

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Friday, November 20, 1981 10:00 a.m.**

[The House met at 10 a.m.]

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF SPECIAL GUESTS**

MRS. FYFE: Mr. Speaker, this morning I'd like to introduce a group of students to you and other members of the Assembly. I'm hoping they're in the gallery. I haven't had an opportunity to meet them, but I'm told they're here. They're 44 grade 8 students from the Horse Hill school in the St. Albert constituency, accompanied by their teacher Mr. Hans Smits, and bus driver Mr. Victor Serna. I'd ask them to rise and be recognized by the Assembly.

[No one rose]

MR. LYSONS: Mr. Speaker, I'd like to take a try at introducing 15 grade 12 students from the Mannville school. I haven't had an opportunity to meet them this morning either. I'd like to welcome them to the Legislature, if they would stand now and receive the traditional welcome of the House.

MR. KOZIAK: Mr. Speaker, it's my pleasure, I hope, to introduce an instructor from the University of Alberta Faculty of Library Science, Mrs. Gloria Strathern, with nine of her students. I hope they're here in the public gallery. They are.

head: **MINISTERIAL STATEMENTS**

**Department of Transportation**

MR. KROEGER: Mr. Speaker, this past construction season, a special \$30 million economic stabilization program was established to provide employment for Alberta's small heavy equipment operators laid idle as a result of the Ottawa energy stand. Due to the excellent construction weather, the \$30 million was expended by mid-September, and an additional \$5 million was allocated to enable construction to continue until freeze-up.

That successful program was created by our government in order to ensure the continuation of a viable heavy equipment industry, dominated by the small, private operator. It also benefited the municipalities in upgrading a significant portion of local roads.

Mr. Speaker, I am pleased to announce another new program today which will also ensure viability in the trucking and heavy equipment field during the slack winter period. I wish to announce a new \$22.5 million transportation winter works program, to be initiated immediately by my department, that will provide employment for 1,000 trucks, 400 caterpillar tractors, 20 gravel crushers, and a 400-man labor force.

This new program is made up of tasks such clearing,

grading, gravel crushing, and stockpiling, with the intent of:

1. Providing maximum employment for crawler cat and dozer-type equipment.
2. Undertaking work that is more economically and logistically feasible to undertake during the winter months, such as clearing, grading, stripping of gravel pits, excavation, crushing, truck haul, and stockpiling.
3. Benefiting the contracting industry in general by providing year-round work, and therefore maintaining a viable industry to meet the future construction requirements of our constantly expanding Alberta economy.

Mr. Speaker, may I also emphasize that all the tasks proposed are essential for improving the transportation road network and will allow my department to achieve maximum results in next year's construction program. I am confident that this transportation winter works program will benefit many small truckers and contractors, as well as provide economic stimulation during what is usually the off-season.

DR. BUCK: Mr. Speaker, on behalf of the official opposition, I'd like to compliment the minister. I'd just like to say to the minister that it was the Ottawa-Alberta energy disagreement.

It is a move in the right direction. At the same time the minister makes that announcement, I'd like to put in a plea on behalf of the independent truckers of this province, that the minister give consideration to having the truck licences come due about the first of June or July. As the minister well knows, many bans are in place in the spring, when the independent truckers have to buy licences and don't have much cash flow.

In conclusion, Mr. Speaker, I would like to compliment the government for recognizing the fact that the independent truckers and small operators do need work in winter.

head: **ORAL QUESTION PERIOD**

**Calgary Olympics**

MR. R. SPEAKER: Mr. Speaker, my question is to the Premier. It's with regard to the Olympics that will be in Alberta in a few years. Could the Premier indicate whether any funding has been promised from the provincial government or if any commitments have been made to the Olympics at this stage of development? I understand negotiations will follow over the period of time between now and the Olympic event, but has the government made commitments to any proposals so they can be initiated at this time?

MR. LOUGHEED: Mr. Speaker, yes we have. We made public a letter when we were in Baden-Baden, Germany. I don't have that letter with me today. I would prefer to have it with me and make it public, and perhaps table it in the Legislature. It does have some obvious provisions that involve the question of funding by other levels of government as well. I'd rather take the question on the important subject as notice and come back and table it or provide the hon. Leader of the Opposition with a copy; then be prepared, with the Minister of Recreation and Parks, and answer any questions on it. I don't have the

document with me today, so I wouldn't be comfortable dealing with the specifics involved in it.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier with regard to the source of the funding. The major portion of the funding of the Olympics that will be in the United States is coming from private corporate groups. In terms of the general ground rules established for funding of the Olympics here in Alberta or Canada, will there be a greater emphasis on funds from private corporations rather than total funding from governments?

MR. LOUGHEED: Mr. Speaker, I'm not sure how far I can go in answering that important question from memory. Quite obviously when we're considering the matter of capital facilities, particularly within Kananaskis Country, it's our view that the prime financing will probably come from the provincial government. From an operating or an overall net capital point of view, there will be an attempt by the organizing committee to have significant revenues flow, from my understanding, in three ways: from corporate sponsorship; from a federal program that involves coins and stamps, I believe, that developed a fair amount of funds at the 1976 Olympic games in Montreal; in addition, the effort to develop public financial support generally. So I think those three areas, together with revenues that obviously would flow from the sale of television rights, would contribute to a situation where there would be a high degree of financing from the public generally, as distinguished from governments.

When we are specifically referring to capital projects within our Kananaskis Country, there's no question there will be a high degree of funding. Frankly, we would want it that way, because we want to be in a position of controlling the design as well as the construction of those facilities, with a view to their meeting two important tests. Obviously, the first test is to meet the requirements of the sports federations for the Olympic events; also, very much for the use of individual citizens, both before the games are actually under way and afterwards. In other words, we're looking to the facilities to provide recreation opportunities for Albertans, not just related to the Olympic games in the short period of time involved.

#### World Student Games

MR. R. SPEAKER: Mr. Speaker, with regard to the World Student Games, a related type of event to be held in Edmonton, has the government committed further funds to that program as well? I understand the original estimate was around \$55 million, and the cost now is to be somewhere over \$100 million. Has the provincial government committed further funds to that program? Has the request been made and, if so, is the government looking at honoring a further request?

MR. LOUGHEED: Mr. Speaker, I'd have to take that question as notice, and have the Minister of Recreation and Parks respond when he's in his place in the Legislature next week.

#### Constitution — Equality Provision

MR. R. SPEAKER: Mr. Speaker, my second question is with regard to the constitutional question. I understand that the premiers of Saskatchewan and Nova Scotia have agreed to remove Section 28, guaranteeing equality of

men and women, from the scope of Section 33, the notwithstanding clause. The other provinces and the federal government seem willing to do likewise. At this point in time, is the Premier in agreement with that proposition that Canadian men and women be treated equally, and that it is not a subject of the opting-out clause?

MR. LOUGHEED: Mr. Speaker, I made that as clear as I possibly could in the Legislative Assembly in answer to a question from the hon. Member for Edmonton Norwood on November 18, page 1697 of *Hansard*. That is clearly the position of the Alberta government.

#### Constitution — Aboriginal Rights

MR. R. SPEAKER: Mr. Speaker, a supplementary question with regard to the constitution. From the remarks of the Premier to the native people yesterday, I understand the Premier committed himself to accepting that Metis people are to be recognized as aboriginal people. I wonder if the Premier could comment on that. I understood that was the status over a period of time. Was there some question about it?

MR. LOUGHEED: Mr. Speaker, perhaps the best thing I could do is table a copy or file a copy of my remarks with *Hansard*, and refer specifically to what I did say yesterday on that important matter:

The Metis people of Alberta do not have treaty rights and they wish some recognition in the Revised Canadian Constitution of the concept of the Metis people. We have been working closely with the Metis leaders in Alberta and will continue to work with them to see if we can reach any understanding or proposed amendment to give to the Canadian Parliament that would be satisfactory and fair to all concerned. These discussions are progressing very well and we will be meeting again tomorrow.

That's the portion I stated yesterday on that matter.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier with respect to the issue of aboriginal and treaty rights. On page 1564 of *Hansard*, the Premier is quoted as saying:

Section 25 therefore maintains all existing rights of the aboriginal people of Canada, who are defined in the Act as including the Indian, Inuit, and Metis people of Canada.

Mr. Speaker, as I look at Section 25, I don't see that definition. On the other hand, I see that definition in Section 34. Is the Premier able to clarify his remarks on November 10?

MR. LOUGHEED: Mr. Speaker, that's an important point. The constitutional document has to have a provision that in fact will include the definition of the aboriginal peoples of Canada. In my judgment, that needs to be developed before the constitution presses forward. We would be of the view that before being proclaimed, the constitution should have a provision as follows: in this Act "aboriginal peoples of Canada" includes the Indian, Inuit, and Metis peoples of Canada.

MR. NOTLEY: A supplementary question to the hon. Premier. It's my understanding that just a few moments ago the Parliament of Canada unanimously passed a Section 43 resolution, asking the Leader of the Opposition to consult with both you, sir, as Premier of Alberta.

and the Premier of British Columbia, with respect to the reinclusion of Section 34 of the Charter of Rights. Is the government of Alberta in a position today to advise not only this Assembly but the people of Canada whether this province would be prepared, should other provinces agree, to accept the reinclusion of Section 34 of the Charter of Rights before the resolution is finally put to a vote in the House of Commons?

MR. LOUGHEED: Mr. Speaker, at this time the answer to that would be no. We are working with the Metis people of this province, where our prime responsibility lies, to attempt to determine a provision that would in fact, as I stated, recognize the concept of the Metis people of this province.

We are having reference to the constitution of Canada. We, the government of Alberta, were never party to the discussions with regard to the specific wording of Section 34. We believe it is extremely important that that wording be considered very, very carefully, and that wording of the nature of recognizing the concept of the Metis people of this province be established by discussions, which we're having with the Metis people of the province, in a way that is satisfactory to all concerned. That certainly includes both the Metis people of the province of Alberta and the citizens of the province generally, as represented by the government.

MR. R. CLARK: Mr. Speaker, a supplementary question to the Premier. In the answer the Premier just gave to the Member for Spirit River-Fairview, the Premier said the government is not prepared to change its position at this time. Can the Assembly and the people of the province take that to mean that the government has not closed the door completely and that in light of movement on this issue by other provinces, that's an area Alberta is prepared to reconsider? I ask the question in light of the answer the Premier just gave.

MR. LOUGHEED: Mr. Speaker, it isn't a matter of reconsideration. On a number of occasions, we have said in this House that our concern with the former Section 34 is the difficulty of understanding what was contemplated by that section. For example, as I said on the steps of the Legislature yesterday, if it's intended, as the Indian Association put to us in June, that what they seek is Indian government or a nation within a nation — presumably where the laws of Alberta would not apply — that's just simply not acceptable to the government of Alberta and, I would presume, to the Legislature and the people.

