

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, October 26, 1981 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

Bill 236**The Alberta Adoptions Foundation Act**

MRS. CHICHAK: Mr. Speaker, I request leave to introduce Bill 236, The Alberta Adoptions Foundation Act.

The Bill has three components. The first principle of the Bill is to establish a non-profit foundation which would provide three aspects of service to society: one, to introduce and give support to young, single, pregnant females to carry their unwanted pregnancies to full term rather than choose abortion; two, to provide for a counselling and educational component, as well as research relating to out-of-wedlock births; three, to provide for adoption processing through the Director of Child Welfare. The funding for such a foundation would be encouraged to come from the private sector and private organizations.

[Leave granted; Bill 236 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. SCHMIDT: Mr. Speaker, I beg leave to table the annual report of the Agricultural Development Corporation for the year 1980-81.

MR. HYNDMAN: Mr. Speaker, I wish to file with the Legislative Assembly today three sets of the complete three-volume Foster Research report entitled A Re-Assessment of the Elements of An Economic Strategy for the Province of Alberta. Members will recall that volume 1 of the report was made available last month to all members and to members of the media. That's the volume which is a summary of the conclusions and observations of all three volumes. These are being filed today, and because there is a limited number, Mr. Speaker, I made five complete sets of this report available for the Legislature Library, for those interested.

MR. CRAWFORD: Mr. Speaker, I'd like to table copies of the annual report of the Legal Aid Society of Alberta. The report is tabled pursuant to statute.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. STROMBERG: Mr. Speaker, may I take this opportunity to introduce to you and to the members of the Legislature 17 students from the Kingman school in my constituency. Along with them today is their teacher Mr. Terry Dashkevich and their bus driver Mr. Asp. I might

say that I extended an invitation to their school a month ago when I visited their class and explained the role of government in Alberta. They are seated in the members gallery, and I will ask them now to stand, be recognized, and receive the cordial response of this Legislature.

MR. KOWALSKI: Mr. Speaker, it gives me great pleasure today to be able to rise and introduce to you, and through you to all members of the House, a group of 34 smiling young people representing grades 8, 9, and 10 from the Neerlandia school in Neerlandia. They are accompanied by two teachers, Mr. Jim Bosma and Mr. Jim Cameron, and one other supervisor, Rev. Neil Vriend. Mr. Speaker, I would ask the young people and their supervisors to rise and receive the cordial welcome of the House.

MR. HARLE: Mr. Speaker, I wish to introduce to you today a group of 18 students from the Brownfield community school in my constituency. They are in the public gallery and are accompanied by several adults. I'd ask them all to stand and receive the welcome of the House.

head: **ORAL QUESTION PERIOD**

Mortgage Rates

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Housing and Public Works. It's with regard to the approximately 5,000 home-owners the minister mentioned the other day, who are in dire straits with regard to home mortgage payments and renewals. In the assessment that is being done through the department, I wonder if the minister could indicate how many concerns with regard to foreclosures have been raised with the department?

MR. CHAMBERS: Mr. Speaker, first of all, I don't think I said those 4,000 or 5,000 people were in dire straits. I said they would be facing a relatively high, 30 to 35 per cent, gross/debt service ratio. There's a big difference, because what most of those people do and are doing is readjusting their priorities in terms of other assets they may have, holidays they might take or not take. I think they're making do with the reality of the higher interest rates. Facts bear that out, because the rate of foreclosures is not indicated to be up in Alberta. There's no evidence of any increase in the foreclosure rate. So I'm saying that people faced with the regrettably higher interest rates are nevertheless making do through prioritization, I suppose, of the way they spend their money.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. One, I want to establish the concern of this government and, secondly, [through] what formal mechanism can the general public reach the minister or any member of government? Has any formal mechanism been established within the minister's department by which people renewing mortgages can indicate their concern or at least have some counselling with regard to increased mortgage rates?

MR. CHAMBERS: Mr. Speaker, I think the financial institutions are probably doing a pretty good job in this area, and that would include the private financial institu-

tions, the treasury branches, everybody in the mortgage business.

Members are aware that a number of private plans have been talked about, announced in the last week or two, whereby, for example, interest rates in one situation could be dropped to 16 per cent and the difference added on to the length of the mortgage. So probably a great number and variety of arrangements might be made that would suit the individual requirements of the homeowner. I guess the best thing one would urge is that when they're faced with a renewal situation the people talk to their financial institution, think about it, and work the best possible deal they can, given their circumstances.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Housing and Public Works. One of the concerns I have is that the general citizenry is unable to indicate their concern to the government. Now that the minister's indicated there is no formal mechanism, is the minister considering establishing that formal mechanism through which the public can communicate to the minister the concerns they have with regard to mortgages?

MR. CHAMBERS: Mr. Speaker, large numbers of the public, of course, phone my office on a regular basis. Again, I would say that the people who surely can give the best advice in this area are the people in the financial institutions. They know the mortgage business; they've been working hard on this. They've offered and talked about a number of different plans. I think the very fact foreclosures are not up in Alberta — there's no evidence of them being up — indicates these things are working. The people who get into the high gross/debt service ratio range are probably going to their financial institutions, working out new plans, and prioritizing the way they spend their money and the use of their incomes.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate if the minister or the minister's department is willing to extend to people in dire needs the same services the federal minister has extended, in that the people the hon. Leader of the Opposition is speaking of will have someone to contact to express their concerns and find out if the government is willing to assist them in solving their problems of remortgaging?

MR. CHAMBERS: Mr. Speaker, again, the federal government has a deliberate national policy of high interest rates; that's a federal policy. I don't think anybody can doubt that that is a federal policy. The federal Minister of Housing has indicated that he will have a solution for that problem come time for the federal budget. Since he accepts the responsibility, I presume therefore he is in a position to offer advice to people when they call him. I'm not; I don't have control over the national policy of high interest rates.

DR. BUCK: Mr. Speaker, the hon. minister knows he's in charge of the Alberta Home Mortgage Corporation. I would like to know, then, what is the minister, who is so kindly sloughing it off at Ottawa, doing about the projects that we as members of this Legislature are responsible for — the Alberta Home Mortgage Corporation. Is the minister willing to listen to those people, Mr. Speaker? He can't slough that off on Ottawa, because the minister was responsible for changing the . . .

MR. SPEAKER: Order please.

MR. CHAMBERS: Mr. Speaker, I . . .

DR. BUCK: It may be funny to you, but it's not funny to other people.

MR. CHAMBERS: That isn't funny to me, Mr. Speaker. It's the sense of indignation my friend from Clover Bar can generate from time to time.

DR. BUCK: Mr. Speaker, I'm sick and tired . . .

MR. CHAMBERS: But anyway . . .

MR. CRAWFORD: On a point of order, I noted the hon. member said he was sick and tired. I agree. [interjections]

MR. CHAMBERS: Mr. Speaker, the Home Mortgage Corporation has an open door. Any of the people who have problems with their mortgages have easy access to the Home Mortgage Corporation. Let's not forget that in an era of high interest rates, the Home Mortgage Corporation is subsidizing, very, very heavily, people with gross/debt service ratios that are in the higher ranges. In fact, as I mentioned before, depending on what the interest rate is, the subsidies are as high as \$565 a month direct payment. So the Home Mortgage Corporation is helping an awful lot of citizens in Alberta in a difficult period.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Would the minister take on the responsibility . . .

MR. COOK: A supplementary question.

MR. R. SPEAKER: . . . to personally intervene . . .

MR. SPEAKER: Order please. The hon. Member for Edmonton Glengarry immediately following the supplementary by the hon. Leader of the Opposition.

MR. COOK: Mr. Speaker, I wonder if I could direct a question to the Minister of Housing and Public Works as well.

MR. SPEAKER: I'm not aware that that moment has arrived.

MR. COOK: I had the green light, Mr. Speaker.

MR. R. SPEAKER: You've got to be kind to the rookies. You've got to give them a chance or they won't learn how to play. I guess that's what I was doing.

Mr. Speaker, a supplementary question. This is the question I raised with the Minister of Consumer and Corporate Affairs. Would the minister take on the responsibility to intervene in any situation that someone in Alberta raises with the minister, where high mortgage rates are going to cause a family or an individual to lose their home, which is very basic and very essential to any family or individual in this province?

MR. CHAMBERS: Mr. Speaker, I've said before that the problem of mortgage renewals is directly related to the high interest rates in this country. That is a federal responsibility. Alberta didn't decide that interest rates

should be high; the federal government has decided that interest rates shall be high. That's a federal responsibility, and the federal Minister of Housing has admitted that that's a federal responsibility. He says that he hopes to be able to do something about that in the forthcoming budget. I don't know that I could add anything to that.

MR. COOK: Mr. Speaker, I wonder if I could direct a supplementary question to the minister. Has he received from opposition members very many specific instances of home-owners in dire straits? Secondly, has he received from other members of the Assembly very many examples of people in dire straits? Finally, has the department had any opportunity to make representations to the federal government?

MR. CHAMBERS: Mr. Speaker, I indicated earlier that the last check I've had — and it's quite recent — with regard to foreclosures indicates that the foreclosure rate right now is no higher in Alberta than it was a year ago. So what that means is that people are coping. There is no question that high interest rates hurt everybody. They hurt people in business everywhere; that's a fact. But it appears that people are saying, okay, maybe I'm not going to . . .

MR. SPEAKER: Order please. With great respect to the minister, it would appear that the array of questions launched by the hon. Member for Edmonton Glengarry were not relating to what is now being discussed.

MRS. FYFE: A supplementary question, Mr. Speaker. I wonder if the minister would advise whether he has considered a policy whereby payments of renewals of mortgages under the Alberta Home Mortgage Corporation would not exceed the 30 per cent gross/debt ratio, which may in fact mean rewriting those existing mortgages?

MR. CHAMBERS: Mr. Speaker, for the past six years — I believe I'm right on that number — the Home Mortgage Corporation has worked with a gross/debt service ratio of 35 per cent, not 30 per cent. People have been able to cope very well with that. Nobody who mortgages under the Home Mortgage Corporation pays more than 35 per cent. In other words, if it exceeds that on renewal, a subsidy will ensue. So people are protected on those mortgages through direct subsidization.

DR. BUCK: A very short supplementary question. Is the minister in a position at this time to indicate to this Assembly what his phone number is and if he would welcome phone calls from people who are having trouble? Will the minister do that?

MR. CHAMBERS: Mr. Speaker, my phone number is in the book. The fact that Albertans call me from all over the province every day must mean that they were able to quite readily ascertain what that number is.

Social Services Position

MR. R. SPEAKER: Mr. Speaker, my second question is to the Minister of Social Services and Community Health. It's with regard to the staff establishment in the department. When I examine it, I find that a number of persons in senior administrative positions are in an acting role. At present, to date, I note that 10 positions are in

the acting category. I also notice that a short time ago that number was 16. I wonder if the minister could indicate the reason for the number of acting positions in the department, and whether those acting personnel will become permanent or is there some concern with regard to their ability to do the job?

