing with the minister on the same subject, the minister indicated that Edmonton's LRT presently has about 15 per cent of its capacity being used. I assume that's averaged out over whatever the period is — 18 hours. Therefore the rush hour would be the only time it would be used for capacity. I wonder if the minister has at his fingertips a comparison, say, with the bus system. In other words, would it be more or less than 15 per cent on a comparative basis as you average it out?

The second comment is with regard to the minister's statement indicating the cities of Edmonton and Calgary are relatively small for a full-blown system, which I think is correct. I believe the city of Calgary will reach about the 600,000 mark this year in the census, and I'm sure the greater Edmonton area must be at least that much. But if you look at projections to the end of the century, I believe the best figures we can obtain at this time are that both metropolitan areas will be about 1 million as far as population is concerned. If that can be said with some assurance, would it not be good planning to lay out those lines at the moment, then be sure concentrated developments take place along those lines rather than spread all over the place if it's a sort of inevitable factor?

MR. KROEGER: Mr. Chairman, the estimate on the 15 per cent would be based on total operating time. We

know at peak times you would actually be running with 100 per cent capacity; there's no question about that. I don't have the comparative figures on the bus system, but I would be convinced it would be around 85 per cent, comparing the two. Buses lend themselves to easy addition and deletion, so they can change much faster.

As to future planning, this working group of six that I described are planning people. Part of the scene they would be examining would be exactly that. Future planning required to combine the origin/destination combination I referred to earlier, and they would be qualified to make those kinds of judgments and recommendations.

MR. SINDLINGER: Mr. Chairman, to the minister. In his meeting with the mayor of Calgary last week, could the minister indicate whether or not the mayor was satisfied with the idea of monitoring the system for two more years? Or did the mayor indicate whether or not he would pursue a more rapid development of the system in Calgary?

MR. KROEGER: Mr. Chairman, I didn't suggest to the mayor that it had to be two years. He asked specifically how long it would take to put this group together. I indicated to him that we were prepared to move now; it would be a matter of weeks, not months. Obviously he would have preferred to get a commitment of extra funding. Because I was not able to discuss extra funding beyond the increase available to us through the department, he mentioned that they would then have to look at some options to prioritize what direction they would have to go.

MR. R. SPEAKER: Mr. Chairman, I don't believe the topic of seat belts has been raised. I'm sure we wouldn't want to go without the minister making a comment as to where that is at the present time.

Secondly, last year's legislation with regard to the lifted rear ends of cars was put into place. I wonder if the minister could indicate whether a number of charges have been laid, whether the application of the law has been easy or difficult, and what the results have been.

The third area I'd like the minister to comment on is with regard to street grants across the province. I've had a number of discussions with the minister and, as I've pointed out, the street grants at the present time are inadequate. I wonder if the minister has reviewed that matter.

The other is the comment from the Minister of Municipal Affairs indicating that the government was looking at the possibility of allocating the gasoline and liquor tax potentially toward development of the urban transportation system. I wonder if the minister in his responsibilities has explored that and has any comment with regard to the future of that idea.

Those are the four things.

MR. KROEGER: Mr. Chairman, the position on whether we should be talking about seat belt legislation — and that's really what the reference would be — I haven't any difficulty in saying that seat belts work. I have no difficulty in saying that legislation works. The question really is whether Albertans are ready to have the legislation imposed on them. That's a decision that is yet to come. I wouldn't mind making a speech on seat belts in this House some time, if the appropriate time comes, but it isn't today.

On the standardization of bumper heights, it's been

surprisingly quiet. Personally I have had no complaints, not even any comments. I've been watching a bit, and I don't see too many of the high bumpers around any more. I really don't have a feel for it. I've been surprised, keeping in mind that when the legislation came in they threatened to blow off my doors and I had to get my telephone number delisted. I'm not hearing anything now.