It's very important for us to be satisfied with the wording of any provision added to the constitution that reflects an acceptance of the Metis people of this province. That is the discussion going on over this past week between the government and the Metis people, and that will continue. But in a document as important as this, we're not going to *carte blanche* accept wording we haven't been a party to.

That's what the process has been during the course of the past week. It's been difficult, not just for this government but for all governments. This very important subject is being discussed at long distance, if you like, via exchanges of telexes and telephone calls. That will continue through today and this weekend, I'm sure. That's fine; if that's the way we have to do it, we'll do it that way in the hope we can have the concurrence of all the provinces necessary to reach the objective of the Alberta government. Our objective is to provide within the consti-

tution a recognition of the concept of the Metis people of Alberta — or, if you like, the aboriginal peoples of Canada, in the way I referred in my answer to the question put to me by the Member for Spirit River-Fairview.

MR. PAHL: Mr. Speaker, a supplementary question to the Premier. It's my understanding that in the September 1980 first ministers' conference, the Premier suggested special protection for treaty rights. Evolving from that — or not evolving from that — was a Section 34. I wonder if the Premier could clarify why there was no consultation in effect on Section 34 that would have put us in a position to make Section 34 fair to all.

MR. LOUGHEED: Mr. Speaker, a sequence of events occurred at the first ministers' conference on the constitution in September 1980. When this matter was discussed, we stated that we thought the federal government, which had responsibility for treaty rights, should provide adequately for the protection of those treaty rights in the constitution. We made that submission after discussion with the representatives from the Indian Association of Alberta. That's on the record of that meeting and was made in the open sessions.

The hon. member will recall that subsequent to that, the discussions or negotiations on the constitution were cut off by the Prime Minister, and he moved unilaterally. His initial introduction on October 2, 1980, included sections 25 and 26, which we're all familiar with and which provided that the existing rights of the aboriginal peoples of Canada, including treaty rights, could not be taken away as a result of the charter.

At that time Section 34, the contentious section that was in the resolution last spring, was not there. That came about as a result of submissions made not to our government or to other provincial governments over the course of last winter. It was inserted in the precise language that appeared in the resolution last spring. It was inserted after discussions between a number of native representatives, the federal government, and other parties in the House of Commons. We were not involved in that discussion, and that's where the difficulty lies at the moment. If we had been, it would probably have been possible to have come to a conclusion on wording that would have satisfied all concerned.

We have to keep in mind in this country that the provinces are in very different positions with regard to the question of aboriginal rights, and very different positions with regard to treaty rights. That's what makes the matter so complex and difficult. It should be noted that the addition of the former Section 34 was made after submissions and discussions but was not contained in the original proposal by the federal government.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Premier, for clarification. I note page 5 of the Premier's comments yesterday:

... we [would] welcome these immediate discussions — if they can lead to an understanding and agreement — we would propose them quickly to the Federal Parliament by way of amendment and additional provisions.

The Premier has made reference with respect to his discussions with Mr. Sinclair, the President of the Metis Association of Alberta. However, my question to the Premier is with respect to the definition of Section 34 the Premier alluded to several days ago. Would it be within

the scope of this comment that the government of Alberta would agree to immediate discussions on defining the scope of Section 34 prior to the patriation resolution being sent to Great Britain? The reason I raise that, Mr. Speaker — and it's important that I take a moment to explain it — is that the conference down the road will be subject to the new amending formula, whereas an agreement before patriation would bind all parties. Would the Premier clarify the position of the government of Alberta on that matter?

MR. LOUGHEED: The answer in both cases is yes. What's intended there is that if we can work out a satisfactory wording on this concept of aboriginal rights in a positive way — and we would be suggesting that, and that might happen either today or very quickly; we'll be having discussions with the Metis people of the province and will continue them today. We regret that yesterday the Indian Association of Alberta made the decision not to meet with us. As I understand it, they decided that they wished to meet with us later, with all their chiefs involved.

Because of the circumstances and the timing within the federal House of Commons, we believe we have to move fairly quickly, because that really comes to the second question the hon. Member for Spirit River-Fairview states. I think it would be desirable if this matter could be cleared up now, before the proclamation, and wording on this matter could be agreed to by all the nine provinces and the federal government before the proclamation, not necessarily because I worry so much about the amending formula but more to do with the spirit of the situation. If it can be resolved, it's better to be doing it now than later.

I still don't quite understand the Prime Minister's sense that with nine provinces now in agreement, this must be rushed through Parliament. I really do have some difficulty understanding that, because I would have thought we would try to work out what objections may exist on this particular matter of native rights. I'm confident that we could do it if it weren't done under the pressures that seem to be placed on it at the moment.

So if I could repeat, I answer both cases of that question affirmatively. It would be our hope to be proposing wording that would have a positive concept with regard to the aboriginal peoples of Canada; secondly, we would try to do that in a way that it would form part of the constitutional resolution before the matter was proclaimed.

#### **School Bus Regulations**

DR. BUCK: Mr. Speaker, my question to the hon. Minister of Transportation has to do with the press release yesterday as to the use — or more correctly, the non-use — of alternating flashing red lights on school buses. Can the minister indicate what representation he has had from surrounding municipalities and jurisdictions in the Edmonton area as to their desire for the use of alternating flashing red lights on school buses?

MR. KROEGER: Mr. Speaker, we've not only had some representation but also solicited some opinions from the total area covered by the school bus system. By far the majority of opinion expressed to us favors the procedures we're now using, coupled with good information going out to the various jurisdictions so they'll really understand what is being attempted.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. Would the minister be kind enough to table that information in the Legislature so all members could have a look at it?

MR. KROEGER: Yes, Mr. Speaker.

DR. BUCK: Mr. Speaker, can the minister indicate what discussion the minister or members of the department have had with other provinces as to the use of alternating flashing red lights on school buses in municipalities?

MR. KROEGER: Mr. Speaker, I personally have not had any, but the department has. That's been ongoing, and we've been making the comparisons. Of course, we also have to use the information we have available to us as it comes out of the operators' areas, and try to co-ordinate a program that works best under the circumstances we're working in.

DR. BUCK: Mr. Speaker, following the government's proposed philosophy to allow local jurisdictions autonomy, when local jurisdictions require or wish to have in place legislation such as this, enabling them, is the minister reconsidering passing enabling legislation to allow local municipalities to proceed with the use of alternating flashing red lights on buses?

MR. KROEGER: Mr. Speaker, one of the difficulties we get into in this sort of thing is that if you have a standard procedure that applies to all areas of the province, it removes the mystery and makes it much easier for people to respond. If we went this route, the proliferation of ideas that we might get from various jurisdictions might create more of a hazard than trying to get the uniform law, have it properly explained, and do the very best that that sort of regulation can do.

DR. BUCK: Mr. Speaker, in light of the fact that legislation is now in place and motorists recognize that when lights are flashing, they stop, would that not be consistent with the usage of those alternating lights if the municipality so desires?

MR. SPEAKER: We're getting into the area of debate, but perhaps under the circumstances the minister might wish to provide a brief answer.

MR. KROEGER: Only to say that we're watching this very closely, Mr. Speaker. Partly thanks to the questions being asked by the Member for Clover Bar, I have gotten much closer to it than I thought I needed to before.

Having had this legislation since 1979, and by monitoring it and being able to establish that we have had far fewer incidents where no lights were used under the prescribed formula we work to than there were in the instances where they used the lights, it has seemed to confirm that we're on the right track. I'm not suggesting we should be inflexible on this, but I think we have a period of testing to go through yet. As I've already said, we also have the responsibility to get out the information on how the system really is intended to work. I would like to suggest that we proceed with this to a point where we're totally satisfied that the information that ought to be out is out and that it is properly understood. If we are then convinced that the system could be improved, we'd be glad to do it.

### Water Management

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Transportation too. On page 614 of *Hansard*, May 8, 1981, the minister said that no report had yet been submitted to the government by the advisory committee on water diversion. Has such a report been received since that date? If so, when was it received, and will it be the intention of the government to table it in the House?

MR. KROEGER: Mr. Speaker, we aren't developing a report on water diversion. We're developing a report on good land use and good water management. Some recommendations have been developed that we have not yet finally dealt with. I can't really comment beyond that.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister, with respect to water management. Have any formal cost/benefit studies been commissioned with respect to water management, and would that include either significant interbasin transfer or interbasin transfer on a somewhat smaller scale?

MR. KROEGER: Mr. Speaker, we have not gone the route of trying to identify costs. We're really interested in identifying areas and land, concerning ourselves with the best use of water that exists in the basins where it now is. A good deal of work has been done, though, because a \$4.5 million study was done in co-operation with the federal government and the three prairie provinces that is available for anyone to refer to. Certainly we have been aware and used that for some guidance, but not directed specifically at diversion as such.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Minister of Transportation. Will it be the intention of the government to table the water management reports the minister has alluded to?

MR. KROEGER: Mr. Speaker, when it comes to policy, since I report to the Minister of Environment I would prefer that the comment and response on that policy concept come from that minister.

MR. COOKSON: Mr. Speaker, the special committee on consideration of water problems throughout the province comes under my jurisdiction. At some point in time, a decision will be made with regard to recommendations forthcoming from that committee. At that time, it will be made public.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Environment. On page 617 of this year's *Hansard*, the minister made these comments with respect to water diversion:

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

In terms of its policy review, is the government considering any position other than that rather clearly expressed by the minister in the House this spring? Do any of the options the committee is examining go beyond the statement the minister made to the House last spring?

MR. COOKSON: Mr. Speaker, special committees of this nature explore all kinds of options. However, the position the member alluded to in *Hansard* still remains.

MR. NOTLEY: Mr. Speaker, supplementary question to the hon. Premier, so there is no misunderstanding. Is it the position of the government of Alberta at this stage that there is no consideration — I repeat, no consideration — of any massive interbasin transfer similar to the PRIME program, which the now government opposed when it was in opposition in 1971?

MR. LOUGHEED: I think the answer to that is yes, Mr. Speaker. There is no contemplation of massive interbasin water transfers.

MR. NOTLEY: Mr. Speaker, so there is no misunderstanding, there has been no review of options which would include significant interbasin transfer?

MR. LOUGHEED: Mr. Speaker, the hon. Member for Spirit River-Fairview seems to have great difficulty with the government having a concept of examining alternatives and options and what it's giving consideration to. There is a very important difference. I hope that any government would examine the full range of options and alternatives on every public policy issue. The question I was first asked was, are we giving any consideration to doing so? The answer is no.

MR. NOTLEY: Mr. Speaker, so there is no misunderstanding [interjections] at this stage has the government commissioned any cost/benefit study that would include a revamped version of the PRIME program, either in part or in total, as part of its review of the options?

MR. LOUGHEED: Mr. Speaker, not in the concept precisely in the way the hon. member worded the question. No such reviews have been involved. If he wants to continue with the position of attempting to concern citizens about a range of alternatives this government may consider on a number of different subjects, that of course is up to him to do so. As far as the government is concerned, I believe we're accountable here in asking a specific question: is consideration being given to doing something? In this case, the answer is no.