MR. BOGLE: Mr. Speaker, to answer the latter part of the question first, if there was any concern with the ability of any of the individuals who are now filling a position in an acting role, they would not be in those positions. If the hon. member took note, he would have realized that over the weekend there were advertisements for the deputy minister of social services position in the two major daily newspapers in Alberta. Once that position and the associate deputy minister of delivery position is filled on a permanent basis, other positions which report to those two key positions will be reassessed and, in all likelihood, made permanent. Of course there may be some other changes in the interim, Mr. Speaker, but the key is to ensure that the three most senior positions in the department, the deputy minister of health services, the deputy minister of social services, and the associate deputy minister of delivery, are in fact filled, as one of the three is now on a permanent basis. Once that is done, the proper assessment will take place.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Not having viewed the ads — I certainly don't need a government job. When there are so many ads, it's hard to find one from the other.

With regard to the qualifications of those three senior positions, relative to deputy minister status, my question is: will those persons require professional training, or is the only qualification necessary that they have managed a small business in southern Alberta?

DR. BUCK: And the right color of card.

MR. BOGLE: Mr. Speaker, if the hon. member would like to look at the job description, and if he still has questions as to the qualifications required, I'd be pleased to respond to his question.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. The minister indicated that 32 positions relative to social workers will be recruited in October 1981. Could the minister indicate whether those positions have been advertised, and their status at present?

MR. BOGLE: Mr. Speaker, although I don't have the statistics before me, over the past year and a half there have been three separate recruitments for social workers, particularly in the child care area, and I believe the total number of staff is approximately 116. The recruitment for the last number of positions, which was to commence on October 1 of this year, is well under way. If the hon. member would like a more definitive response, I suggest he place it on the Order Paper and I'll be pleased to respond in kind.

School Closures

MR. STROMBERG: Mr. Speaker, I would like to pose the following question to the Minister of Education on behalf of the students of the Kingman school, who are concerned about any future closure of the Kingman school. Are there any recorded cases of rural schools.

having been closed, being reopened within a period of 10 years?

MR. KING: I am not aware of any offhand, Mr. Speaker, but before giving a definitive reply to the hon. member I would want to check my information to be sure. I don't believe there have been.

DR. BUCK: A supplementary question. Is the minister in a position to indicate how many of the schools that have been closed, say, in the past decade — is the department thinking of using some of these as senior citizen drop-in centres or self-contained units?

MR. KING: Absolutely, Mr. Speaker. In rural areas particularly it is possible to convert some of the classrooms in a school building to alternate social uses, and to maintain one, two, or three as classrooms for the educational service of children. That would be a preferable alternative to closing down the entire school and removing the instructional program from the community.

If it is necessary, through the BQRP, the building quality restoration program, we support the renovation of school classrooms so they can be used for other community purposes. Examples I'm familiar with in Edmonton include the installation of additional plumbing so that school classrooms can be used for day care programs in some communities. In addition to senior citizen drop-in centres, we have authorized the leasing of school classroom space for church groups, Red Cross, St. John Ambulance, youth groups, 4-H clubs, Boy Scouts, municipal government offices, school offices in remote parts of school districts, and a number of other purposes. The St. Albert separate school district is presently building a school which has been designed for eventual conversion to a senior citizens' home, in anticipation of a decline in enrolment in that neighborhood. The school is being built now on a design that will facilitate easy conversion.

Finally, two years ago we implemented a task force on the community design, construction, and operation of schools. I expect it to report to me in the very near future. They will be making recommendations on additional ways in which we can have the school building better serve the purposes of the community.

MR. STROMBERG: A supplementary, Mr. Speaker. Could the minister inform the Assembly if his department can direct, say, school committees to bus students from an overcrowded school to another that perhaps has a surplus of classrooms?

MR. KING: Mr. Speaker, the answer is that legally we can direct them to do that. As a matter of practice, we do not give local school boards that direction, because we believe in the importance of the local community making its own decisions about the operation of the school system. But we hope and expect school boards will make decisions that will do two things: utilize resources as well as possible, and maintain the presence of a school in the community. Because as a government, we believe there are important reasons for continuing a school presence in the community, and those reasons are social as much as educational. The continued operation of a school in a small community is an important positive feature for the life of that community.

DR. BUCK: Mr. Speaker, a supplementary question to the Minister of Education on the closing of small schools.

Is the minister in a position to indicate if the government or the minister's department is giving consideration to looking at the maximum size of schools?

I guess everything seems to go in cycles, from small one- and two-room schools to large ones. Now we think that maybe we've gone the wrong way; we're going backwards. Basically I'm asking: is the government looking at going back to smaller schools? Using Fort Saskatchewan as an example, a community where we have 12,000 people, is the department or the minister considering having two high schools in a community that size, rather than one large high school?

MR. KING: There is no maximum size for schools under the regulations of Alberta Education, Mr. Speaker. That is a decision the local community would make. Until recently, there has been a minimum size. Basically that was 140 pupils for an elementary school. As the result of a submission made by the Calgary separate school board, we have authorized the construction of schools designed for an enrolment of 70 pupils. So I think you could say that we have never had a maximum provided in the regulations, we have effectively removed the minimum, and we are leaving it to the local school board to make the decision about the best size for a school, given local circumstances.

DR. BUCK: Mr. Speaker, just one short question. The minister is saying to the Assembly that the department has not done any studies to indicate to itself or to school boards that there is an optimum size which will give concerned quality education to the students? At this time there is no such study?

MR. KING: No, I wouldn't say that, Mr. Speaker. It is true that the Department of Education has not done such studies, but they have been done in a number of other jurisdictions. The evidence is sufficiently compelling that we have not considered it a high priority to replicate that research in this province. But research about the optimum size of schools has been done, and it would be available to all hon. members.

Rental Rates

MR. OMAN: Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. The province of British Columbia has had in effect for some time a rental review board to which citizens can appeal rents that they think are unconscionable. They can have the power, to roll those back. I believe that is on certain properties. Has the minister had an opportunity to review that process? Does he feel it has some merit?

MR. KOZIAK: Mr. Speaker, in response to the question posed by the accomplished cornet player from Calgary North Hill, rent review and rent control are basically from the same root. We made a commitment some time ago that rent controls would expire in accordance with The Rent Decontrol Act on June 30, 1980. We intend to keep that commitment.

The rent review concept has some inherent difficulties in it. The most dangerous of those would be the fact that if you had two apartment buildings side by side, both of the same nature in terms of the amenities, and one with a, say, 10 per cent mortgage and the other with a mortgage coming up for renewal, which resulted in a 20 per cent mortgage, then the concept would see rents perhaps

double in the apartment next door. If that in fact took place, it would empty, out. The system in place now in Alberta is a much better one, whereby there's a leveling out. There are certain apartments where landlords are in fact subsidizing tenants to make up the balance.

MR. OMAN: A supplementary, Mr. Speaker. If that statement is correct, that the apartment would empty out, would that not mean, then, that the market would work itself? Further, I didn't hear the minister give his evaluation of the B.C. program.

MR. KOZIAK: Mr. Speaker, I indicated to the hon. member that the evaluation is that rent review is from the same root as rent control. We made a commitment that rent controls would expire — and they in fact have — in order to encourage the construction of additional rental accommodation in this province.

As the hon. member is well aware, the city of Calgary, in which his seat lies, has a much larger movement of population into the city than Vancouver or Victoria. Yet the vacancy rate in the cities of Vancouver and Victoria is nil, for all intents and purposes, compared with the vacancy rate in the city of Calgary.

MR. OMAN: A supplementary, Mr. Speaker. I think I disagree a little bit with the point of view that they are of the same root. My question is whether or not the idea of a rent appeal rather than rent control over everybody — where somebody misuses the market, when it is a tight market as it is in Calgary, may that not discourage others from misusing the market rather than abusing it?

MR. SPEAKER: I think we're getting into the realm of speculation, debate, and all sorts of things like that.

Hazardous Chemicals

DR. BUCK: Mr. Speaker, my question to the hon. Minister of Environment has to do with studies done in the United States on different household and agricultural chemicals we are using in this province. Is the minister in a position to indicate if he has had any communication from his counterpart in Ottawa to find out if the tests conducted on some of the products used in this province were essentially invalid or valid?

MR. COOKSON: Mr. Speaker, the federal government has the prime responsibility of licensing various kinds of chemicals, insecticides, pesticides, and so on that are used in Canada. Some time ago it was drawn to my attention by the federal government that at least 80, possibly 90, different types of products — not just agricultural but totally — are now being used in Canada, and there has been some question as to their validity. They rely on Industrial Biotech Laboratories in the United States for the testing. They have subsequently questioned the validity. Since then, there has been a continuous review at the level of the federal Department of National Health and Welfare and the Department of Agriculture. For some time there was an obvious difference of opinion between the two departments. Since that time they have more or less come to some common understanding with regard to the chemicals in question.

Recently the federal authorities advised us of the classification of some of these chemicals. Some are being used yet. If alternate sources of chemicals, replacement types, are not proceeded with within a defined period of time,

the federal government will take steps to remove them from the market. Others are subsequently being approved, subject to further evaluation by federal authorities. Essentially, they've classified them and are reviewing them as rapidly as possible.

DR. BUCK: Mr. Speaker, to the minister. Two of the commonly used herbicides, Roundup and 2,4-D — I know there's been some controversy over 2,4-D. Is the minister familiar with these two products or products that have these materials in them? Is there any consideration of banning these in Alberta at this time?

MR. COOKSON: Mr. Speaker, perhaps the Minister of Agriculture may want to supplement the information I have with regard to the two chemicals in question. 2,4-D has been questioned only insofar as the amount of dioxin, which is a particularly concerned product within 2,4-D. As to the amount of dioxin in the various formulations of 2,4-D, ester 2,4-D was one which was subject to some question. Our further testing has shown that the problem insofar as dioxin and 2,4-D are concerned is very minimal.

I would have to take the question of Roundup as notice. Perhaps the Minister of Agriculture could supplement in that area.

MR. SCHMIDT: Mr. Speaker, may I supplement the answer by my colleague the Minister of Environment by saying that from an agricultural point of view, the announcement of the banning of five insecticides and pesticides by the federal government as they affect agriculture are basically three. Of the three, none deals directly with any particular use within the province of Alberta — one being a pest control on corn itself, the other used for one of the sprays for the pesticide spruce budworm used in forestry control. Perhaps closest to agriculture is the pesticide used in pet collars. One of them, tedian, will be withdrawn from the market. Those five will have their registration cancelled as of about the first week in December of this year. As far as we can tell, of the five being cancelled, there would be little effect to the agricultural industry within this province.

Oil and Gas Industry in Alberta

MR. R. CLARK: Mr. Speaker, my question is to the Minister of Energy and Natural Resources. It flows from the difficulties a large number of small Alberta- and Canadian-based resource companies are having as a result of the new agreement between Alberta and the federal government. What steps is the minister's department taking to assess the problems small companies are having, and at what stage is the government's consideration of some alleviation of the cash flow problems these companies are having?