The third item, on the street grants: we've expanded that of course to include hamlets now. I have figures on the amounts. I'll look that up, if I may.

No comment on the gasoline tax. I guess that would be the Minister of Municipal Affairs.

MR. SINDLINGER: Mr. Chairman, in March the minister announced a \$30 million economic stabilization program. The press release indicated that studies had been undertaken by Alberta Transportation, indicating that 30 per cent of the province's heavy equipment was expected to be idle this construction season. I would like to ask the minister two things: one, whether we could obtain copies of those studies and, two, if enough time has elapsed for the minister to make an assessment of the efficacy of the program to date.

MR. KROEGER: Yes, Mr. Chairman, we could provide the information. We did the check in a very straightforward way. One of the routes was that we went to a computer owned by a construction supply company which had a listing of all the heavy equipment in the province. I'd be glad to make that information available. Now we have developed a package on how the system will actually be delivered. It's available to MLAs, and I think we've distributed those. I'm sorry, I missed the last part of your question. Could you give that again, please?

MR. SINDLINGER: Mr. Chairman, I asked if enough time had elapsed to enable the minister to make an assessment with regard to the efficacy of the program to date.

MR. KROEGER: No, Mr. Chairman, because the construction season is just getting under way. We're inviting registration from owners of heavy equipment. That registration is under way, but we really don't have a feel yet for what sort of response we will get.

MR. R. SPEAKER: Mr. Chairman, this is a local constituency problem, related to the constituency of Macleod as well, with regard to Highway 23 and the entrance to Highway 3. I wonder if the minister could report progress on that intersection or the dispute in that area.

MR. KROEGER: Mr. Chairman, we have been trying to buy right of way for Highway 23 for quite some time now. Because of requests coming to us in a variety of ways, we are having a public meeting, I believe, this coming week. I can't be sure; it may have occurred. I did not intend to attend that meeting, but we set it up through the department. One of the deputy ministers will be chairing the meeting. It will be public. We are going to hear all the arguments on where the right of way should be and how we should proceed. I think that meeting is coming up this week, but I would check on that.

Agreed to:

11 — Executive Services	\$1,322,499
12 — Administrative Services	\$7,669,102

Total Vote 1 — Departmental Support Services	\$9,001,601
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Vote 2 — Construction and Maintenance of Highways:	
2.1 — Program Support	\$22,615,855
2.2 — Improvement of Primary Highway Systems	\$191,259,250
2.3 — Improvement of Rural-Local Highways	\$144,058,015
2.4 — Financial Assistance for Rural-Local Highways	\$43,983,400
2.5 — Maintenance of Primary Highway Systems	\$54,907,760
2.6 — Maintenance of Rural-Local Highways	\$14,290,990
2.7 — Apprenticeship Training	\$2,261,733
2.8 — Rural Resource Roads	\$35,922,184

29 — Pavement Rehabilitation

MR. R. SPEAKER: Mr. Chairman, does this include the grants provided to municipalities or counties on behalf of oil trucks or oil industry equipment that travel over our rural roads and break up the pavement and so on? Is this the vote from which that grant comes? Whether it is or not, the comment I'd like to make to the minister is that I've noted right through the heart of my constituency that one of the oil companies hauls the length of some my rural paved roads. It's been going on for three years. The total distance, I'd say, 20 miles of the road, has been beaten up and broken up. It's strictly due to the traffic of this heavy oil conveying tank truck going over the roads, day in and day out, winter, summer, spring, and so on. For example, I understand that the county of Vulcan gets a grant of only something like \$10,000 — somewhere in that vicinity. It's a very minimum grant. In light of that, do municipalities that have heavy traffic like that get special consideration, or can they make requests for special consideration when some of the roads are broken up for that reason?

MR. KROEGER: Mr. Chairman, are we talking specifically about secondary?

MR. R. SPEAKER: Yes, Mr. Chairman, that's correct.