### Computer Technology in Schools

MR. R. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Education and ask if he could indicate to the House the status of the announcement he made some time ago, when he indicated that between \$20 million and \$30 million is available over the next five years for the purchase of microcomputers for the school systems of the province. What is the status of that program, and when will these computers be available to the school systems?

MR. KING: The hon. member will undoubtedly find this hard to believe, but the newspaper story was erroneous. That being the case, I welcome the opportunity to correct the record. A few weeks ago, in speaking to a conference in Edmonton, I made an announcement respecting the involvement of the Department of Education in the introduction of computers and computer technology to the school system.

Basically, the announcement had these elements. We in

the Department of Education have established a responsibility centre known as the computer technology project office. The person heading that office is Dr. Jim Thiessen. That office has established the terms of reference for a task force composed of representatives from various interest groups throughout the province. The function of the task force will be to advise the Minister of Education on a variety of matters associated with the introduction of computers into the school system. We expect to establish that task force before Christmas.

Thirdly, that office will finance research in the area, some of which will be done within the Department of Education, some contracted in the province, and some contracted on a joint basis with other departments of education. Fourthly, we have signed a contract with a computer manufacturer/distributor for a volume purchase of a microcomputer, which we are going to offer for resale at cost to school boards throughout the province. Our minimum purchase will be 1,000 computers. There is no maximum number of computers that we will purchase. At present, no subsidy by the Department of Education is involved in this purchase. The advantage we are offering boards throughout the province is the price advantage obtained by a volume purchase.

Fifthly, we are going to engage in what is called software evaluation; that is, we are going to assess the educational software currently on the market for its suitability or applicability to the Alberta curriculum. Finally, we are going to consider the means by which we might encourage the development of a software industry in this province, which would initially focus on educational courseware and might subsequently support a software industry valuable to industry and commerce.

The figure of \$20 million to \$30 million was used by me on one occasion at a news conference in Calgary, when I speculated that to engage fully in the development of a software industry would involve that kind of expenditure over the next three to five years. I did not say it was a commitment on the part of the government of Alberta.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. Why was the Bell & Howell model chosen, and what opportunity was there for other firms to have equal opportunity?

MR. KING: That's a complex question to answer, Mr. Speaker. I'd make an initial response this morning, on the understanding that I would like to come back on Monday afternoon to provide additional information to the member, since he is interested.

First of all, last December I visited various American jurisdictions which have been involved in the use of microcomputers in their school systems. Staff of the Department of Education accompanied me on that trip. Subsequently, staff visited other jurisdictions in both Canada and the United States. We acquired information as to the hardware standards these jurisdictions had adopted themselves and information as to why they had adopted these hardware standards. I would point particularly to British Columbia, the JEM project, and the states of Minnesota and West Virginia.

Subsequently, we had discussions in this province with people knowledgeable in the field, including people at the University of Alberta, about the applicability of hardware standards in other jurisdictions to the circumstances of our own jurisdiction. On that basis, we developed what is referred to as a technical standard. The interest of the government was communicated to the industry, and we

had discussions with a number of different computer manufacturer/suppliers. We received submissions from three that I am aware of; perhaps more than three. I'll provide that information to the hon. member on Monday.

MR. R. CLARK: Mr. Speaker, to the minister. When the decision was made to go the route of Bell & Howell, was the decision made by people in the Department of Education, or did the Department of Education have the benefit of the computer knowledge of the offices of the Auditor General and the Minister of Government Services, where the government's computer expertise basically rests?

MR. KING: Well, I'd like to take some issue with the hon. member about where computer expertise rests. In my view, there is a difference between the expertise that is significant when you talk about computers used for computer-assisted instruction and computers used as management or administrative tools.

But leaving aside the question as to whether or not the Department of Education is competent, the initial negotiations took place between representatives of the Department of Education and the corporation, in this case Bell & Howell. The developmental work might be said to have been done by the Department of Education. Before the contract was signed, the Department of Government Services was involved.

MR. PAHL: A supplementary question, Mr. Speaker. When the minister is developing the information for the hon. Member for Olds-Didsbury, I wonder if he might provide the Assembly in total with a little bit of information with respect to the interrelationship and the importance of the software and the hardware, in terms of the selection process.

MR. R. CLARK: Mr. Speaker, one further question, then I can come back to it next week. Can the minister give the Assembly an assurance that in fact the whole area of maintenance and the capacity of Bell & Howell to supply maintenance service and adequate warranty was gone into in some detail prior to a decision being made? Frankly, that's one of the concerns brought to my attention, not from distributors who weren't selected but from people in the education community who have some real concern in that area.

MR. KING: Mr. Speaker, one of the things I will do on Monday is table a copy of the contract with Bell & Howell for the information of the hon. member, so he can be assured that the question of service, maintenance, and warranty work was important in the mind of the Department of Education. If these microcomputers are going to be distributed across the province, including some remote areas of the province, and if they're going to be used by students, particularly young children, then the reliability of the computer in the first instance is an important consideration. The ability to service the computer quickly so that it is out of use for a minimum of time is also an important consideration. Yes, it ranked high in the priorities of the Department of Education during our negotiation.

MR. R. CLARK: Mr. Speaker, one last supplementary question . . .

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

MR. R. CLARK: My question is to the Minister of Government Services. Was the Minister of Government Services involved in reviewing the contract signed between the government and Bell & Howell for the computers that have been under discussion? Was the minister involved in the recommendation that ended up in the purchase, or was it simply officials of the minister's department at the last minute?

MR. McCRAE: Mr. Speaker, that becomes two or three or four questions. I was involved in the discussions at the appropriate time. I did not review the contract in great detail. I was certainly conversant with the requirements of the client department and perfectly satisfied that the sole-source purchase was the correct way to go in this case, although traditionally or normally we would offer the contract to tender. In this case, the requirements of the department were such that it was seen quite appropriate to go directly to Bell & Howell. The maintenance, management, and the whole thing seemed to be quite appropriate.

MR. HIEBERT: Supplementary question, Mr. Speaker. Since this particular area has such potential for education, I would like to ask the minister if there has been any discussion with other provinces so that there is a combined or shared effort, especially with regard to the development of software and a particular Canadian content in that software.

MR. KING: Yes, Mr. Speaker, there has been such discussion, and it will be ongoing.

I also hoped I would have an opportunity to respond to the supplementary question asked by the hon. Member for Edmonton Mill Woods, which related to the impact of software considerations on the development of the technical standard. Yes, it is true that because in the longer term we consider the development of software to be a much more important consideration educationally, one of our interests was in having a hardware array that would accommodate as much software as possible, as quickly as possible. Therefore, we wanted to provide an incentive for conformity of hardware from one end of the province to the other. The alternative would be for us to develop software which could only be used on some machines, or to develop software in one computer language and be faced with the necessity of translating it into second, third, fourth, and fifth computer languages in order to have it usable on a variety of computers throughout the province.

Finally, Mr. Speaker, I had forgotten for a moment my schedule for next week. I will not be in the House on Monday. I will provide the information to the hon. member on Tuesday.

MR. SPEAKER: I regret the time for the question period has elapsed. Perhaps we could have a post-final supplementary by the hon. Member for Edmonton Gold Bar, and I've already recognized the hon. Member for Bow Valley. If the House agrees, perhaps we could hear his question as well.

HON. MEMBERS: Agreed.

MR. HIEBERT: A supplementary. Does the minister envisage any direct financial involvement or commitment by the industry with respect to development of the project, so it is not solely a Department of Education function?

MR. KING: There have been considerable expressions of interest along those lines. The hon. member will notice in the contract, when it is tabled next week, that it includes a contractual undertaking by Bell & Howell to develop maintenance facilities in the province. Those will be useful to not only the school boards but any other users of microcomputers in the province. From other corporations and from some voluntary associations, we have had expressions of interest in the area of joint ventures as we get more into this field.

MR. R. CLARK: Mr. Speaker, might I ask a post post-supplementary question, just so the minister will have the information Tuesday?

MR. SPEAKER: Well, it will have to be with the consent of the House, because my deal is made.

HON. MEMBERS: Agreed.

MR. R. CLARK: Thank you, Mr. Speaker. When the minister is bringing information back to the Assembly, would it also be possible for him to make available to the Assembly the requirements, as seen by the Department of Education, which led the department to the decision of not going the general tendering route; the requirements which made this unique, so that in fact there was not a public tender?

MR. KING: Mr. Speaker, the problem with that is that I don't think there is a single description. That was the result of advice received and discussion that occurred, sometimes involving me and sometimes involving technical people. I'll try to address the question, but at the moment I'm not quite sure how I could best address it.

#### **Pipeline Rights of Way**

MR. MANDEVILLE: Mr. Speaker, my question to the hon. Minister of Agriculture is with regard to the suggested annual payments as far as pipelines going through farm rights of way are concerned. Last summer Nova, an Alberta-based company, made the suggestion that they make an annual payment to farmers where the right of way is going through, providing the energy agreement was settled. Could the minister indicate if this proposal is going to go ahead now, and there will be an annual payment by Nova to farmers where the gas line rights of way are going through?

MR. SCHMIDT: Mr. Speaker, I understand representation in regard to that total subject was made to the surface rights committee of the Legislature. I think one should wait until the tabling of their report to assess the outcome of the submissions made, including that of Nova.

#### **ORDERS OF THE DAY**

MR. CRAWFORD: Mr. Speaker, His Honour the

Honourable the Lieutenant-Governor will now attend upon the Assembly.

[Mr. Speaker left the Chair]

head: **ROYAL ASSENT**

SERGEANT-AT-ARMS: Order! His Honour the Lieutenant-Governor.

[The Honourable Frank Lynch-Staunton, Lieutenant-Governor of Alberta, took his place upon the Throne]

MR. SPEAKER: May it please Your Honour, the Legislative Assembly has, at its present sittings, passed certain Bills to which, and in the name of the Legislative Assembly, I respectfully request Your Honour's assent.

CLERK: Your Honour, the following are the titles of the Bills to which Your Honour's assent is prayed:

No.	Title
50	The Colleges Amendment Act, 1981
51	The Universities Amendment Act, 1981
52	The Banff Centre Amendment Act, 1981
59	Alberta Insurance Amendment Act, 1981
60	Students Loan Guarantee Amendment Act, 1981
62	Department of Government Services Amendment Act, 1981
63	Land Agents Licensing Amendment Act, 1981
65	Expropriation Amendment Act, 1981
68	Lloydminster Hospital Amendment Act, 1981
71	Summary Convictions Amendment Act, 1981
72	Consumer and Corporate Affairs Statutes Amendment Act, 1981
73	Public Auctions Act
74	Social Services and Community Health Statutes Amendment Act, 1981
75	Agricultural Service Board Amendment Act, 1981
76	Interpretation Amendment Act, 1981
77	Judicature Amendment Act, 1981
78	Petroleum Incentives Program Act
82	Mortgage Brokers Regulation Amendment Act, 1981
86	Employment Standards Amendment Act, 1981 (No. 2)
87	Mines and Minerals Amendment Act, 1981 (No. 2)
88	Natural Gas Pricing Agreement Amendment Act, 1981
91	Legal Profession Amendment Act, 1981
93	Energy Resources Conservation Amendment Act, 1981

[The Lieutenant-Governor indicated his assent]

CLERK: In her Majesty's name, His Honour the Honourable the Lieutenant-Governor doth assent to these Bills.