MR. LEITCH: Mr. Speaker, that's an excellent question that has been posed by the hon. member. I should remind members of the Assembly that following the signing of the September 1 agreement, in comments made by both the hon. Premier and me, we pointed out that that was a document of necessity that had a broad application to the total industry, and that there may be areas where inequities or anomalies were present within the industry and we would be examining those with the view of making changes where they were appropriate and necessary. Senior officials of the department have been meeting with

persons from industry since September 1, and I have had a number of meetings with companies from the oil and natural gas industry. The object of those meetings was to assess the nature of the difficulty, to make sure we understand that, and to consider changes, perhaps, in our existing programs that would be the most advantageous way of resolving those inequities or difficulties we've already referred to.

I can't give any precise dates as to when we might respond, Mr. Speaker, but certainly we are treating that review and possible responsive action with a very high priority.

MR. R. CLARK: Mr. Speaker, to the minister. Is the government now in a position where there's a clear recognition that there are very serious difficulties for a large number of the types of companies I've mentioned, and is it now a matter of working out some situation that will improve their cash flow? I ask the question because I think it's vital that a number of these companies recognize that the government understands there is a serious problem and, once the understanding is there, the commitment that something will be done about it follows.

MR. LEITCH: Mr. Speaker, I don't want to quarrel with the hon. member over the use of the adjective, and I don't know whether "serious" is an appropriate word. But certainly we're aware that there are difficulties with respect to the small producers in particular. Both the hon. Premier and I have made references to that publicly on other occasions, so certainly we are aware of the problem.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate some of the alternatives to providing extra resources to the companies so they have an increased netback? Would one of those be specifically with regard to a diversion of our present provincial royalty to the oil companies in the province to assist them in that matter?

MR. LEITCH: Mr. Speaker, I'm sorry. I missed a key word in the middle of the question of the hon. Leader of the Opposition. Did he say "conversion" of the royalty? Perhaps he could repeat it.

MR. R. SPEAKER: I believe the word was "diversion"; in other words, diverting some of the provincial royalty to the small oil companies in the province to assist them in increasing their netback.

MR. LEITCH: Mr. Speaker, there are a variety of ways to alter the netback to small companies. That netback is determined by taxation levels, royalty levels, various incentive programs, prices, the volume of production, and things of that nature. So that whole range is open for consideration as to what action might be taken.

Psychiatrist Shortage

MR. D. ANDERSON: Mr. Speaker, my question to the hon. Minister of Hospitals and Medical Care relates to those I asked previously regarding the severe shortage of psychiatrists in Alberta. Can the minister indicate if he has had a chance to meet with organizations such as the Canadian Mental Health Association which might have some partial solutions to this severe problem?

MR. RUSSELL: No, I haven't met with them recently, Mr. Speaker, other than at the annual meeting that is arranged for all members of the Legislature.

MR. D. ANDERSON: Mr. Speaker, will the minister undertake to meet with the Canadian Mental Health Association, and perhaps other professional groups more directly involved, to look at possible solutions to this difficulty?

MR. RUSSELL: Mr. Speaker, we always give consideration to requests for meetings, and we're usually able to agree.

MR. BOGLE: Mr. Speaker, I'm going to supplement my hon. colleague's response by indicating that through the Provincial Mental Health Advisory Council, on which body the Canadian Mental Health Association is represented, a number of very meaningful suggestions are being undertaken in our endeavors to attract more psychiatrists to this province.

MR. D. ANDERSON: Mr. Speaker, one further supplementary to whichever hon. minister would like to answer. Is the possibility of allowing qualified psychologists to be active in the Alberta health care system one of the approaches the government is now considering, thereby allowing other professionals to take up clients that psychiatrists are unable to deal with?

MR. RUSSELL: Mr. Speaker, at the present time no consideration is being given to making the services of psychologists an insured service under the health care insurance plan.

MR. D. ANDERSON: Mr. Speaker, one final supplementary question. Is the hon. minister willing to give consideration to that possibility if organizations and professionals close to the difficulty make that recommendation?

MR. SPEAKER: The hon. member's question is hypothetical, but it could so easily be rephrased that the minister may wish to deal with it anyway.

MR. RUSSELL: Mr. Speaker, it's a fairly difficult question to answer. Of course, the problem of any government in Canada today is to put some kind of reasonable controls on the costs of the various medical care insurance programs. The situation in Alberta is that recently we added the services of chartered physiotherapists to the health care insurance plan, and I don't think we would be looking for additional services for some time.

Mortgage Rates (continued)

MR. COOK: Mr. Speaker, my question to the Minister of Housing and Public Works follows on the earlier line of questioning this afternoon. Has the minister received very many specific cases of people in dire straits from the office of the Leader of the Opposition or the Socred office?

MR. CHAMBERS: I'm not aware of any, Mr. Speaker.

MR. COOK: A supplementary question. Given the phoney approach to appear noble, from the Socreds ...

MR. SPEAKER: Order please. [interjections]

MR. COOK: That's all I wanted to say.

MR. SPEAKER: Was there a question? It wasn't the Chair's intention to interrupt what the member was about to say. The Chair was concerned about what he had said.

MR. COOK: Mr. Speaker, I really just wanted to make that point: that the Socreds are noble in a phoney way. [laughter]

MR. SPEAKER: I'm sure the hon. member's remark will not be taken as an established precedent.

The hon. Minister of Education would like to supplement an answer previously given. Oh, I'm sorry. The hon. Member for Olds-Didsbury.

Education Task Force

MR. R. CLARK: Mr. Speaker, I have a question on the Kratzmann report. Last May 4, in dealing with the minister's estimates, he indicated that a task force on educational finance would be set up, and indicated it would be a collaborative venture including the ASTA, ATA, and a number of other education groups. My question is: how do local groups or individuals make representation to that task force, and will there be public hearings?

MR. KING: Mr. Speaker, the task force itself has been considering the question of how best to receive input from the public, and I don't believe they have made a final decision in that regard, although having read the minutes of their last meeting, I can give some indications to the hon. member. I think they are inclined to receive submissions in writing, but not to travel across the province receiving verbal submissions. They expect to receive submissions via the membership of the task force from the different groups indirectly represented on the task force; in other words, they expect that the Alberta School Trustees' representative on the task force will make submission on behalf of school boards, and that the ATA representative will receive and communicate submissions made by ATA locals. But, as I said a moment ago, in addition to that they expect to advertise for and to receive written submissions from interested people throughout the province.

MR. R. CLARK: Mr. Speaker, to the minister. Would the minister take under advisement the proposition that he indicate to the task force that, at the very least, it should hold public hearings in Edmonton and Calgary to make it possible for parents who, the minister could say, could be represented by the Alberta home and school association, but who, in a number of cases drawn to my attention — with all due respect — would want to make direct representation to the committee? Would the minister seriously consider the proposition of public hearings in Calgary and Edmonton?

MR. KING: Mr. Speaker, I am only concerned to allow the task force sufficient latitude to do their job as best they can. I have some concern for the possibility of extended public hearings, if that is what we became involved in, intruding on that. I'm certainly willing to consider the submission by the hon. member, but would remind him that this is only stage two of a process and that stage three, the stage at which we set policy, obvious-

ly will be a stage at which we will canvass public opinion very widely.

Oil and Gas Industry in Alberta (continued)

MR. ZAOZIRNY: Mr. Speaker, my question is to the hon. Minister of Energy and Natural Resources. It flows from earlier questions asked by the Member for Olds-Didsbury, relating to energy and the concern of small producers in this province. While the minister had indicated that he's unable to provide a specific date for implementation of some measures to ameliorate the situation, given the indications by the industry that the timing of some accommodations is extremely important for the well-being of the industry, could the minister advise whether he expects to have a plan in place before the end of 1981?

MR. LEITCH: Yes, Mr. Speaker. I would expect some response to the problem that's been referred to, certainly prior to that date.

MR. SPEAKER: I'm not sure whether the hon. Minister of Education has dealt further with the topic he had in mind or whether he'd like to do so now.

School Closures (continued)

MR. KING: Thank you, Mr. Speaker. The question was asked: whether or not any schools closed since 1970 have subsequently been reopened. I can say now that the department having checked, none of the schools for which we have authorized closure since 1970 have subsequently been reopened.

ORDERS OF THE DAY

MR. SPEAKER: May the hon. Minister of Tourism and Small Business revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. ADAIR: Mr. Speaker, I apologize for being late for question period today. We were in Calgary, and it was snowing quite heavily down there. We spent some time trying to get in the air, not up in the air.

DR. BUCK: We need the moisture.

MR. ADAIR: Today being the beginning of Alberta Small Business Week — and as part of recognizing the vital and essential role small business plays in our economic, social, and community lives — I would like to introduce to you, and through you to members of this Legislative Assembly, a member of the Department of Tourism and Small Business, Mr. Ted Treller, director of the southern region of our regional business development branch.

Mr. Treller was recently honored in Quebec City at the 13th annual conference of the Industrial Developers As-

sociation of Canada for his participation in the economic development program at the University of Waterloo, jointly sponsored by the association and the university. The University of Waterloo offers a certificate in economic development to people attending the program who are involved in economic development from across the country. Ted was recognized by the university for writing the best essays pertaining to the subject in both year one and year two of the program. This was the first time the award was offered. We in our department are very honored to have the opportunity to have it awarded to a member of the Department of Tourism and Small Business. I would ask Mr. Treller if he would stand and receive the recognition of this Assembly.

head: COMMITTEE OF SUPPLY

[Mr. Appleby in the Chair]

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

ALBERTA HERITAGE SAVINGS TRUST FUND CAPITAL PROJECTS DIVISION 1982-83 ESTIMATES OF PROPOSED INVESTMENTS

Department of Environment

4 — Land Reclamation

MR. R. CLARK: Mr. Chairman, to the minister. Is this not the vote where the department is involved, among other things, in reclaiming garbage dumps — that's not the highly sophisticated word.

AN HON. MEMBER: Sanitary landfills.

MR. R. CLARK: Sanitary landfills. Pardon my ignorance. I'd be very interested to know on which of these sanitary landfills it's expected to spend this portion of the \$5 million this year.

MR. COOKSON: Perhaps just to say a word or two about the work we're doing in the area of sanitary landfills. This area of expenditure by the Heritage Savings Trust Fund is probably one of the more worth-while projects, certainly one that has a pretty high profile across the province. It deals not only with landfill sites, but we also work on sewage lagoons and sand and gravel pits. It's pretty difficult for us to really predict the areas that will be involved in the coming year. We base a lot of our projection primarily on what has happened in the past. This gives me an opportunity to say that since 1973, the province has expended over \$12 million reclaiming over 1,061 projects in the province. So that gives an indication of the work going on across the province.

I can give the member of the opposition a breakdown on some of the payments to date. I don't know whether I can give other than the estimated figure on what will happen this coming year, but it might be of value to give the Member for Olds-Didsbury the type of projects on which we've made payments to date. The estimate we're requesting, \$5 million, will take into consideration completion of some of these projects, along with any new projects that will come in, in '82-83. I don't know whether I can give you the breakdown on the completion of those.

If there's any particular area the member might be interested in . . .