MR. KROEGER: Mr. Chairman, this is not part of the granting formula but, yes, they can make application for special circumstances.

MR. R. SPEAKER: Mr. Chairman, is there a maximum on that special grant they can make application for? Is it related to the amount of work required to rehabilitate the highway, or is there a ceiling on the grant?

MR. KROEGER: The ceiling would not be on a specific project. The ceiling would simply be in the amount of grant funds we have available to us. We have to be judicious on how we allocate.

Agreed to:	
2.9 — Pavement Rehabilitation	\$34,842,246
Total Vote 2 — Construction and Maintenance of Highways	\$544,141,433

Total Vote 3 — Construction and
Operation of Rail Systems \$12,000,000

Vote 4 — Construction and Maintenance
of Airport Facilities:
4.1 — Program Support \$759,693

4.2 — Construction of Airports

MR. R. SPEAKER: Mr. Chairman, could the minister table a copy of the priority list for the two fiscal years 1981-82 and 1982-83? Could the minister table that whenever it's available to him?

MR. KROEGER: Yes, Mr. Chairman.

Agreed to:
4.2 — Construction of Airports \$9,636,244
4.3 — Airport Maintenance Operations \$1,923,887
Total Vote 4 — Construction and
Maintenance of Airport Facilities \$12,319,824

5 — Specialized Transportation Services

MR. SINDLINGER: Mr. Chairman, could the minister elaborate on Vote 5.1.3, applied research, and indicate specifically what has been undertaken?

MR. KROEGER: Mr. Chairman, as I noted when the Minister of Hospitals and Medical Care made his comments, part of the increase of every element — if it's the increase that's being requested — relates to the funding of the dental/medical plan that has been included. If the request is for an explanation of the increase, that relates to normal salary increases plus that kind of thing.

If the question is what is applied research — is that what the member wanted to know? Applied research goes in many directions. I wouldn't be able to give a lot of detail. For example, we are experimenting with the use of sulphur. That would be one kind of research we do, and there's a variety of it. We've even gotten into testing carburetion, the economy of that sort of thing. It goes many ways. If more detail than that were required, I'd have to provide it.

Agreed to:
5.1 — Transportation Planning
and Research \$2,650,775
5.2 — Highway System User Services \$7,635,269
Total Vote 5 — Specialized
Transportation Services \$10,286,044

6.1 — Program Support \$556,930
6.2 — Financial Assistance — Capital \$137,763,000
6.3 — Financial Assistance — Operating \$17,287,000
Total Vote 6 — Urban Transportation
Financial Assistance \$155,606,930

7.1 — Surveys and Mapping \$6,078,979
7.2 — Property Acquisition \$2,067,443
Total Vote 7 — Surveys and Property
Acquisition \$8,146,422

Department Total \$751,502,254

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

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPELBY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again:

Resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1982, sums not exceeding the following for the departments and purposes indicated:

The Department of Hospitals and Medical Care: \$26,803,413 for departmental support services, \$241,451,000 for health care insurance, \$768,627,840 for financial assistance for active care, \$85,686,917 for financial assistance for long-term chronic care, \$67,507,363 for financial assistance for supervised personal care, \$177,333,483 for financial assistance for capital construction.

The Department of Transportation: \$9,001,601 for departmental support services. [\$544,141,433] for construction and maintenance of highways, \$12,000,000 for construction and operation of rail systems, \$12,319,824 for construction and maintenance of airport facilities, \$10,286,044 for specialized transportation services, \$155,606,930 for urban transportation financial assistance, \$8,146,422 for surveys and property acquisition.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: As indicated previously, Mr. Speaker, tomorrow we propose to call Motion No. 1 in regard to annexation. On the assumption that a number of members will want to speak, we would continue that to Thursday evening. So the House will sit Thursday evening. If there is additional time Thursday evening, I'd try to give some indication a little more directly tomorrow as to what that might be, but some form of Committee of Supply.

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