SERGEANT-AT-ARMS: Order!

[The Lieutenant-Governor left the House]

[Mr. Speaker in the Chair]

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 Transportation**

**1 — Airport Terminal Buildings**

MR. R. SPEAKER: Mr. Chairman, a question to the minister. We certainly wouldn't want to ignore such an important estimate, \$3,150,000; a program that was initiated, I'm sure, a number of years ago under the guidance of Dr. Horner, the former Deputy Premier of this province. In his direct way he was able to say to the government, I think a sum of money should be set aside for airports in this province. I feel the vision of Dr. Horner at that time was to provide a different mode of transportation for Albertans so they could move with facility between Lethbridge, Medicine Hat, Brooks, Lloydminster, Grande Prairie, Manning, Edmonton, Calgary, Red Deer, and other small centres. And Barrhead as well. I'm sure that was in Dr. Horner's vision presented to this Legislature some years ago. [interjections] I forgot Pincher Creek, Innisfail, and Vulcan. Vauxhall has an airport coming up.

MR. NOTLEY: Don't forget the north.

MR. R. SPEAKER: And the north, into the Slave Lake area. [interjections]. Which one? [interjections] Athabasca. Give me a bid. Would the Acting Premier like an airport in west Edmonton? I'd be open to that as well at this time.

MR. HYNDMAN: It should be painted the right colors.

MR. R. SPEAKER: I don't know how blue and orange fits on a runway — if that means to land or to get off the airport.

Mr. Chairman, that was Dr. Horner's vision. I think we have to start talking about that concept at this time if we're going to allocate money in terms of airport terminal buildings and upgrading the air transportation system. What is the vision at this point? Where does the minister see this kind of program going? I think it's incumbent that we know that kind of information to really understand why we should be continuing this program. Has the vision stopped in terms of this new mode of transportation across the province of Alberta? I hope it hasn't. There are many centres in this province — the smaller centres of Brooks, Lloydminster, and other centres — where industries need the facility to move between the centres of commerce, Calgary, Edmonton, and the regional communities in the province of Alberta.

It's a great program. Communities that benefited from the program are certainly most pleased and I'm sure would encourage and motivate the government to continue in this direction. In terms of that type of thing, I'd appreciate it if the Minister of Transportation could tell us just where he sees this program going. Specifically, we can look at the airport terminal buildings. But it's more than just buildings we're talking about; it's people, industry, economic growth, and social interaction of the people of Alberta. Could the minister comment as to where the



vision is at the present time? Does Dr. Horner still have a place in this Legislature in terms of his vision? Is the minister carrying it on with the same excitement?

MR. KROEGER: Mr. Chairman, certainly I'm enthused, not only about what has happened but about what's possible in the future. Of course we can't go too far in the future. But there have been 14 buildings developed through the heritage trust fund — and we're dealing specifically with the terminal building program, because that is what is being funded in this way.

The program started back in 1977. During that period the funding was not coming from the heritage trust fund. But since that procedure of funding was brought in, 14 have been developed, and we're proceeding with three more that I could identify, if someone were interested. We've had some difficulty getting the Peace River terminal building, one of the major ones, under way. The major difficulty there has been getting permission from the federal government to proceed. Even though they aren't involved in the funding, it had to filter through 14 different departments in the federal government before we finally got the approvals to proceed. That's one we are going with, and we expect to have under way very shortly.

MR. R. SPEAKER: Mr. Chairman, I certainly appreciate the extensive answer the Minister of Transportation has given with regard to where the program is going at the present time. What do we see in future years? Do we see the other airports across the province receiving terminal buildings? For example, is it in the plans for a terminal to be built at Hanna some time? Or are terminals going to be built only where the federal government gives approval to the provincial government? Is that the principle in place at the present time? Or does the government have some broader, longer term plan that involves direct investment by the province, and we're going to go on our own and see that a regional, third-level carrier system is in place in this province and, maybe later on, a smaller type of service that serves the third-level carrier?

MR. KROEGER: Those are valid points, Mr. Chairman. The concept of the terminal buildings program is to go in with medium-type terminals for which the estimated cost is \$260,000. Those generally are put into areas where a possibility of a scheduled service exists. Beyond that, while it may not relate to the heritage trust fund, I think it would be useful to assist communities with a terminal buildings program on a much smaller scale than what is being described here. For example, there are many small communities — I can think of one in my own constituency, at Consort, where we moved in a little bit of a building, renovated it, improved it, and were using it, all at local initiative. No support was either asked for or received from the government. It was handled on a local basis. In other areas, in other towns, some very ambitious buildings have been put up, again simply through the initiative of that community. We are looking at broadening the base of assistance to airport terminals. There may be some sort of minor program we can develop, assuming there is agreement to do that, but that doesn't relate to the heritage trust fund concept of funding.

MR. R. SPEAKER: Mr. Chairman, the hon. minister indicated that if we would like other information . . . Certainly I would like information with regard to the

three others in the works that the minister is going to proceed with. I understand that the 14 in place are Red Deer, Hanna, Swan Hills, Medicine Hat, Rainbow Lake, Camrose, High Prairie, Drumheller, Brooks, Lloydminster, Pincher Creek, Grande Cache, and Edson. Could the minister indicate the state of construction on those? I understand most are close to a state of completion or are completed. Are some of the funds here allocated to the final construction stages of any of the 14? Certainly the money is going to be allocated to the three more.

MR. KROEGER: Mr. Speaker, to identify the three we now have on the table, they are for Manning, Fort Vermilion, and Peace River. I'll go back to the 14 that were identified. Those are either completed or in the very late stages of cleaning up; there is very little left to do. So we're talking essentially about funding the three new ones I've identified.

MR. WEISS: Mr. Chairman, when the hon. member advised the Assembly, in particular he pointed out the three new terminals in the program or planning stages: Manning, Fort Vermilion, and Peace River. Would the hon. minister indicate to the Assembly if he's having difficulties or similar problems with the federal government in arrangements pertaining to the Fort McMurray air terminal?

MR. KROEGER: Mr. Chairman, we've been working with the federal government on developing a position as it relates to the Fort McMurray terminal. We have not completed the arrangements. Certainly it is a slow process. We're partly there, but we haven't completed the arrangements yet. We haven't given up on it; we plan to go ahead. It's a matter of working out the detail of how this can be done. The federal government would not cost share in the building itself, for example, but they may in preparation and in the services that would have to go in, and this sort of thing.

MR. WEISS: Mr. Chairman, I'm very pleased to hear those remarks, and I certainly am appreciative. In the '82-83 estimates of the amount of expenditure appropriated, would there be sufficient funds to allow the planning to proceed in that instance?

MR. KROEGER: Mr. Chairman, we have not included in the estimates specific funding for the McMurray terminal, because we won't know at what point we will finally get approval, working out all the detail necessary. That isn't to say that we wouldn't respond if we could get this sort of approval.

MR. R. SPEAKER: Mr. Chairman, to the minister. I'd very much appreciate the cost with regard to each of the 14 I listed. For those that are not complete, what amount of money is going to be requested from the some \$3.15 million? I looked in the annual report and didn't find all that information, and I'd appreciate an update.

MR. KROEGER: Mr. Chairman, I can certainly give the costs. I could read the estimates we have into the record: Red Deer, \$1,896,932; Pincher Creek, \$190,779; Brooks, \$258,722; Drumheller, \$261,283; Grande Cache, \$315,666; High Prairie, \$278,977; Rainbow Lake, \$357,857; Camrose, \$207,333; Medley, \$1,966,461; Medicine Hat, \$1,940,735; Hanna, \$331,195; Lloydminster, \$2,149,926;

Swan Hills, \$402,539; and Edson, \$164,776.

The estimate for Manning is \$172,000 for the terminal building, and we're adding a maintenance garage for \$165,000. Fort Vermilion is estimated at \$188,000. Then there's the major one at Peace River.

MR. BORSTAD: Mr. Chairman, I would like to commend the Leader of the Opposition for recognizing Dr. Horner and his vision of transportation. The airports and terminals are of great assistance to the northern part of the province for air ambulance and industry. I trust that after the Peace River terminal and those others in the north are opened, you're looking at some of the other smaller centres that badly need terminal facilities. I wonder if the minister might elaborate on the parameters for establishing the priorities on these terminals in the smaller centres.

MR. KROEGER: Mr. Chairman, we have an airport caucus committee that certainly advises on all airport matters, be that expansion, improvement, or new development. Also, we listen very carefully to any representation made by communities. We're aware of what distances are. If we give consideration to a terminal building, we have to investigate to establish the possibility of a scheduled air service. In any place where there may be this kind of scheduling, it would be necessary to have a fairly substantial terminal building, whereas in the smaller community airports — some of which I've referred to — that are mostly local or transient use, but not scheduled flights, it isn't necessary to have the investment indicated on this kind of program.

MR. SINDLINGER: Mr. Chairman, the minister read those numbers so quickly I couldn't get them all down. [interjections] We're discussing it now. Isn't that the purpose of . . .

MR. CHAIRMAN: Perhaps the minister could supply those. It's not a serious problem.

MR. SINDLINGER: Well, I'm not too sure that isn't a serious problem, Mr. Chairman. The reason for that is . . .

AN HON. MEMBER: They don't add up, Tom.

MR. SINDLINGER: It's not a question of whether they add up. I'd just like to know what the total is. The minister never did give us the total. I'll ask the minister if he could give us the total on that. Also, in discussing the '82-83 estimates, there were numbers given for Manning and Fort Vermilion, but not for Peace River. If I could put two precise questions to the minister, one would be the total expenditure for all those airports listed; and second, what is the estimate for '82-83?

MR. KROEGER: Mr. Chairman, the amount spent to date is something in the order of \$10.7 million. The estimated cost of the Peace River facility is slightly over \$3 million. We're dealing in amounts we think we will be able to expend in 1982. Beyond that, I'd be pleased to supply the figures on the individual airports as I enumerated them. I can have those numbers reproduced and provide them.

MR. SINDLINGER: Mr. Chairman, if I heard the minister correctly, I think he said the total to date was about

\$10.7 million. But I'm not too sure if I did or not. Given the Peace River one for \$3 million, and loose change, almost, for Manning and Fort Vermilion, that comes to about \$14 million. I understand the projected costs of the total program when it was first announced were in the order of magnitude of \$25 million. Would the minister indicate whether there are plans to use the balance of that money, roughly \$11 million, or is this the end of the program?