Just going through, there are actually two pages of projects we're working on or have made partial payments on. If I can confine the list to the so-called dumps — they are grouped together on the basis of dumps, gravel pits, and lagoons. Payments to date are: Fort Vermilion settlement dump, \$2,517; the Vermilion dump itself, a further \$3,900. We have one at Hythe, on which we've expended over \$9,000; Cardiff, \$185,000; Swan Hills, over \$9,000; Fisher, \$2,400; another one by the name of Charron, \$2,100. At Lac La Biche, we've spent \$5,700; at St. Paul, \$1,400; at Leduc, \$1,000, rounding these figures off; Thorsby, \$2,300; at Davison, \$6,000; New Norway, \$7,500; Ferintosh, \$1,000; Edberg, \$1,300 . . .

MR. STROMBERG: Hear, hear.

MR. COOKSON: Beiseker, \$6,500. The Member for Camrose is noting some of these. It doesn't reflect on the dump situation in the constituency; it just happens that we did a lot of work there. Rosebud, \$3,200; Chancellor, \$11,000; we did one in Wheatland, a no-name dump, \$7,000; Rockyford, \$4,700; Glenwood, \$1,700; Bassano, \$3,900. Mr. Chairman, the estimate we predict for this coming year is primarily based on the expenditure from the year before. That's where we come up with the figure.

MR. R. CLARK: If I might follow up to the minister, and say three things. Is it possible to get some indication as to what portion of the \$5 million budget we are approving here goes to this program of reclaiming sewage lagoons and sanitary landfills?

Secondly, Mr. Minister, what portion of the budget for this year is already committed? Quite frankly, I ask the question for a very selfish reason. One of the towns in my own constituency, Carstairs, is in the process of reclaiming a sewage lagoon and a sanitary landfill. The rather important question becomes: is there, in fact, money available in the appropriation we are now dealing with, so they have a reasonable possibility of getting some money for this particular year?

The third point I want to make, Mr. Minister, and I'm sure other members may talk about on other occasion, but on the surface rights committee and the recent experience committee members had in Europe, one of the things that impressed me very much was the way in which reclamation work has been done, especially in Germany and the United Kingdom, in areas which would fit the description of our sewage lagoons, sanitary landfills, and mines. One of the things they've done so very successfully there was to become very, very actively involved in tree planting in those areas. I fully recognize that the topsoil situation and the amount of rainfall are different there, and therefore more growth. But I would ask the minister, is the provision of trees either included in the cost here, or in fact are trees for these kinds of projects available from the tree farm the province has?

MR. COOKSON: Trying to give the member some idea of the way in which the vote is broken down for this coming year — it takes a little time to sort through all this paper. First of all, the different portions of the budget depend a lot on input from other departments. For example, the comment on Alberta Transportation is that the majority of projects for this department have been completed. They submit on the basis of some of the particular gravel pits, and so on, that they have. We use

those as out of the trust fund. An additional \$350,000 will be required in '82-83 for requests by Alberta Transportation. That will be to reclaim not only possible abandoned gravel pit sites but also numerous abandoned roads. Under our present regulations, these things wouldn't happen. But they happened in the past, so we have to catch up time. The sand and gravel reclamation program will require an additional \$150,000. So there are two figures that might help the member to determine the responsibility from Transportation.

The Department of Recreation and Parks: we estimate another \$150,000 a year for some years to come. Again, these are disturbed lands located primarily on the Recreation and Parks property. The Department of Energy and Natural Resources will require some additional funding to cover projects which will be carried over and require additional work. We estimate that their costs this year will be in the area of \$250,000.

If we take those three departments from the total figure, what's left would be mostly municipal, local improvement districts, primarily municipal work. The forecast expenditure on the land reclamation program, to review the requests from departments, including Environment, for '82-83: Environment is estimated to spend about \$2.5 million this year. Most of that will be submissions from municipalities. I couldn't tell the member whether the one he referred to is in or out, but it will depend on how those applications come in. I could perhaps check to see if their request is in there.

MR. R. CLARK: Is all the money committed already for this year?

MR. COOKSON: No, not for '82-83. Two and a half million dollars is estimated to handle mostly municipal, and that includes lagoons, sanitary landfills, and gravel pits; Energy and Natural Resources, \$250,000; Department of Transportation, \$500,000; Recreation and Parks, \$150,000. That comes to about \$3.5 million. In addition, we have set aside about \$1,200,000 for research in the area of reclamation. That's a pretty interesting field we're in, and deals a lot with different kinds of soil throughout the province.

Now, just to add further to that, the requests come in from the municipalities, and we then draft a contract with the municipality. The contract says, in fact, we must have title to the property, and we retain the right to recover the costs of the reclamation for a 10-year period. So if the municipality decides to sell or dispose within that 10-year period, we have the option of recovering our costs. That would flow back into general revenue of the province.

Insofar as the standards we establish for reclamation, we do or contract the actual work and supervise it. Much of this property could be converted to a park or something of that nature. One has to be very careful about using some of the landfills, for example, for future housing or anything of that nature because of the possibility of contamination. So it's used primarily for parks or perhaps put back into agricultural production, depending on the quality.

I would be receptive to any kind of input one might have insofar as the quality of the reclamation. The Conservation and Reclamation Council, which is made up of interdepartmental members including ourselves and our own expertise, pretty well determine how it should be reclaimed. If there's direction by a municipality that they want it for a specific purpose in the future, as long as we

can accommodate them as part of the contract, it's not a problem in this area.

MR. FJORDBOTTEN: Mr. Chairman, the minister mentioned working together with the Department of Transportation on the reclamation of gravel pits. Has the Department of Environment done anything with Recreation and Parks and Transportation on reclamation of some gravel pits along the same example as what's been done in Kananaskis Country, to reclaim and use them for overnight camping facilities along highways?

MR. COOKSON: It could very well be that some of the expenditure from the trust fund has gone toward that. We get submissions from those various departments. You can see from our budget, for example, that Transportation has requested that we budget \$500,000 in '82-83 for work they may wish to have done. It could conceivably be that one of those projects the member is referring to could be included. If it's something that's happened in the past — if I check the long list here — it's possible that it might be included in that category, although I don't think I've a breakdown between departments.

Let me give you some examples of work that was done in the '80-81 period of time; this could be for highways. On Highway 16, Edson, \$21,500 was spent, and it's quite conceivable that that was done by Transportation to reclaim a gravel pit. Anyone here who is familiar with the area may know of that particular request.

Most of the expenditure this last year has been on sanitary landfills and lagoons. We don't have that many gravel pits. For example, we spent \$24,000 reclaiming the Delburne gravel pit, and it could flow as a result of a request from highways; Valleyview gravel pit, \$3,000. Those could flow from requests from Transportation. I'd have to look at a specific case to determine whether it was or wasn't. But generally speaking they make their submissions to us, and we follow through with whatever they feel would be most worth while in order to make it something that's esthetically attractive and can be used practically.

MR. STROMBERG: Mr. Chairman, to the minister on the reclamation fund. As he is probably aware, there is an abandoned railroad running from Camrose to Kingman, referred to as the Camrose-Kingman railroad. It also goes into the constituency of Clover Bar. This railroad has been officially abandoned. I believe several departments, including lands and forests, will be dealing with how that land is handled. The province has a caveat on the rail right of way, whether the land goes back to the county or to the farmers involved. When this particular railroad was constructed, it went diagonally across each quarter, and it's caused considerable inconvenience to the owners of each quarter. They would like to see that they could perhaps farm over that railroad site, that they get control of the farming.

Now what I want to know is: would reclamation of abandoned railroad grades be budgeted for in your budget? If the railroads get their way, with the number of hearings we've had in Alberta in the last two years, it seems we'll certainly have a number of abandoned railroads to contend with.

MR. COOKSON: I was just looking at the scope of the program, and it may include

the purchase of patented lands to be reclaimed, the payment of access agreements or damage claims on

patented lands, the remedial reclamation on public lands or on patented lands under Ministerially approved conditions where hazardous situations or special circumstances may exist.

In answer to the Member for Camrose, there seems to be a broad enough scope within the terms of the trust fund allocation to do this kind of work, but there may be some stumbling blocks before we would entertain these projects.

I understand that Public Lands and Wildlife retains control of railway rights of way. Submissions to alter them in any way should perhaps be made to us through that department. I don't think we've had a formal request of that nature. I think the province would likely be very hesitant at this time to transfer ownership of these lands. However, the feasibility of leveling for farming over, for example, is something that could well be taken into some consideration, depending on the total cost and complexity of it all.

One has to remember that those rights of way could become extremely important for pipeline, power line, or whatever in some future time, depending on which way they go. I think the member could make his submission to Public Lands and Wildlife, and you've made your submission to me. We'll certainly take that under consideration in the total plan of eventually handling the right of way.

MR. SINDLINGER: Mr. Chairman, to the minister. Earlier, in response to a question from the Member for Olds-Didsbury, the minister related the projects that would be undertaken with this \$5 million. The minister also indicated that during the period beginning 1973 to date, \$12 million had been expended on 1,061 projects. Just doing some quick division, I note that that works out to about \$11,000 per project. Also, looking at this year's annual report of the Heritage Savings Trust Fund, I note that about \$55,000 is expended per project. However, when the minister was listing the projects that would be undertaken for the dumps, gravel pits, and lagoons, I noted that the per project costs were quite low — for example, Fort Vermilion, \$2,500; Hythe, \$9,000; Swan Hills, \$9,000; Fisher, \$2,400; Charron, \$2,100; Lac La Biche, \$5,700; St. Paul, \$1,400; Leduc, \$1,000; Thorsby, \$2,000; Davison, \$6,000; New Norway, \$7,000; Ferintosh, \$1,000; Edberg, \$1,300; Beiseker, \$6,500; Rosebud, \$3,000; Chancellor, \$11,000; Wheatland, \$7,000; Rockyford, \$4,000; Glenwood, \$1,700; and Bassano, \$3,900. All those projects are much lower than the per project cost of \$11,300 per project since 1973 and the project cost of \$55,000 per project in 1980-81.

The question I would put is: given the discrete jump in cost on a per-project basis over that period of time, is anything significantly different being undertaken now in regard to these projects than that which has been undertaken in other years?

MR. COOKSON: Mr. Chairman, one has to be careful about the figures. Just to be correct to the member, the figures that I quoted were payments to date on 1980-81 reclamation expenditures. They're not payments that will be carried out in the '82-83 budget. The figures I quoted were primarily for dumps or sanitary landfills. That in itself is a little deceiving. I'll give you a contrast. In 1980-81, we spent \$206,433 on the Forestburg south phase 1(b), which would be a major expenditure on reclamation. That's not for dumps, but for reclamation of abandoned coal sites. On the Bow City strip mine, which

is in the area of the Member for Bow Valley, we spent \$70,592; Coaldale reservoir, which is in the area of the Member for Pincher Creek-Crowsnest, \$163,550 — in this case, it was for an abandoned reservoir.

The Cardiff dump: I'm not familiar with the particular area, but the bill was almost \$185,000. So that was a major expenditure. I've had no opportunity to average out the costs the member has suggested, whether they're higher or lower than figures in the past. I would say that most likely they're higher, because it doesn't matter what you do today, it seems it costs more than it cost the year before.