MR. KROEGER: Mr. Chairman, no. I was dealing with those projects we have identified. If we have the flexibility to continue the program, and no one has indicated we won't have, we will also keep working with communities where a terminal building would be necessary. It gives us room to continue with it. We simply have indicated what we think we can do in 1982. There is a changing scene here. The use of aircraft in areas that are opening up keeps changing, and I'm sure there will be requests from other communities for this kind of development.

MR. SINDLINGER: Mr. Chairman, I wonder if the minister would please elaborate on the selection process for airport terminals. I know we touched on it briefly through another member. If we have an estimate here which is going to leave almost 40 per cent remaining on the original project, there must be some sort of criteria used for selecting between communities. What community is selected over another? Besides the subjective estimation, in I don't know who's opinion, of whether there would eventually be the establishment or the possibility of scheduled air service, how does that relate to the development of third-level carriers in the province and the interrelationship with other carriers like PWA and the majors? It seems to me there has to be some method of selecting between the various communities so airport developments in the communities will tie in with the third-level carrier policy of the government. The major question is: what is the government's policy in regard to third-level carriers and their development? Once we determine that, I think how the communities are selected for development would become obvious.

MR. KROEGER: Mr. Chairman, maybe an example would be useful. The need for third-level carrier service can develop fairly quickly. We have the example of what happened when the decision was made this fall to discontinue VIA Rail, Winnipeg through to Vancouver. A service may now have to be improved between Edmonton and Jasper, for instance. Time Air is looking at going into Hinton. The facility at Hinton could become very important now, if we follow up in that direction.

You can have the sort of situation that came up fairly quickly in my own constituency, specifically in the town of Hanna. Alberta Power made a decision to build a \$750 million power generating plant. The town of Hanna is roughly 140 miles from Calgary. It's almost on a flight path between Lloydminster and Calgary. That service is now in operation because of the major development there that employs something in the order of 600 construction people, and that may move higher. The costs are moving higher. Because of the demand created for air service, it seemed reasonable to look at a terminal building there. That's the sort of criteria we use.

There does have to be some flexibility in the system, because conditions do change. New development we hadn't anticipated can occur in an area. We respond to the indications of new activity, new areas opening up.

Many of these places are not very accessible by any means other than air. I would think that answers the question of how we approach this. We don't invent locations. We try not to be parochial about them. We try to respond to actual serious demand and need.

MR. SINDLINGER: Mr. Chairman, I would like to ask another question. It's along this line, but it deals with long-range planning.

MR. CHAIRMAN: Perhaps if it's another question, we could hear from the Member for Spirit River-Fairview. He's been trying to get into the discussion for some time.

MR. NOTLEY: Thank you, Mr. Chairman. I have several questions about the allocation of funds last year. Before I come to those questions, I want to say that I support the program. I think a program of terminal buildings in Alberta is useful. I know the Leader of the Opposition made reference to the air policy presented. You'll forgive me if I argue a bit with him. I don't think it was presented by Dr. Horner. My recollection is that the first statement on it was made by Mr. Peacock when he was Minister of Economic Development, and Dr. Horner built on that. But certainly the idea of improving our air service to the smaller communities of the province is a good one. However, I think we have some distance to go. We've seen the expansion of PWA. We now have an excellent service in Time's commuter service in the province. But I think it's fair to say that notwithstanding the efforts of the government, or for that matter the investments we're making in air terminal buildings, the ability to maintain existing air service in the smaller communities has been a tough one.

I think of all the smaller air lines that have come and gone in the last seven or eight years since Mr. Peacock first talked about this in the House. I think of the problems of Gateway. I think of the problems of Northern Thunderbird, that once had the run between Grande Prairie and Edmonton. I see little Wapiti hanging in there now, but just hanging in, on the run from Grande Prairie to Grande Cache to Edmonton. They used to have a run directly between Grande Prairie and Edmonton, stopping in Whitecourt. I see the difficulties in maintaining an air service into Slave Lake.

So, Mr. Minister, while obviously much of the reasoning, if you like, for this program in the first place was the hope that we could develop some kind of regular air service to the small centres, it seems to me the problem we face is that the companies that have the go-ahead just haven't had the financial back-up in order to carry on. Bayview was an excellent example. Bayview had the run between Peace River, High Prairie, Slave Lake, and Edmonton. The tragedy in 1975 ended Bayview.

I guess when the minister says to me and to members of the committee that an airport in Hanna is reasonable and that a lot of people are going to be working in Hanna, that's true. But I would hope that our air policy, our third-level carrier policy, Mr. Chairman and Mr. Minister, can be not just this orientation, where we have a large number of construction workers, we have air service, and then the whole thing drops off, but the kind of air service which is an ongoing fact of life in these communities.

[Mr. Purdy in the Chair]

For example, in Grande Prairie now, one of the concerns people have is the way the air service has been reduced. Canadian Pacific is one of the worst offenders. Canadian Pacific's air service into Grande Prairie has deteriorated very badly because there's been a slowdown in the oil industry there. We have to encourage the pick-up of the slack. To that extent, the terminal building project is a useful one.

I suppose the first question I would have for the minister, Mr. Chairman, is with respect to the proposed terminal in Peace River. Mind you, I would be a little less than honest if I didn't suggest that in addition to Peace River I think a strong case could be made for Fairview for a terminal building under the heritage program, not just because it's in my constituency but because we have Fairview College, the regional agricultural centre, and a large number of provincial employees. Whenever one catches a flight from either Grande Prairie or Peace River, you're continually astonished by the number of people from Fairview. So I would like to argue that the committee, when they review the proposed centres for airports in the future, would have Fairview high on the list. I don't want to get into rivalry in the Peace River country, but I would say to the minister that if you can justify an airport and an airport terminal building in Manning, I think if you checked with the number of people who use PWA and Time, both in Grande Prairie and Edmonton, as well as Canadian Pacific, you would find that the case could be made even more forcefully for a terminal in Fairview. I would be intrigued by where the minister stands at the moment in terms of an air service that would link Fairview, High Prairie, and Edmonton. It seems to me that's one possible run we should be looking at. It would take two quite significant population centres. Link them to our major city and I think it could be a reasonably profitable run, if properly backed up with a terminal building in Fairview. We have one already scheduled for High Prairie.

Mr. Chairman, the minister has advised us that the new Peace River terminal is going to cost \$3 million. I guess the first question would be simply this: the budget for that project — and this is the information the minister tabled with the heritage trust fund committee — was \$2,100,000. We're advised now this morning that it's going to be \$3 million. I would like to know the reasons for the increase in the proposal. Have there been architectural changes? Are we making it a bigger building? What are we doing, and on what basis? Are we going to put more frills into it?

For example, in contrast I see that Red Deer's is \$1,445,000. I've been in the new Red Deer terminal; it's quite an excellent place. It's always nice to have money spent in your area of the province, but I'm really not so sure that we need a \$3 million terminal in Peace River, compared to a \$1.4 million terminal in Red Deer. I've also been in the new Medicine Hat terminal, and the total here is about \$1.1 million. So I would like the minister to perhaps outline in a fairly detailed way what architectural changes have led to an increase in the budget from \$2.1 million to \$3 million.

In addition, perhaps we want to go into each of these airports individually. I think it's important to do that. I look over the information again, Mr. Minister; that you filed with the committee. There's been a significant overrun in three terminal buildings. Perhaps we could just take a few minutes this morning and in a detailed way find out what happened in those three cases. Medicine Hat is still significantly lower than the new proposal for

Peace River, but but I see that the budget was \$810,000 and the expenditures to date were \$1,128,000. That's a 39 per cent overrun. I'm not sure if there are reasonable explanations for that or not. I would certainly ask the minister if he would clarify the difference between the budgeted figure and the expenditures to date.

Similarly, with Swan Hills we had a proposal of \$35,000, yet the expenditures to date are \$132,000, a \$100,000 overrun. Now, if we're going to undertake a project, and it's going to be a \$132,000 airport, let's say so at the beginning, and not say \$35,000. Lloydminster: the budget I see here is \$768,000, but the expenditures are \$966,000, a 26 per cent overrun. So perhaps we could have an initial explanation from the minister on the increase in the figure cited for Peace River, from \$2.1 million to \$3 million; the increase in the Medicine Hat airport from \$810,000 to \$1,128,282 — an inflation of 39 per cent; the increase in the Swan Hills airport from \$35,000 to \$132,261, an increase of 278 per cent; and an increase in the Lloydminster airport from \$768,000 to \$966,607, an increase of 26 per cent. I'd like specific information on that.

I would ask the minister if we might have some indication, in a general way, as to what negotiations the department is having with small air carriers to provide air service to some of these communities. There is not much point in our spending large numbers of dollars getting these airports set up unless at the same time we have some reasonable expectation of getting air services into these communities. I remember Dr. Horner, when he was minister, talking about service into Calgary, Brooks, Drumheller, and Hanna. Let's look at some of those routes and ask the minister to relate the initiatives of his department in dealing with third-level carriers to the investment in the construction of air terminal buildings.

MR. KROEGER: First of all, Mr. Chairman, third-level carriers and the progress being made in developing routes and so on falls into the area of economic development. The Department of Economic Development is handling the negotiation for third-line carrier service. In identifying where to go, what we do is not necessarily related to the status of arranging third-line carriers at any given time. I'm suggesting that I can't very well deal with that since it falls into another area of responsibility and doesn't really relate to the terminal building program; only that if a route were developed that would include a stop on a scheduled carrier that would justify building a terminal, we would respond to that.

Specifically on what may be going to happen in the Fairview area, I would suggest to the member that we're prepared to listen to any request that is substantiated in a way that would indicate that something should be done. I'm inviting him to follow the same procedure any other member of this Assembly would follow. If there is a case to be made, we'd be glad to hear about it. It will get the same consideration any other area would get.

As far as the cost overruns indicated are concerned, the initial figures that were shown would relate to a start-up factor. They would not be end prices; for instance, the figure indicated for Medicine Hat. If you compare the end cost of Lethbridge — I don't have that figure here, but Lethbridge wasn't funded through the heritage trust fund. Nevertheless, a terminal building there would have run in the order of \$2 million-plus. I don't have those figures, nor do I need them, but it's an example. Red Deer: the end cost in round figures, \$1.8 million. The number being used would relate to the start-up. Lloyd-

minster is another one. The figure I heard was something in the order of \$700,000. You would not be able to build a facility such as Lloydminster for those numbers. So we're talking about the initial numbers used to start that project. We have not yet completed the documentation for the Peace River one. Our estimate is that it will run in the order of \$3 million, and that includes some ground side, air side development. Depending on the sort of traffic we anticipate, the activity in an airport, we have to do more in the way of development around a terminal building — that is, in an area of the magnitude of Lethbridge or Peace River — than we would do at Drumheller, for example.