So when we ask for \$5 million, we base our request on past experience and on projections of what can and cannot be done in the years to come. We have, for example, projections beyond '82-83. We project our research should be pretty well static, even with inflationary costs. We have a projection that on the basis of our information, reclamation costs should drop; that is, the total dollars we spend. The actual cost of reclaiming, as I say, goes up with inflationary costs and fuel costs.

I think that's really all I can answer in response to the member's question. It's also possible that we're doing a better job of reclamation than we have in the past. If you average that out, perhaps that would be taken into consideration too. The contract with the municipality does have some bearing on the total cost, because they like to think we'll do the best job possible based on their requests. I don't know whether that helps to answer the member's question.

[Mr. Purdy in the Chair]

MR. SINDLINGER: Mr. Chairman, to the minister, it is helpful. I'd like to come to one of the minister's comments. The minister said that when we ask for \$5 million, the request is based on past experience. I look at past experience. I've got the first annual report of The Alberta Heritage Savings Trust Fund Act in my hand now, and on page 46 under capital projects division investments, it shows that the legislative appropriation for land reclamation was \$2.5 million, but only \$100,000 was expended. So the major portion of the appropriation lapsed. But that's understandable, given the fact that that was the first year of the program.

However, if you go to the next annual report of the Alberta Heritage Savings Trust Fund, the 1977-78 annual report — I have that in my hand now — and refer to page 35, under the statement of amounts expended under the appropriation, land reclamation shows up. The legislative appropriation was \$2.5 million. However, only \$1.3 million was expended. So only 50 per cent of the appropriation was expended.

Going on to the next year, the annual report for 1978-79, on page 50 under the capital projects division statement of accounts expended, land reclamation appears again. Again, the legislative appropriation is for \$5 million. However, the amount expended was only \$2.2 million. Less than 50 per cent of the actual appropriation was expended; in fact, only 45 per cent of the appropriation was expended.

Going on even further to the next annual report, 1979-80 — I have that in my hand now — page 26, under the capital projects division statement of amounts expended, again the item land reclamation: the legislative appropriation was \$5 million, and the amount expended was only \$2.7 million, only 55 per cent.

Now the only year we get even close to spending the

entire appropriation is in the 1980-81 annual report for the heritage fund. I have that in my hand, page 32, under the capital projects division statement of amounts expended. Again there's a legislative appropriation for \$5 million. However, the amount expended was only \$3.5 million, or 70 per cent of the total appropriation.

So, Mr. Minister, going through five annual reports of the heritage fund, each year there is an appropriation for land reclamation, in four of those five years, the amount expended came to less than 50 per cent of that appropriated. The only time it comes close is in the last year, when 70 per cent was expended. So I come back to the comment you made, Mr. Minister, that when we ask for \$5 million, the request is based on past experience. Past experience indicates that the program has not been able to absorb even half the appropriation each year. Given that information, what consideration should we give to this request for another \$5 million this year?

MR. COOKSON: Mr. Chairman, maybe I can review again the figures the hon. member has pointed out, to indicate some of the problems we have had in past usage of the total budget, keeping in mind that if the total amount is not expended, of course the balance flows back into the trust fund anyway. It's not as if the money is lost in any way. It simply flows back into the system and is used either for this purpose or other purposes of the trust fund in subsequent years.

On the basis of an estimate for a coming year, I think it's probably practical to overestimate rather than to underestimate. I say this because as the member well knows, if we get part way through a year and we're oversubscribed and into a situation that sometimes we run into in water and sewer programs where we end up with special warrants, which the member has been critical of in the past — I don't know whether this member has.

MR. SINDLINGER: Just for the record, I have not been critical of special warrants in the past, as the minister has brought out.

MR. COOKSON: I'm glad to hear that the member is supportive of special warrants . . .

DR. BUCK: Essential ones, Jack.

MR. COOKSON: Essential ones.

In our budget, it's our attempt to prevent this from happening and causing a great furor on the opposition side of the House. We do budget perhaps a little heavy on the side of a surplus, but I don't think it's a great sin. I do that in my own operation, and hope it works out so I don't have to go back to the bank.

It's correct that in 1977-78, I guess, we had a variance of \$1.2 million. That was the first year of the program, and we had implementation difficulties simply getting the program off the ground. It's such a worth-while program, and it's important that we implement it as constructively as possible. We had to draft agreements with municipalities, that sort of thing. So I'm not apologetic in any way for the fact that \$1.2 million flowed back into the trust fund as a result of that.

It's quite correct that we had a variance in 1978-79, again a surplus. The budgeted projects were delayed due to improper or premature applications. Again, the major research projects we undertook were delayed. In that particular year, we started into research work. Without going into specifics of our particular research project, we

weren't able to get those off the ground. And we simply couldn't process requests from other departments in that fiscal year.

In 1979-80 we had a surplus again. We had those problems; the emphasis was placed on completion of some major projects, which are strip mines; and we had time constraints in attempting to complete smaller projects. A lot of these things hinge on the weather, drafting of agreements and contracts, et cetera. So we had those problems. In 1981, again we had some pretty serious weather problems, which delayed completion. So we had a surplus. As the member said, in 1981-82, wonder of wonders, we came out almost on the nose insofar as variances. In 1982, we asked for \$5 million. When all the costs, et cetera, were in, the forecast was \$5 million. So we had very little, if any, variance on that.

Now we come to the request for 1982-83. Perhaps the hon. Member for Pincher Creek-Crowsnest might like to comment on our projections. First of all, we have the regional landfill program in place, and we now pretty well know that one or two regional landfills are established yearly. As a result of regional landfills, we have a large number of abandoned dumps. That's dealing specifically with those. For example, in the Drumheller area, I think there are some 15 or 20 of these so-called dumps that we will likely work on all or part of. Those that have had submissions from municipalities or members, we will give priority to over others.

I referred to the problem of the derelict coal mines. Included in our estimate is the possibility of purchase and subsequent reclamation of some of these mines. We have a special committee, the Crowsnest Pass advisory committee, which has made ongoing recommendations to us, dealing with a product of past generations: some of the major waste coal piles in the Crowsnest Pass. I'm hoping we'll be able to move quite spectacularly in that particular area. So, part of the \$5 million projected for this coming year — plus the research — totals, hopefully, the figure we're asking for, \$5 million.

MR. BRADLEY: I appreciate the reference of the hon. Minister of Environment to the constituency of Pincher Creek-Crowsnest, to some of the projects the Department of Environment has been undertaking in the constituency, particularly with regard to reclamation of old coal-spoil piles. There's been an ongoing commitment that moneys from the Heritage Savings Trust Fund capital projects division would be expended to reclaim some of these slackpiles in the Crowsnest. This has been an ongoing commitment since about 1977.

I dare say that some of the unexpended funds which the department has budgeted over that period of time, from '77 to the current date, are in fact for projects which were to take place in the Crowsnest Pass. Given the Crowsnest Pass, there are always difficulties in getting certain projects undertaken. Discussions with local residents have been taking place as to what in fact would be the best way to reclaim the coal slackpiles in the area. As the minister has indicated, a committee has been formed, the Crowsnest Pass environment committee, which is actively looking at the reclamation of coal slackpiles and will be submitting recommendations to the minister as to exactly what should be done in that area.

Just to give the members some idea of the magnitude of the problem there, we are looking at either relocating or reclaiming some 5 million to 6 million tons of coal slackpile in the Crowsnest. The usable land would then be available to the community. These are significant proj-

ects. I dare say the exact dollar cost of them is probably well over \$1 million, and it could be in the \$2 million area. I would say that one reason the minister's appropriation perhaps hasn't been expanded in past years is in anticipation that these projects would in fact proceed. But, as I've indicated, there are some difficulties in arriving at what would be the best solution to those problems. We anticipate we will have this information to the minister shortly, so the department can carry on with this very important task. I would say the people in the Crowsnest Pass are looking forward to the reclamation of these slackpiles.

MR. SINDLINGER: Mr. Chairman, to the minister. I didn't want to imply that the money was lost. The minister has indicated that if we don't spend it, so what, it's not lost, it goes back into the system. I agree with that; the money does go back into the system.

Secondly, I'm not questioning the relative merit or value of the program. Obviously it does have value and merit. But the interesting thing is the budgetary process. Mr. Minister, you have indicated that it's your practice ...

MR. DEPUTY CHAIRMAN: Would the member use the common parliamentary language, please.

MR. SINDLINGER: The minister has indicated that in preparing the budget the department goes heavy on the plus side. In going through the annual reports — I read through each year for the minister, and indicated that it was only in the last year that the department came even close to expending the total appropriation.

Since making that comment, I've added up all numbers for each year. In 1976, \$129,000 was expended; 1977-78, \$1.3 million; 1978-79, \$2.2 million; 1979-80, \$2.7 million; and 1980-81, \$3.5 million. Over the life of the program, the total amount expended was \$9.9 million. On the other hand, the total appropriation was \$20 million. In total, over the five years of the program, less than 50 per cent of the appropriation has been expended.

The minister attempted to justify that by saying it makes good sense to overestimate to allow for contingencies. There's no question that that's a worth-while thing to do. But I question the use of budgeting for twice as much as is going to be required. Is this a common budgetary practice? Is this what the department does in preparing the general budgetary estimates for the province, as opposed to the estimates for the heritage fund?

MR. COOKSON: Mr. Chairman, I can't help but comment that if you look very closely at the time I took over responsibility for budgeting for the Heritage Savings Trust Fund, we're just now coming in right on the nose. I can't comment on what happened prior to the time I took office in Environment. If you look at the figures, the 1980-81 projection, our first budget, was short, based on comments by the Member for Pincher Creek-Crowsnest and weather problems; 1981-82, we're right in there. I think we'd better be right in there in '82-83 too.

MR. SINDLINGER: Mr. Chairman, to the minister. I have no other authority to go on and no information other than the 1980-81 annual report for the Alberta Heritage Savings Trust Fund. It's quite explicit on page 32, under capital projects division statement of amounts expended: land reclamation — legislative appropriation, \$5 million; amount expended, \$3.5 million. There was a

lapsed appropriation of \$1,465,000. It indicates to me, Mr. Minister, that it is a continuation of a trend. There isn't one single year of this program that the entire appropriation has been expended.

I question any appropriation or proposed appropriation that comes before this Legislature wherein we are asked to approve a budgetary expenditure that, based on past trends, we have only one thing to conclude; that is, this \$5 million won't be expended. If we go by past experience — and that's what the minister said we go on: when the department comes and asks for \$5 million, the request is based on past experience. According to the annual reports, past experience demonstrates that only one-half of the appropriation was expended. So if we go on past experience, I question the need to approve \$5 million here today. Why not approve just \$2.5 million? That seems to be all the department requires.

I'm certain — maybe I'm not so certain — that when the government puts together its normal budget for the year, does the government also double the estimates just for contingencies, as the minister has pointed out? I would expect that's not the case. I think the estimates are closer to those things the government wishes to accomplish in that year. If that's the case, why isn't that practice carried through into the heritage fund? If that sort of budgetary process is appropriate for the normal budget of the government, why isn't it good enough for the heritage fund?

MR. COOKSON: Again, Mr. Chairman, it's difficult for me to comment on years prior to my jurisdiction in the department. The '81-82 year shows \$3,650,000 for reclamation and \$1,350,000 for research projects. The budget for '81-82, which is last year, was \$5 million. If you total those two figures, it comes to \$5 million. Our assumption is based primarily on that year and the year subsequent to that. The requests now coming in with regard to the slack-dumps in the Pincher Creek-Crowsnest area, based on the research work being done, are fairly accurate in terms of projection. We will again come in with the amount of \$5 million. The difficulty is in predicting and projecting what we can do in terms of reclamation in '82, when we're not sure of weather conditions.

The best you can do is an educated sort of guess. We get submissions from municipalities. We try to get those in advance as much as we can, but it isn't necessarily the total picture. They're ongoing. They depend a lot on the judgments of municipalities. They're sometimes delayed. In the regional system there are so many variables, in terms of signing an agreement and establishing a regional system, that it's simply very difficult to determine the amount of reclamation for garbage dumps, for example, that we'll incur in a future year. I can't comment further on that. I think the figure of \$5 million will be pretty close to what we will expend in '82-83.

MR. SINDLINGER: Mr. Chairman, I can understand the minister's reluctance to take responsibility for those things which occurred under the program prior to the minister's assuming responsibility for that portfolio. However, I would think that the same people are in the department today as were there five years ago when the program was begun. In any case, the program was begun under this administration. So I would think the responsibility should come to rest there as well, regardless of which seat hon. members happen to be in at this particular time.

The comment the minister has made has raised an

interesting question, and I'd like to reconcile what I see as a discrepancy resulting from the minister's comment about the appropriation for 1980-81. Again, the only information I have to go by is what is published in the 1980-81 annual report of the Alberta Heritage Savings Trust Fund. I have pointed out that on page 32 of the annual report, under the capital projects division statement of amounts expended for the year ended March 31, 1981, there was a legislative appropriation of \$5 million under land reclamation. On that same page, it is indicated that the amount expended for land reclamation from that \$5 million was a sum of \$3,535,000. However, the minister has just said that according to the figures he has, an amount of \$3,650,000 was expended, which is a difference of \$115,000. The minister then went on to say that in addition to that \$3,650,000, there was an additional expenditure of \$1,350,000 for research, and so if the two are added together, there is a total of almost \$5 million, indicating a full expenditure of the appropriation.

When I look at the 1982-83 estimates of proposed investments of the Alberta Heritage Savings Trust Fund capital projects division, on page 14 — the \$5 million we're dealing with today — the total proposed appropriation is \$5 million. However, included in that \$5 million is \$1.5 million for reclamation research. So if we follow that procedure methodology and come back to this annual report of '81, it seems to me that the research expenditure of \$1,350,000 to which the minister referred, should be included in the legislative appropriation of \$5 million for that year, and also in the amounts expended for that year. Again, that leaves us with only the \$3,535,000, or only 71 per cent of the total appropriation.

Now that's not the issue, although that's a symptom of the problem here. Again, the numbers for the amounts expended from the legislative appropriation and the lapsed appropriation on page 32 comprise a special section of this Heritage Savings Trust Fund annual report. Those figures to which I have referred are labelled as Statement D of the Auditor General's report on the Alberta Heritage Savings Trust Fund. And that report is supposed to be independent of the government.

The minister is saying to us that either the Auditor General has overlooked this \$1.35 million, or there has been a typing error in this annual report. I'd like to know if the minister would make some comments on that, please.

MR. COOKSON: I'll toss out a few more figures to make sure the record is straight. I'll give the member a breakdown on what we estimate are the figures for research in the various departments in '82-83, which I think the member separated from our estimates of '81-82, keeping in mind that we get submissions from other departments, too. When we put this all together, we try to come up with as close an estimate as possible of the amount that's needed.

MR. SINDLINGER: On a point of order to the minister, Mr. Chairman, please, for greater certainty. The \$1,350,000 number for research was presented by the minister and was in regard to the year 1981. First of all, for certainty, are those the numbers the minister is going to deal with and, secondly, is there a possibility of the minister's dealing with the \$1.5 million in this year's appropriation for reclamation research?

MR. COOKSON: The figures I'm giving you now are our '82-83 forecast of expenditures of the land reclamation

program by department. Our forecast is that Environment will use approximately \$2,500,000; Energy and Natural Resources has requested \$250,000; Transportation has requested \$500,000; Recreation and Parks has forecast \$150,000. So the total reclamation projects for '82-83 are forecast at \$3,400,000.

In addition, on the basis of the research work now going on in the department, we forecast \$1,200,000 to either conclude or do further research work in the area of reclamation. That comes to \$4,600,000, and we have included a contingency of \$400,000. So that goes back to our request for the \$5 million.

I don't know whether that helps the member in his questioning.

MR. SINDLINGER: Mr. Chairman, to the minister. It still does not get past the fact that over the five years of this program, the appropriations have never been fully expended. In fact, less than one-half of the total appropriation has been expended.

But going on to this new point in regard to the allocation of the appropriation for this particular year, the one under consideration, I followed the minister's numbers and, to see if I've written them down correctly, the Department of Environment will be taking \$2.5 million of the total \$5 million; \$250,000 will go to Energy and Natural Resources; \$500,000 will be required by Transportation; \$150,000 will be required by Recreation and Parks, for a subtotal of \$3.4 million. In addition, \$1.2 million is slotted for research, and \$400,000 for contingency, which doesn't seem unreasonable to me, bringing the total to \$5 million. However, again referring to the '82-83 estimates of proposed investments, on page 14 under sub-projects, it shows item no. 2, reclamation research, \$1.5 million. However, in this grand total of \$5 million, the minister has just indicated that research is \$1.2 million. There's a difference of \$300,000 there. Perhaps I might ask if the minister would attempt to reconcile that difference of \$300,000: the \$1.2 million for research just indicated in the total of \$5 million, as compared to the \$1.5 million for research indicated in the proposed estimates.

Secondly, the minister has brought up those numbers indicating that a certain portion of this appropriation will go to Energy and Natural Resources and a certain proportion to Transportation, also some to Recreation and Parks. I note that these other departments — for example, Recreation and Parks, and Transportation — have their own proposed appropriations in this booklet. Perhaps the minister might indicate why these amounts being requested by these departments aren't included in their particular appropriations as opposed to being in the Department of Environment.

MR. COOKSON: To answer the member's last question first, they're primarily in our department because under the land conservation and reclamation Act, our people have the expertise and the branch department to administer and handle the reclamation. So rather than have them under separate estimates, it has to show in one of the departments. It's probably a procedure followed by Treasury that rather than review the thing through each of the other departments, we request the departments to make their submissions to us, and then include them in our total estimate.

The member asks about the \$300,000 discrepancy in the figures. It gives me a good opportunity to review the projects now under research and some of the new ones

coming on. I think it's important that the public are appreciative of the good work being done in terms of research. Based on the moneys being spent from the trust fund, we may become the leaders in North America if not the world in terms of reclamation research. We're fortunate to have these funds and use them for such a project as improving the environment in terms of land. It's an area of expenditure that I certainly don't apologize for, and I'm sure the member opposite is appreciative, too, of the extreme importance of the expenditure.

The figures I gave the member are initially used primarily for departmental purposes. Whether there's a discrepancy in the final figure, what you have before you in the capital projects estimate is the figure we'll use in terms of our relationship between land reclamation and reclamation research. This table has been put together for me to indicate in relative terms the proportion of expenditures, but the final figure will be the one that's in the document before you.

To give the members some idea of the scope and magnitude of the research going on, let me review some of the proposals that have been initiated in the first five years of this program, also the research projects being undertaken or completed. Some of them are in your constituencies, members of the Legislature, and you may be familiar with the work being done. Again, it's difficult to say the exact dollar terms of expenditure for '82-83, because a lot of this hinges on weather conditions, contracts, manpower, inflation, fuel costs, and so on. The fact is that the total comes to \$5 million, and we will try to come as closely as we can to that figure.

There are several reclamation treatments at the Battle River site, to return the postmining landscape to former levels of agricultural productivity. In that particular area — I don't know whether the Member for Camrose is in that area — they have a special kind of soil which is difficult to handle. It's a minimum of organic matter and has a high salt content. Manalta Coal Ltd., Luscar Ltd., and Alberta Power have undertaken major studies in reclamation in the area, along with the support of moneys from the heritage trust fund. This project started in 1979, and it could be expanded to include more mining sites in the future.

We're doing a study on plains hydrology and reclamation. This study examines the impact of surface mining on ground water, geology, and soils. We're attempting to identify changes in ground water quality and quantity after mining. We're trying to identify sources and releases of rates of ground water contaminants and changes in distribution of ground water after mining. This is one of the major concerns of those in areas into which we are proceeding to surface mine for coal. I happen to have one in my constituency. One of the major concerns is the impact of mining operations on the water table. The question is then asked: will the ground water carry salts to the surface? Will the water table drop or will it re-establish at premining levels? This began in 1979 and will be expanded to other sites in the future.

We're doing a literature review to assess the significance of organic compounds in regulating the salinization of ground water and soils after surface mining. This project has been completed, and the results are now public information. We are doing a project on what is known as the bio-geochemical processes. This examines the organic chemistry and the microbiology of mine spoil salinization, and was instituted to complement the inorganic chemistry approach taken in the plains hydrology reclamation project. Without going into the total detail of

the study, it is now completed and results are published in report RRTAC 81-2.

An interesting project we're doing in terms of reclamation is at Bow City, Alberta, which is in the constituency of the Member for Bow Valley. A topsoil stockpile near Bow City, Alberta, is being monitored along with undisturbed topsoil, to determine whether adverse changes in the soil occur during storage. Ultimately, this line of research will indicate how long topsoil can be stored before deterioration may occur. Mr. Chairman, I think that's a really significant study. I had always understood that topsoil, once piled, would maintain its fertility, and I hope I'm right. This study will attempt to determine whether in fact we can only leave topsoil so long before it starts to deteriorate.

Another study is known as the Integration of Wildlife and Agricultural Values in the Post-Mining Landscape. Surface mining on the plains will both eliminate and create wildlife habitat. This literature review will assess means of designing the post-mining landscape, so that its value for wildlife and agriculture is maximized. I'd just like to say to the members that if you have an opportunity, go to the constituency of the Member for Stony Plain and see the reclamation work being done there by TransAlta. In the particular area I visited, a 20-30 acre parcel which is being allowed to return to its natural habitat, it is really impressive to see the way Mother Nature recovers the conditions of the environment. We'll be watching that more closely. This review assesses the post-mining landscape, so that its value for wildlife and agriculture is maximized.

Those of you who are in the native grasses area — that is, in the mountains and the foothills — there are many sites where reclamation with present techniques is impossible because the forage and long grasses now used in reclamation are poorly adapted. This study is selecting native grasses which are known to invade disturbances in the sub-alpine and alpine. So, we'll be coming forth with recommendations with regard to them by another project on native grasses for reclamation.