MR. NOTLEY: So we don't have any confusion in the committee, the figures I have were produced for the Heritage Savings Trust Fund select committee. We have a budgeted figure. The minister told us that these are start-up costs and that the final dollar figure would be somewhat higher. He gave the figure of \$1.8 million with respect to the Red Deer terminal, even though the budget figure the committee has is \$1,445,000. Similarly, we have differences along the line here. In some cases we're under, obviously because we're just getting the projects under way. For example, in Drumheller: \$10,112 out of a \$40,000 figure.

Mr. Chairman, for continued studies of these estimates. I think it would be useful for the minister to produce the estimated final figure so that we have not just the initial start-up figure but the final figure for each project. I cite as backing for that proposal the unanimous recommendations last year by the Heritage Trust Fund Committee, accepted by the Legislature in the fall of 1980, that when projects are started we should have a projected figure of the final cost. I'm sure the minister would have that information available. Could he take a moment and run through the 14 projects and give us the estimate of what we will have invested when we complete them, so that we will all be dealing with apples and apples and not apples and oranges, and the figures are reconciled before we pass the appropriation?

MR. KROEGER: Mr. Chairman, the figures I quoted on the 14 I listed — and I can give them again — were estimated or actual final figures. I will run through them one more time. Red Deer, which is completed, \$1,896,932; Pincher Creek, \$190,779; Brooks, \$258,722; Drumheller, which has been in operation for quite a long time, \$261,283; Grande Cache, \$315,666; High Prairie, \$278,977; Rainbow Lake, which is open and operating, \$357,857; Camrose, which has been in operation for a long time, \$207,333; Medley, which is open, \$1,966,461; Medicine Hat, completed and operating, \$1,940,735; Hanna, completed and operating, \$331,195; Lloydminster, \$2,149,929, and it is completed; Swan Hills, \$402,539; and Edson, \$164,776. Those are either completed or estimated completion costs.

MRS. CRIPPS: Mr. Chairman, where do airports for small towns such as Drayton Valley come in, which are exceedingly busy but it is essentially local traffic coming into the area?

MR. KROEGER: Mr. Chairman, I'm assuming the question is: how does it relate to getting a terminal building? As I've mentioned before, we try to justify the building of a terminal in a community where there is presently a scheduled service or a projected scheduled service is indi-

cated. When you get a place like Drayton Valley specifically, where your flying distance might be in the order of 60 miles — I'm not sure I'm accurate on that; it would be approximate — that would probably not justify a terminal building such as could be justified in an area like Brooks, if you like, or places farther from the main centres.

I doubt very much that a scheduled flight from Drayton Valley to Edmonton could be justified. I'm not saying that it shouldn't be, but I would be dubious that someone would try that. If they did, the economics of it might be there, but I would be doubtful that a flight that distance would justify a scheduled carrier.

MRS. CRIPPS: A supplementary, Mr. Chairman. You're right; there isn't a scheduled service. But there are scheduled services of companies flying in. Of course again, they're private. Most of those planes that fly into the Drayton Valley area come from either Grande Prairie or Calgary, so it's well over the 60 mile limit you talk about. If I remember my figures correctly, the use of the airport ranks in the first 10 of the province of Alberta.

MR. KROEGER: Well, Mr. Chairman, I don't question that there is a lot of activity in the Drayton Valley airport. But again, does it really relate to scheduled flights? I know the distances can be very great. Since we do our own flying, and I'm talking about the level of business, we go long distances many times and land at a small community airport that doesn't have a terminal building. So the criterion still holds. I'm making the same invitation to the Member for Drayton Valley that I extended to the Member for Spirit River-Fairview. Make your case. If we can justify a terminal building, we'd be happy to talk to you.

MRS. CRIPPS: Thank you very much for the invitation, sir, and I shall accept.

MR. SINDLINGER: Mr. Chairman, the minister gave us a list of 14 terminal developments and indicated that several of them have reached the completion point and are, in fact, being utilized. Six of them, at Red Deer, Medicine Hat, Hanna, Lloydminster — and I didn't get the other one.

MR. KROEGER: Drumheller.

MR. SINDLINGER: Thank you. Could the minister indicate what stage the remaining terminals are at? Are they in the preliminary stage, the development stage, or near completion? How much more has to be done to complete these other terminals?

MR. KROEGER: Mr. Chairman, I don't have even an estimate of the state of completion of every terminal building. We let a contract, and depending on how fast that contractor moves or the capability he has . . . I don't request a reporting procedure that tells me weekly, or even by the month, the stage of completion they're at.

I can get that sort of information, but it changes from week to week, as you would appreciate. Even the ones I've named that are completed aren't necessarily the only ones. There may be others. I was just picking on certain ones as I went along because I've been there. But certainly we could develop a report that would indicate exactly what the stage of completion is.

MR. SINDLINGER: Mr. Chairman, the reason I'm asking that question is that it was indicated the total estimated actual cost of these 14 terminals was in the order of magnitude of \$10.7 million. In addition to that, there is the work to be done at Manning, Fort Vermilion, and Peace River, another \$3.5 million. So it brings the total of those to around \$14 million.

When I compare that to the five-year program. I look at the appropriations throughout the years. In the first year of the program, the appropriation was \$6 million. In the second year, 1979-80, it was \$5.3 million, and in the third year it was \$6,293,000. So in the first three years of the program, the appropriation was \$17,593,000. Obviously, in the first three years of the program, beginning in '78 and ending March 31, 1980, the appropriations of \$17,593,000 already exceeded the estimated final cost of these projects by almost \$3 million, which is about 15 per cent.

Now if we look at the appropriations for '81-82, the fourth year of the program, and '82-83, the fifth year of the program, there are additional appropriations of \$4,646,000 in '81-82, and in '82-83 — the one we're dealing with now — \$3,150,000, which takes us to a total of \$25,383,000. So there are some different figures that perhaps the minister might reconcile, and it's relevant to what stage these other projects are at.

If we are to conclude that these terminals yet to be completed are near the final stage, obviously this number of \$14,225,000 would be fairly firm. That's what we would in fact be voting on here today. However, if these figures in the estimates are more representative, we're looking at \$25,389,000, which is almost twice the amount we have here, \$14,225,000. I wonder if the minister might address that question, and maybe we could take it from there.

MR. KROEGER: Mr. Chairman, if you take a look at the list and the numbers attached, the major ones, running in the order of \$2 million — just under or just over — are all completed. So we aren't looking for any major shift there. The smaller ones are all estimated completion costs we're comfortable with. We think we can live with that. So I don't look for any major variation.

I'm not sure that the question related to having moved fairly quickly the first three years and coming in with numbers in the order of \$17 million. I could comment on that. In the early years, it was very easy to identify where you ought to be, whereas now that we're approaching the end of what was an identifiable program, the demand isn't as clear as it was earlier on. We had lots of reasons for going into the major ones that have been developed, because the traffic was already there, the need was already there. I think we should be quite comfortable with the figures, given the fact that the major ones listed in the 14 are all completed and some of the others are completed. So I think those figures are as accurate as we can get them for you.

MR. SINDLINGER: Mr. Chairman, the reason I came back to that was because of the issue that had been raised by the Member for Spirit River-Fairview. He had referred to a piece of paper which I have, the Alberta Heritage Savings and Trust Fund project details for Alberta Transportation for the year ended March 31, 1981. It lists 13 air terminal buildings and has two columns of numbers. One is titled Budget, and the other is titled Expenditures. As the Member for Spirit River-Fairview rightly pointed out, many of these projects were

substantially and significantly above budget; that is, the expenditures exceeded the budget in several cases where there were major expenditures to which the minister just referred.

For example, the Red Deer one is almost \$1.5 million; the Peace River one, \$2 million, is up to \$3 million; so that gives us \$4.5 million. Medicine Hat is \$0.75 million, so we're around \$5 million. Out of the total budget here of \$6 million, almost \$5 million of the budgeted programs is overexpenditure. So it's not fair to say that the major projects have been completed, and completed with the estimated actual cost, because in fact they haven't.

I don't think the minister has addressed that question yet. That is, why was there such a substantial cost overrun on these major projects? The five identified as being substantially over budget were the Red Deer terminal, where the budget was \$1,445,000 and we end up at \$1.8 million; the Peace River one for \$2 million that ends up now at \$3 million; the Medicine Hat one, \$800,000, now at \$1.2 million; Swan Hills, that went from \$35,000 to \$132,000; and the Lloydminster one, almost \$200,000 over budget.

Now if you take the budget or cost overrun, almost any one of those by itself could finance the other terminals here. For example, just with the cost overrun in Lloydminster of \$200,000, it looks like we could build eight terminals at Rainbow Lake; we could build six terminals at Swan Lake, 20 at Manning, five at Camrose, four at High River, five at Drumheller, and four at Brooks. We could build that extra number of terminals at each of these places with just the cost overrun from one of these major projects. So I think that question has to be addressed and firmly put to rest.

In regard to some of the other questions raised by members across the way about long-range plans, what is the long-range planning for air terminal development? It's not good enough just to throw darts at the map and say, where this dart lands, we'll build a terminal. The minister tried to get into that, but he didn't go very far. He said, we respond to situations. As an example, he referred to the curtailment of train service from Jasper to Edmonton and Winnipeg. He indicated that perhaps what would be required is some supplementary air service from Edmonton to Edson, I believe he said, so Jasper could be served that way.

The minister also referred to another example; that is, the needs in his own riding in Consort. He indicated that in the initial stages local residents got together and without government assistance of any kind developed a facility for air traffic in that centre. I submit to the minister that this really doesn't fit in with any long-range planning and resembles 'ad hoc' to the fullest extent. It's like throwing a dart at the map and saying this is where we will plan. And it's not good enough for the minister to say, well, the long-term development isn't a responsibility of my department; that's a responsibility of Economic Development. What happens is that if we have one department working in this area and another department working in that area in isolation, it's not inconceivable that one department will make a decision which may not be compatible with the decision made in another department.

It seems that the logical thing to have would be a long-range plan which has identified the demands and needs across the province. Once those long-term demands and needs have been identified, then develop the program to fit them. I don't know that that's being done here, because it's been said that the projects have been under-

taken through representations from various communities. First of all, I think it's desirable to have consultations and representations from communities. Nevertheless, there has to be some agency that brings all the requests together and ranks them in an orderly fashion so development will proceed in the most efficient and effective way.

It seems to me the first step in doing something like this would be the undertaking of what are called origin/destination studies. I'm sure the department has undertaken origin/destination studies not only for air traffic but for other transport modes as well. Because we have to bear in mind that decisions in regard to air lines and air terminals can't be taken in isolation. Using the third-level carriers to supplement or replace train traffic from Edmonton to Jasper through to the west coast is a good example that transport modes are all complementary, and that a decision about one can't be made without taking into regard the other modes and their effect and impact on them.

The first thing that has to be done in determining which airport terminals will be constructed is not simply the representations of local citizens but the consideration of how those terminals and their construction will fit into the overall transportation program of the government; then secondly, how they would fit into the third-level carrier component of the transportation plan. Now we haven't yet discussed this morning what that long-range transportation plan is for third-level carriers. Until we know that, we can't really decide what priority should be given for the different terminal developments. I don't know what's happened in regard to the last four years. The minister has said that the demands were more obvious in the first four years, and now that we're nearing the completion of the program, it's more difficult to identify where we should go next. I submit that had we undertaken a long-range plan in the beginning rather than just approaching this on an *ad hoc* basis, we wouldn't have that difficulty today.

In conclusion, I just pose the question to the minister: first of all, how many origin/destination studies were conducted to determine where terminals were required? Subsequent to the compilation of that information, what ranking or priority was given to the development of these 14 terminals in the first four years of the program, and then to the subsequent development in the remaining years of the program to Manning, Fort Vermilion, and Peace River?

MR. KROEGER: Mr. Chairman, it's a little difficult for me to answer the kinds of questions and comments I've just listened to. I hope the member will read what he said. Let's use a specific. He said the cost overruns at Lloydminster would build six, eight, or 10 Drumhellers, and he gave a figure of \$200,000. I would like him to read that if it's on record, because \$200,000 doesn't build six, eight, or 10 terminal buildings of the type that are in Drumheller. So the suggestions he made and asks me to comment on — if my answers didn't make any more sense than the questions did, then we're spinning our wheels. I hadn't intended to get sarcastic about this, but I would like a question to make sense if I'm going to be expected to respond to it. If the member disagrees with my interpretation of what he said, I'd like him to read that and find out what he really did say.

As far as suggesting that we're throwing darts at a board to decide where a terminal building goes, of course that's utter nonsense. I said that it was very easy in the early years when you had identifiable routes and the

demand was clear and easy to respond to. Compare that to the present situation where those demands have been met. We are leaving ourselves some flexibility, we're open to suggestions, and we will consider areas where these should go. Certainly we do long-range planning in terminal building programs, as we do in the road construction program. We go forward many years. So there's not much accident about the sort of thing that happens.

Conversely, in a developing province such as Alberta, you will have a demand that comes very quickly. Let me go back to the one in my constituency, the Hanna terminal building. At one stage, we were very close to making a decision that Alberta Power would build at Dodds-Round Hill. The objections were registered with the government. The government backed off and said, apparently the community doesn't want this development. A new site was selected — in this case, Sheerness. That immediately generated a lot of traffic and indicated the demand for a scheduled service somewhere down the road. So we responded in that way. I think that's as good an example as I can give.

MR. SINDLINGER: Mr. Chairman, the minister has invited me to respond or read back a question which I originally posed. I can understand what he's saying and I must apologize. I didn't want him to become sarcastic. I was only reading from what I have here, what I understand was submitted by the minister to the heritage fund committee. It doesn't have an author or a date on it, but it is my understanding that the minister distributed it to the heritage fund committee. It says quite clearly that the budgeted amounts for these air terminal buildings are as follows: \$40,000 is allocated for the Drumheller air terminal building. However, I referred to the cost overrun on Lloydminster. Given this information here, the sheet says the budget for Lloydminster was \$768,000; the expenditure, \$966,000. That's almost a difference of \$200,000. The cost overrun is \$200,000 on that project. The budget here for Drumheller is \$40,000. Now, \$40,000 divided into the cost overrun of \$200,000 is 5, which says to me that the cost overrun of Lloydminster alone could have built five Drumheller terminals.

Perhaps this sheet is wrong or the information is incorrect. Perhaps the numbers given under budget aren't the total budget numbers. Perhaps they are only start-up costs or preliminary estimates. Perhaps they're only in the design phase. I don't know. But I'm not a mind reader, Mr. Chairman. I can only read what's in front of me. That's what it says, right here in front of me, in black and white.

This is one of the problems we have in the heritage fund committee. The minister will show up as an expert witness, provide us with material, sometimes at great length, 40 pages or more, and expect the heritage fund committee to respond to it immediately and ask questions. I remember when the Minister of Hospitals and Medical Care came in. He gave us two booklets. We just sat there. Someone looked at the back page and said, hold it, you haven't added this up correctly; you've missed \$400,000. I remember when another minister came in. On the front page there was a typographical error that resulted in an exclusion of \$10 million.

So the ministers come in with this type of stuff, and subsequent to the meetings, if they're ever questioned about it, they say, well, we gave it to the heritage fund committee and they looked at it and accepted it. I think if they're going to give things to the heritage fund committee, they ought to give it to the committee beforehand so

they can at least read it and respond to it. If they are going to give it to the committee, they ought to proofread it themselves to ensure what they're giving is representative.

I don't know what the total cost of Drumheller is. Here's another figure we got earlier today, [\$260,000], so obviously this [\$40,000] isn't the budgeted amount. I guess the key question is: just what is the total cost of this program? It's a very fundamental question. It's a question the Auditor General has said shouldn't even have to be asked. In his report, the Auditor General said that this information should be put in here for each one of these annual estimates for the Heritage Savings Trust Fund. He said it in his annual report. We had the annual report and the response of the Provincial Treasurer. The Provincial Treasurer said, perhaps that might be contrary to customs and traditions in the Legislature; nevertheless, if any member wishes to know, all that member has to do is ask the minister. We're asking the minister now what the total cost of this project is.

I've got two different answers for that now. One is what the minister has given us this morning: \$14,225,000. The other answer is in the '82-83 estimates of proposed investments. This shows that the total cost of this project is \$17,604,000. That's a difference of \$3.3 million. As a matter of fact, that difference is even more than the vote we're being asked for this morning. I don't know how we can vote on this until we get that resolved. Why does this booklet say the total cost of the project is \$17,604,000? Why does the minister say this morning it's \$14,225,000?

We have two things here. First of all, the minister has asked me to respond to: how can you build five terminals in Drumheller for the cost overrun of the Lloydminster project? The answer is that that's what this sheet says. I didn't write it. The minister's department wrote it. On the other hand, we've got this over here in black and white. I didn't write this either. I don't know who did. I presume the minister and his department are responsible for this particular item and the government bore it in its entirety. On the one hand, we have the minister saying to us this morning that this project will cost the government \$14,225,000. On the other hand, we have the estimates indicating the total cost is \$17,604,000. I think that is a difference that bears greater scrutiny by the Legislature and certainly demands an adequate response from the minister.

MR. KROEGER: Mr. Chairman, it's pretty evident that the \$40,000 indicated for Drumheller is a start-up thing. It has nothing to do with the completed air terminal. The average — and I gave the list this morning. These are current figures, not start-up or old figures. I'm giving completed figures. The average of an air terminal building of the type Drumheller has, depending on when it was built, was approximately \$250,000. If you're talking about start-up costs, as you would with Lloydminster, and then wind up with a finished cost of \$2,149,000, I think what is being referred to is fairly obvious.

The objection I raised was that I was using the most current figures, which I quoted three-quarters of an hour ago, that said Lloydminster cost \$2.1 million and Drumheller cost \$261,000. The member was quoting a difference of \$200,000 that doesn't relate at all to the final figures, nor was the end cost for Lloydminster ever thought to be \$700,000. We have to concern ourselves with start-up estimates in the areas where we have partially completed projects. We do have to use some estimates in the year any building is started. Then if it takes two

years to complete, your costs are going to change. So your estimates are exactly that; they're estimates. What I've offered here this morning is a list that indicates the final figures where that's possible. In the areas of those that are not quite completed, we then certainly have to work with estimates.

[Mr. Appleby in the Chair]

MR. SINDLINGER: Mr. Chairman, just to finish this point quickly. We still haven't resolved the difference between the \$14,225,000 and the \$17,604,000. I wonder if we could get an undertaking from the minister that this \$14,225,000 that has been given to us this morning is in fact the total cost for the program and that, as the program ends, it will end with this cost of \$14,225,000 and the minister will not be coming back to the Legislative Assembly to get more money from the Heritage Savings Trust Fund to complete the program.

MR. KROEGER: Mr. Chairman, could the member clarify the period he refers to that relates to the \$14,225,000?

MR. SINDLINGER: Mr. Chairman, in response to questions this morning, the minister indicated that for 14 programs or terminals that had already been undertaken, plus three more prospective ones at Manning, Fort Vermilion, and Peace River, the estimated actual total costs were, first, for the 14 already under way or completed, \$10,700,000. In addition to that, for the Manning terminal, \$172,000 for the terminal building itself, and an additional \$165,000 for a garage facility; \$188,000 for Fort Vermilion and an estimate of something in the order of magnitude of \$3 million for Peace River. The last three total something like \$3,525,000. Adding the two together, for those 14 initial projects already under way or completed, we have a total sum of \$10,000,700. For those three currently contemplated or planned to commence in the near future, we have another \$3,525,000, for a total of \$14,225,000.

This is the number the minister has given us twice this morning in regard to the total estimated actual costs for these projects. It is the number which I am asking the minister to commit to, to give an undertaking to this Legislature that in his best judgment these are the final total costs for this program and that he will not come back to this Legislative Assembly and ask us to appropriate more funds from the heritage fund for this particular project. Now, failing the ability of the minister to give us that undertaking, I think we should make a very serious attempt to reconcile the difference between that \$14,225,000 and the total of \$17,604,000 in the estimates. I think we should take the time to put the vote aside and reconcile the difference between the two total numbers.

MR. KROEGER: Certainly, Mr. Chairman, there's no difficulty in confirming most of these numbers. It's not quite that simple on the major one going into Peace River. The cost estimates we worked from two years ago obviously aren't going to hold today. We've been in the process with the Peace River terminal for quite a number of years now. As time went by the costs changed and will continue to change, for very obvious reasons it seems to me. The numbers I've provided here this morning are as firm as we can make them. There isn't any way I can stand here and say we've got Peace River three-quarters finished, the prices have now escalated, but we will stop

there and not come back to get approval to complete that specific project.

I think I have provided very firm figures on the 14, and change should be very minimal there. I also have confidence in the figures on the two lesser projects at Manning and one at Fort Vermilion. I can assure this House that those are the best figures we can come up with. I've already commented on the flexibility we may have to use or have used on the Peace River one. I can't be any more firm than I have been up to this point.

MR. SINDLINGER: Mr. Chairman, I appreciate the fact that the minister requires flexibility in the implementation of the program. But there has to be some sort of system whereby the expenditures can be monitored in some way to ensure, first of all, that the funds are being used efficiently and, secondly, that they're being used effectively. Inasmuch as the minister isn't able to give us any undertaking in regard to the total costs of the program because of his need for flexibility, perhaps the minister could indicate what mechanism or structure is in place to ensure that the costs expended over the next few years somehow fall within the total amount of \$14 million.