Then there's a project on optimization of erosion control and reforestation potential for reclamation areas. This identifies the level of herbaceous cover, which will prevent erosion and still permit tree seedling growth.

We have a project on mat mulches. We have evaluation of native grass/legume mixtures in sub-alpine disturbances. This deals with the areas in the mountains that are being mined, and what types of grasses are best suited for the area. There are two other projects on native seed propagation. We're doing a project in Grand Cache. The member from the Hinton-Edson area might be interested in that. A soil reclamation study is going on, and this one is funded in '79-80. It is intended that this will be followed by one or more experimental phases in succeeding years. That will come out of the projected reclamation research estimate of \$1.5 million.

Then there are selections of tree and shrub varieties for oil sand reclamation. This gets into the constituency of Fort McMurray. Hopefully all of you have had a chance to see the major work in oil sands reclamation. The study is now on with regard to the kinds of vegetation that will survive on the tailings of the area, also, a summary of afforestation trials on oil sand disturbances and a summary of hybrid poplar trials on oil sand disturbances. As part of our expenditure, we're putting together a compilation and presentation of all literature pertinent to reclamation in Alberta. This will be a handbook of known techniques and will identify the gaps in our current

knowledge.

We are working on a project of establishment of biological activity in oil sand tailings and coal mining overburdens. We don't know for sure yet, Mr. Chairman, what's going to happen to those huge tailing areas in the north. I'll shortly be asking the province for further expenditures from my own budget for work being done in the area because of the future growth of the sands projects and the implications for the environment. I could go on and list a number of them. This document is available to members if they wish to go through the various projects.

There's one on the plant nutrient-agronomic potential of coal ash. Again, it goes back to fly ash, which is always a problem in our large thermal power units. We're determining how it will affect the growth of barley, canola, and alfalfa. We're interested in doing some further evaluation on the levels of radioactivity in fly ash from several power plants in Alberta. That'll be an interesting project to determine its impact. Last but not least, we have commissioned reclamation and reclamation research activities. We'll survey those and put them together by way of a document to cover the present knowledge we have in the area. Mr. Chairman, that's just an idea of the magnitude of the expenditures we're asking for in the '82-83 budget.

MR. SINDLINGER: Mr. Chairman, I'd like to thank the minister for taking the time to identify those projects intended for research under this appropriation. I'd like to point out right now that I am not against land reclamation. I don't believe anybody in the Legislature is. They are good programs, they are worth while, and they have considerable merit and value. I am appreciative of the good work that's been done in those areas. As the minister has indicated, we can become the leaders in these particular research areas, and we are fortunate to have these funds.

But, it's not the value or the merit of these projects that is the issue. The budgetary estimates that we have before us are the issue, and which numbers we are to take as being those that the department intends to follow. In the discussion this afternoon, I've got two different sets of numbers from the minister. First of all, there's one set in the capital projects division estimates of proposed investments. Under land reclamation research, they show \$1.5 million. However, in discussion of these estimates in total, and in response to questions posed by myself, the minister has indicated that research amounts to only \$1,200,000. Mr. Minister, that's a discrepancy of almost 25 per cent.

Now, if there's a discrepancy of almost 25 per cent between the numbers we have in this booklet and the numbers you've given this afternoon for that one particular item, the question obviously raised is: if there is a discrepancy of 25 per cent in that particular item, is it possible that there might also be discrepancies in other items in this particular estimate? And if there are in this estimate, how about in the other estimates? I bring you back again to the annual report, Mr. Minister, the last annual report we have. The audited financial statement given us by the Auditor General shows the legislative appropriation to have been \$5 million and the amounts expended to be \$3,535,000. However, the minister has indicated to us this afternoon that that number is incomplete, that the Auditor General hasn't done his job properly, that the Auditor General has in fact missed \$1,350,000 for research projects expended in 1980-81.

Mr. Chairman, I would put the question to the minister: what information does the minister have which in fact demonstrates that this audited number in the financial statement of the Auditor General is incorrect? As it stands now, the Auditor General is the ultimate authority in regard to expenditures of the heritage fund. However, we have here an instance where the minister is telling us this number is not correct.

Let me go on to another point the minister has been discussing, and that is the amount to be expended on research. Again, I'm not against that research. They're good projects, and they're worth while. Indeed, I concur that we are fortunate to we have the funds in this province to do those kinds of things, and that we can demonstrate leadership in these areas which could be envied throughout the world. I concur in that.

But, Mr. Minister, in the '82-83 estimates of proposed investments, the \$1.5 million amount allocated for research is almost 35 per cent of the entire budget. If I look at the annual report for last year, given the \$1,350,000 number that you indicated was expended for research, 37 per cent was allocated. I don't have the comparable figures for the total program over the five years it has existed. But, Mr. Minister, when you got up and began

MR. DEPUTY CHAIRMAN: Would the member use the common parliamentary language, please. In other words, address the Chair.

MR. SINDLINGER: Mr. Chairman, to the minister. When the minister began citing all the research projects undertaken by this government, the minister referred to the beginning of the program in 1976-77 and cited those programs. Now, given the fact this is a research-heavy program — 35 to 37 per cent in the last two years allocated for research — since the minister has those numbers from the beginning of the program, 1976-77, perhaps the minister could indicate how much of the total expenditure over those five years has been allocated to research?

MR. COOKSON: Mr. Chairman, I think it's a mistake to go back over other years. I did that simply out of courtesy, but primarily we're dealing with the '82-83 budget year. The request is for \$1.5 million for research and \$3.5 million for land reclamation. I've cited the work that's being done in the interest of reclamation and the importance of it.

The member makes the comment that there are variances in terms of expenditure, and they should be accounted for. I'm the first one to acknowledge there are variances. One only has to look at the expenditures of prior years to see there has to be some variance between the amount budgeted and the amount expended. I've explained to the member pretty clearly as to — I don't know whether he used "variance" — discrepancies in the figures.

The important thing in the whole process is to remember that the request is for \$5 million, and it's based as closely as our people can on a projection of '82-83 expenditure. We draw on past years' performance. The member cites back five years, and tends to overlook that last year we were pretty close to right on in the expenditure. I think the figures speak for themselves. It is difficult to project expenditure in a future year. There's no question in my mind that if I were to ask the member if he can project what it's going to cost to feed his family in '82-83, he might have a little difficulty coming in right on

the nose, depending on how much control he has of his partner in terms of spending. But it's not an easy thing to project, and past records of expenditure indicate this.

So, I don't apologize in any way for this figure before the Legislature. Provided weather conditions, labor costs, inflation — all these factors taken into consideration and measured accurately — I think we'll come in pretty close to this figure. But it does hinge on a lot of outstanding factors.

[Mr. Appleby in the Chair]

MR. SINDLINGER: Mr. Chairman, if we could just conclude this point by asking the minister a very explicit question. The minister has kept indicating that notwithstanding the fact that over prior years of the program less than 50 per cent of the budget was expended, in the last year, 1981, the department was almost right on. The only source of information I have is the annual report of the heritage fund. The annual report of the heritage fund says that only 70 per cent of the appropriation was expended. That, in my judgment, is not right on.

So, Mr. Chairman, the question I would put to the minister is this: when the minister says that the total budget was expended, is he saying that the audited financial statements of the Auditor General are incorrect in indicating that only 70 per cent of the appropriation was expended? Mr. Chairman, the question is quite timely because tomorrow morning the Auditor General is going to appear as a witness before the Legislature's select standing committee on the Alberta Heritage Savings Trust Fund. If the minister's responses are in the affirmative — yes, these audited statements are incorrect — then I'm going to put that question to the Auditor General tomorrow and find out where the inaccuracy lies.

MR. COOKSON: Again, we're dealing with the '82-83 budget, and the member keeps referring to '81-82. I can simply comment on the document I have in front of me and, perhaps again, I haven't been clear. The figures I'm giving you are the budgeted amounts for '81-82. The budgeted amount was \$3,650,000 for reclamation and \$1,350,000 for research. I have a document that indicates the budget at \$5 million in '81-82 and the actual forecast at \$5 million, with a zero variance. I'm simply going by the document in front of me.

If the member wishes to question the actual audited statement in the budgetary process, I have no problem with that. If there's a difference — I think the member mentioned that the actual expenditure was only 70 per cent of the original budget — then I don't have that information before me.

MR. SINDLINGER: Mr. Chairman, perhaps the minister would be kind enough to identify the document he has before him, so we might compare that source to the source I have, being the Auditor General's audited statement.

MR. COOKSON: Again, we may be backtracking a little on the statement. I just want to check the document I have in front of me. I've quoted '81-82. I want to be sure the member is on '81-82, or is he referring to '80-81?

MR. SINDLINGER: Mr. Chairman, I'm referring to the 1980-81 annual report of the Heritage Savings Trust Fund, which I've done consistently throughout the afternoon.

MR. COOKSON: That's where we're having problems then. The budget for '80-81 was \$5 million; the actual forecast was \$3.5 million; and the variance was \$1.5 million. I can give you the '80-81 breakdown, if this is of value to the member. The reclamation projects were \$3,320,000, and the unexpended amount was \$1,056,318; the budget research projects were \$1,680,000, and we expended \$1,639,036 on research, for a total of \$3,902,718 expended. So maybe we're starting to get close to your figures. I was giving you the projections in '81-82, and the figures you were referring to are '80-81.

MR. SINDLINGER: Mr. Chairman, to the minister. Again, I'm looking at the breakdown. Are the numbers the minister has just given me for '80-81?

MR. COOKSON: Yes.

MR. SINDLINGER: All right. So now we are at a common basis. In 1980-81, 70 per cent of the funds were in fact expended.

Now then, Mr. Chairman, to the minister. Is there another year after 1980-81 for which the minister has the figures; just two figures, that is, one, the appropriation and, two, the expenditures?

MR. COOKSON: Those are the only figures I can give the member. Again, we're going back over past performance. The budgeted amounts for '81-82 were \$3,650,000 for reclamation and \$1,350,000 for research. The only further information I can give you for '81-82 is, again: budgeted, \$5 million; forecast, \$5 million; and zero variance.

MR. SINDLINGER: Mr. Chairman, to the minister. Just to make certain I've got this right. In '80-81, the annual report shows expended amounts of \$3,535,000, and yet the total the minister has just given me is \$3,902,000, a difference of \$400,000 or a variance of 11 per cent. Again, the same point arises, Mr. Chairman, to the minister: why is there a difference in the numbers presented to us in the Legislature today by the minister and these in the audited statements? I'm not too sure the minister identified the document he had in front of him, but I wonder if he would do that for us and perhaps comment on the difference. I don't understand why there is a difference between the numbers given to us in evidence and in support — and bear in mind that all these discussions are in support of these estimates of proposed investments for this year. Why should we get different numbers from different sources?

MR. COOKSON: I might be able to track that down. But you have to remember, Mr. Chairman, that the two documents I have in front of me are not audited documents in any way. They're tables put together, based on departmental input. The final shake-out will be what the auditor concludes insofar as the annual statement is concerned. The one document has no name. It's simply a document that was put together by the department to give the relative figures, not necessarily the exact audited figures. Both these documents are simply information that has been put together by the department. The final figures will depend on the final audited statement.

MR. SINDLINGER: Mr. Chairman, perhaps the minister might indicate the dates that are on the documents.

We might find that the variance results from the difference in the reporting dates.

MR. COOKSON: It could be. There are no dates; it's simply the '82-83 supplementary budget information.

MR. SINDLINGER: Mr. Chairman, perhaps the minister might indicate the specific authors of the documents in front of him.

MR. COOKSON: Mr. Chairman, I don't see the relevance of this to the estimates for '82-83.

MR. SINDLINGER: Mr. Chairman, to the minister. The time we've spent here this afternoon has been to support these estimates of proposed investments. To support these estimates of proposed investments, the minister has provided specific information to the Legislative Assembly. However, now we are being advised that the evidence he is giving us in support of his estimates do not have a date on them. We don't know when they were done. They may be current; they may not. They may be coincidental with the Auditor General's statement, or they may not. It's a very relevant point, when we're having the Auditor General come before the legislative committee on the heritage fund tomorrow morning, that the numbers being given to us by the minister today in support of these capital estimates are inconsistent with the audited statements of the Auditor General. It's also relevant to know who the authors of the document were. If the minister is using that information in support of his estimates, we should know who they are, who did them. I think it's very relevant.

MR. R. SPEAKER: Mr. Chairman, to the minister. Is there any reason why the material can't be tabled? I think the minister indicated earlier that that information would be made available to us. I think the request of the hon. member in terms of what the document is, who put it together, what validity it has in this discussion, is very relevant.

MR. COOKSON: Mr. Chairman, again the member is getting off on a tangent. I was generous enough to let the discussion go through a wide range of years, and the budget we're talking about is the projected budget for '82-83. As I've said, that budget requests an amount of \$5 million. The relevance of '81-82, '80-81 — I think the hon. member went back to 1976 — has very little bearing on the approval or rejection of the budget request for the '82-83 year.

Mr. Chairman, I think I've endeavored to lay out as broadly as I could, the general expenditure we're asking for, in the areas of both research and reclamation. I'm happy to know that the member is not objecting to this expenditure. We attempt to project our expenditure on past performance as much as possible. The reason I allowed it to get into that area was that I wanted to indicate to the member the difficulty of projecting costs accurately because of the problems I've cited: weather conditions, inflation, labor costs, et cetera. We do try to come in as closely as we can.

I think it's important to note that one is probably better to err on the side of sufficient funds than to reach a point somewhere along the way where we have to advise someone — perhaps in the hon. member's constituency — that we can't carry through the project because we have not allocated sufficient funds. I don't think the hon.

member would want us to do that. Based on past experience, we would rather err on the side of sufficient funds than on the other side. That's basically why I permitted the discussion to go into these prior years.

MR. SINDLINGER: Mr. Chairman, to the minister. If we go back to the beginning of this conversation this afternoon, it was the minister who initiated the discussion in regard to past years. The minister has just referred to past years again by saying that when estimates are made, we base those estimates on past experience. I'm not questioning the value or merit of these programs. I'm not questioning where they go, whose constituency they're in. Obviously, they're good programs. The government wouldn't have undertaken them if they weren't.

But throughout this afternoon's debate, two facts are apparent to me. Notwithstanding what the minister thinks about what I'm doing, notwithstanding what the minister thinks about where these projects are going to land, in whose constituencies and who's going to benefit, we're dealing with the numbers here in the budgetary estimates, and it's our job to scrutinize those numbers very thoroughly. From the numbers we've scrutinized this afternoon, I see two things as being fact.

One is that the department has consistently and continually overestimated its requirements by a factor of 2:1. Over the duration of this program, the department has not expended 50 per cent of the appropriations. Over 50 per cent of the appropriations have lapsed. In justification the minister says, well, it's better to err on that side than the other, to have some money left over so it goes back into the system. Perhaps. But I suggest the minister ought to bear in mind that moneys are finite resources. We don't have all the money in the world to deal with. I know the minister sitting on the left of the Minister of Environment is sensitive to something like that. The Minister of Social Services and Community Health knows he can get only so much money to provide the services he feels are necessary for this province.

If the Minister of Environment is taking twice the amount of money required for his programs, that means some other department isn't getting as much money as it would like to have. Some other departments are being told, hold it, there's not enough money in the total budget for you to provide your essential services to this province. I don't think it's prudent budgetary practice to overestimate one's budget by a factor of 2:1 consistently each year and continually over the life of a program. Now that's a fact that's come out of this discussion this afternoon: the department has never expended more than 50 per cent of its total budget to date.

A second fact that has come out of this discussion this afternoon is that there is a variance between the numbers presented to this Legislative Assembly in support of these estimates of proposed investments for 1982 and those numbers provided to the Legislative Assembly, to the people of Alberta, to the people of Canada in the audited financial statement of the Alberta Heritage Savings Trust Fund. Two facts: one, double estimating — not the best, prudent management practice; two, a difference in the numbers presented as evidence in support of these budgetary estimates this year, a variance with the Auditor General's annual statement on the Heritage Savings Trust Fund.

MR. COOKSON: Mr. Chairman, just to make sure there's no confusion, the money is not lost of course. It goes back into the trust fund and in subsequent years is

picked up either for my budget or the Minister of Social Services and Community Health. I don't want the impression to be left with the public that the money is lost. The money is still there, and still will be used.

Secondly, I don't think it's a fair statement by the hon. member that misleading information has been given. The auditor's financial statement for the past years will indicate very clearly the relative expenditure for those past years. I want to make quite clear that that would be spelled out in the audited statement. Naturally, we have no audited statement for '82-83. When we ask for \$3.5 million for land reclamation and \$1.5 million for research, these estimates are not based on any kind of audited report. We won't have it until after the fact.

I don't want the hon. member to cloud the issue with the argument that we've given any kind of misleading information. The comparable '81-82 estimate for this vote at the present time is \$3,650,000 for land reclamation. In our estimate this year, we're asking for \$3.5 million. The comparable '81-82 estimate for reclamation research was \$1,350,000; our request for '82-83 is \$1.5 million. I don't know what all the excitement is about the figures. Manpower: in '81-82, the comparable estimate was \$400,000; in 1982-83, we're asking for \$320,000. It's a reduction for manpower. Supplies and services: in '81-82 the estimate was \$4,600,000, and we're asking for \$4,680,000. That's a breakdown of the \$5 million. I fail to see what all the excitement is about.

MR. SINDLINGER: Mr. Chairman, to the minister. I'll try not to get too excited.

I did not mean to imply the money is lost. Of course it's not lost. It stays within the system. But overbudgeting to the extent of 2:1 inhibits the ability of other departments to perform their function to the extent they would wish to. That's the point I'm making in regard to overbudgeting by a factor of 2:1.

I have another question, which was brought up earlier this afternoon. Mr. Chairman, I took it from the information the minister had supplied in regard to research projects over the years, that the minister would have the accompanying figures for those research projects as well. Given the fact that you're asking for 35 per cent of the estimates this year for research, and 37 per cent for research last year — I have the annual report here — is that a consistent proportion for research over the entire five years of the program?

Secondly, I would like to ask the minister how much of that research is in-house and how much of it is factored out to consultants or agencies other than the Alberta government?

MR. COOKSON: Mr. Chairman, insofar as the relationship between research and the total expenditure is concerned, we have no set formula for research versus total reclamation. It's coincidental that one year it could be 37 per cent, another year 35 per cent. Perhaps in their submissions to the heritage trust fund capital works, members may ask to have that reduced to 20 per cent. It's a judgment of myself and the department, as to the relativity of the percentage figures.

I think the important thing about this is, number one, that these projects are relative and, secondly, they have an ending point. You know and I know that research can go *ad infinitum*. You get a lot of busy people out there on research, and it could last a lifetime. You could make a career of it. In my own department I attempt to have a beginning and an end. I cited the projects that have been

terminated. Good results will flow from that information once the report is public.

Insofar as the way we allocate work is concerned, I could perhaps get the member the relative figure as to in-house work that our department does in relation to contract work. I would venture to say, Mr. Chairman, that most of our work is done by contract. The people of Alberta will make submissions to the universities in particular, postgraduate students and so on, and companies will make submissions to us. In the case of postgraduate work, we will say to that person: we're prepared to fund you on that project for a specific period of time. Or a university may allocate someone to do that. It's possible we might even be involved in a tendering process where scientists will make submissions which we will review.

When it comes to companies — I mentioned one where the three companies are involved — I think it could be done in one of three ways: either by the companies themselves and their expertise, or with the assistance of the expertise in our own department — I would like to think this is a joint project with the companies — or the whole process could be tendered out. But there's no set rule.

The only thing I could maybe help the member on is the in-house portion versus out-house — I shouldn't use the term out-house — but versus private participation. I could probably get that information for the member.

MR. SINDLINGER: Mr. Chairman, to the minister. I would appreciate knowing what the breakdown is between in-house and out-house research allocation. Perhaps the minister might also elaborate on the department's policy in regard to contracting out work of this nature, as opposed to completing it in-house. It might be worth while just to compare that to the department's budget, as opposed to just this particular allocation or appropriation for heritage fund moneys.

Earlier, Mr. Chairman, when the minister was outlining those projects which could be undertaken under this appropriation, I made the observation that the average expenditure per program was \$55,000, and that over the life of the program from 1976-77, the average cost per project was \$11,300. The numbers I recollect the minister providing were that since 1973, \$12 million had been expended on 1,061 projects. That's how I got the average of \$11,300 per project. Then going over the different items that were listed — about 30 projects — almost all of them fell in the range of \$2,000 to \$4,000. One is for \$11,000, one for \$9,000, and one for \$7,000, but the rest fell within that range. However, one project stood out from the rest, the project at Cardiff. The expenditure or appropriation for that particular project was \$185,000. Could the minister perhaps expand on that \$185,000 expenditure at Cardiff, relative to the per project expenditure of \$11,000 on all the other projects?

MR. COOKSON: Mr. Chairman, I couldn't do that without going into the detail of the Cardiff dump. I could take that as notice and provide that information, the reason for that total amount, at a later sitting perhaps. I should be clear, too, that these are payments to date. It may not be the final figure. Again, I'm quoting from 1980-81 reclamation expenditures. I could get that information.

MR. CRAWFORD: Mr. Chairman, in light of the hour, I move the committee rise, report progress, and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

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

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, as indicated on Friday, it's not proposed that the Assembly sit tonight. So far as I am able, the same would apply to tomorrow

night, but I can't give any indication yet in regard to Thursday.

Government business for Wednesday will be a continuation of Committee of Supply, dealing with the Department of Environment, followed by Workers' Health, Safety and Compensation. We may want to specifically schedule the estimates of the Department of Energy and Natural Resources later in the week at a set time, regardless of the progress of other estimates, in order to accommodate the difficult schedule of the Minister of Energy and Natural Resources. Those are the thoughts on government business for the next day or so.

[At 5:30 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]