MR. KROEGER: Mr. Chairman, the reason there has to be some room for movement — a good example is the one that's right in front of us. We have tried to get approval for several years on the specific of the Peace River terminal. There wasn't any way we could guess when the approval we have to have from the federal government before we could proceed would finally be given. It seemed to us, at least two years ago, that this was a pretty elementary question. We weren't asking any favors of the federal government. We were simply asking them to give us permission to erect a terminal building. Of course, the costs at that time were different from the costs today. I doubt very much that the Member for Calgary Buffalo or anyone else in this House could have guessed it would take the federal government over two years to decide to let us build a facility in an area where they had responsibility, when we weren't asking them for anything except permission to proceed. It's not possible to guarantee end figures, given the circumstances we work in.

It's not at all difficult to reassure the member and the House that we are working to get the best value for the money we expend. I have no difficulty with that at all. We do monitor that very carefully. But we also feel that when the approval finally comes through, we have to be able to proceed to keep the end costs down.

The member from Fort McMurray asked what we are doing in the way of providing terminal service there. The information we get from the federal government is that they won't be looking at it seriously for another six years. We think something has to be done sooner than that. But when we will finally get the approval to proceed there is something I can't answer. Nor can I give a firm cost that will be incurred at that time, if and when we ever do get the approval.

MR. NOTLEY: Could I just put a supplementary question to the minister? Getting back to the Peace River terminal, have we got preliminary agreement from the federal government? Could the minister tell us what specific time frame the government has in mind for the construction of a new terminal in Peace River? Also, I would be interested in the size of that terminal compared to Medicine Hat and Red Deer. What facilities will the



government be including in the facility? Presumably that's going to mean some additional work on the parking lot. Is it going to include facilities for a restaurant as they have in Grande Prairie, for example? At this stage, what is intended to be standing there two or three years down the road, or however far down the road, when we have invested some \$3 million in this particular project? I presume as well that it will house all the Department of Transport people.

Is there anything that can be done with the existing terminal building, or will it simply have to be destroyed? It's quite a serviceable building in many respects. Is it something we're just going to rip down when we get the new one built?

MR. KROEGER: On the first question, Mr. Chairman, yes, we finally do have approval to proceed with Peace River. We intend to do that. The disposition of the existing facility hasn't been brought to my attention. I can't tell you who owns it. Assuming the federal government owns it, they probably would want to have something to say about whether it's taken out and the new terminal is put on the same site. And the member is quite right; it will entail some ground side development, parking, and this sort of thing. Because the agreement has just been reached, the exact numbers on the ground side development that may be useful or ought to be dealt with haven't been totally established. So yes, the agreement is finally with us. The approvals are here, and we're ready to go.

MR. NOTLEY: Including the restaurant?

MR. KROEGER: The restaurant part — I'm sorry, I don't have the details of exactly what will go into that terminal building, but I'd be happy to get that for the member.

MR. NOTLEY: Please do. Mr. Chairman, just to follow that along, the basic design would be similar, then, to Lethbridge and Medicine Hat at this stage? On the question of the existing facility, Peace Air has quite a successful charter operation. It would occur to me that whoever has the existing building — whether it's the federal government — might well want to approach Peace Air, because the existing building is quite a good building. There may be some possibility that we could do something with it.

MR. KROEGER: It could very well be, Mr. Chairman, that the building should be retained. If it could be incorporated into the proper use without interference, probably that's what ought to happen. But as I've already indicated, I'm not sure about the ownership. I'm sorry, there was a question I missed.

MR. NOTLEY: The question was in terms of the layout of the new Peace River terminal. I presume it will be similar in its architectural design . . . There are certain minor differences, but there are similarities as well between Grande Prairie, Lethbridge, and Medicine Hat. Grande Prairie is somewhat larger than either Medicine Hat or Lethbridge, but there are certain similarities in the design. Mr. Chairman, on that particular question, would there be any savings in terms of the architectural fees because of the similarity in design between the existing facilities in those three cities and the Peace River project?

MR. KROEGER: Mr. Chairman, I would think that the facility — and I haven't seen the final drawings — would be similar to what we just completed in Lloydminster. The cost factors would also be similar. The terminal building at Grande Prairie is substantially larger than what would be required at Peace River. Of course, even going back to when it was opened in 1979, I think there was something in the order of about \$4 million. So we're not looking at something quite as elaborate as that. I would suggest that the facility would be more like the one we just opened in Lloydminster.

MR. R. SPEAKER: Mr. Chairman, to the hon. minister. I'd like to change the topic — not from the estimate, but just take a different approach. In terms of the terminals, I want to talk about the one in Lethbridge which was transferred from the Heritage Savings Trust Fund and is now a guarantee under the general revenue budget of the province. But specifically on the airport terminal building at Medicine Hat, the people of Medicine Hat certainly appreciate that building and are very hopeful as to what type of communication it brings to the centre of Medicine Hat. One of the concerns I have is in terms of the government policy related to the building of airport terminal buildings. First of all, I'd like to take the case of Medicine Hat, and then look as well at a case for Time Air out of Lethbridge.

The Medicine Hat Chamber of Commerce and the people of Medicine Hat support very much a route from Medicine Hat through Lethbridge into British Columbia. As we both know, in this Legislature a decision of the Alberta transport commission, decision 6542, granted permission to two air lines, Time Air Ltd. and PWA, to fly a new route from southern Alberta to the British Columbia interior to Vancouver.

MR. PAHL: Mr. Chairman, on a point of order. I think we're talking about terminal buildings and not the awarding of air line routes. I'd ask the committee just what the relevance of the point is, and would ask that members stick . . . [interjections] I just think the debate is on the terminals and the cost of those terminals, and not the routes. So I ask that we get back to the point under debate.

MR. APPLEBY: Actually, in the objectives, the first part says "to upgrade air transportation systems".

MR. KING: Just on a point of clarification, I believe the hon. member referred to a decision made by the Alberta transport commission. I think he's referring to the Canadian Transport Commission. [interjections]

MR. R. SPEAKER: Mr. Chairman, I apologize for making that statement. I guess the only reason I did that was in terms of the submission of the Medicine Hat Chamber of Commerce which, by error I guess, had done the same thing. I was referring to its literature when I was making that statement. I'll see that the correction is directed to it as well, that it is the Canadian Transport Commission.

The Medicine Hat Chamber of Commerce is saying that in light of this new terminal facility, in light of the fact that \$1.9 million will be expended from the Heritage Savings Trust Fund — which we are approving at this point and certainly have approved in this Legislature, and support that it has been done — they find it very difficult to understand the reasoning behind that decision. They

raise some questions which I raise with the minister, in terms of Pacific Western Airlines, an organization semi-removed from government that is allowed to compete with a private air line in southern Alberta, Time Air. The Canadian Transport Commission, in a sense, is going to make it just about impossible for Time Air to serve Medicine Hat. Pacific Western has made no commitment to use the new facility on which we have spent \$1.9 million — or invested, if we want to think in terms of the Alberta Heritage Savings Trust Fund. We have invested that money, and all of a sudden we have a situation in this province where we've allowed the public air line, Pacific Western Airlines, to come in as unfair competition and push that small private air line off the market. The terminal in Medicine Hat may be served in a few years. If Time Air goes bankrupt and doesn't exist any longer, air service to Medicine Hat on a scheduled basis will not exist, because PWA certainly would not go in there at that point in time. They have no commitment to it even at the present time. So our \$1.9 million, which has already been spent, would be sitting on the sands of southern Alberta and wouldn't even be a good oasis for very many airplanes.

Mr. Chairman, there are some questions I'd like to raise with the minister in terms of building these kinds of facilities. At the same time the government doesn't take a position to support private air lines or air lines that were started in this province and give them some protection from the big PWA we purchased with taxpayers' money. I raised the issue in the Legislature before. If we're going to go that route, all the opportunities for third-level carriers, in terms of fine use of the airport terminal facilities we're talking about in the 1982-83 budget before us, will be of no value. How will Time Air continue into our northern communities, or how will it ever get into Lloydminster or Brooks, if we destroy it by the introduction of PWA into one of its major routes from Edmonton/Calgary or into British Columbia? I understand from the application before me — and I don't want to go into that — that Time Air was going to service more points in British Columbia and serve Medicine Hat, with the use of our terminal building, and Lethbridge.

To me, the figures we see would bring the government to a position where it would support Time Air. I'd like to quote the actual statistics of the number of passengers travelling on this B.C.-Alberta route from Lethbridge. The statement talks about the decision of the Canadian Transport Commission:

The announcement means there will now be some 550 seats per day to serve approximately 60 passengers per day, a totally ridiculous situation.

In other words, only 60 passengers per day are available. But under this new decision, 550 seats are going to be travelling back and forth between Lethbridge and B.C. It's soon going to become uneconomic for Time Air, and they just go out of the picture. We lose an unbelievable service into Lethbridge, Calgary, and the north, because it's all linked one to the other.

They go on to say:

By driving Time Air out of this market completely P.W.A. will be able to siphon the estimated 14% of Time Air Ltd. traffic Lethbridge — Calgary that is going on to the coast to themselves. Because the Lethbridge — Calgary traffic represents over 50% of total Time Air Ltd. traffic this erosion of this market will seriously affect Time Air Ltd. revenues and thus their ability to serve other markets including their Medicine Hat market.

I'm sure that market at the moment is marginal, needs to be developed over a period of time, and Time Air has done a good job to this point. They're trying to build an air transport system in the future.

I can only make the point again. If we don't keep Time Air in the business . . . We have a beautiful terminal at Brooks. I saw it this past summer, an excellent facility. People are very appreciative of it. But I'm hoping that one of these days Time Air will be given the opportunity to drop into Brooks from Medicine Hat, pick up passengers, and go on to Calgary, or vice-versa. It's right en route; the airport is right on target. I'm hoping as well that the minister, in terms of the use of airport terminals across this province — the concept of allowing non-scheduled flights to be more prevalent in the province would meet a lot of needs. For example, let's take Brooks, right on the Time Air flight between Medicine Hat and Calgary. Why can't representations of the hon. minister be made to the federal government, saying why can't Time Air drop into Brooks on an unscheduled basis? Radio communication is excellent. We could have someone at the new terminal in Brooks who could radio to the airplane, or even phone Medicine Hat and say, today you have one, three, or four pickups. Then they drop in and pick up the passengers. If no one is there, they fly directly into Calgary. I think that could happen. We could have a more non-scheduled market place type of concept. The bureaucratic approach the hon. Member for Edmonton Mill Woods wants in terms of schedule and no flexibility . . . [interjection] That's not the way he said it. He certainly wasn't agreeing to it. If he wants the bureaucratic process, where you have to have everything on paper, scheduled, no flexibility for air lines, then he can stand up and make a speech about it.

Mr. Chairman, when the minister doesn't take some strong stands with regard to the intervention and abuse PWA is allowed in this province in terms of small airlines, specifically Time Air, I think we're at fault. How can we go ahead and just keep building terminals if we don't have an aggressive approach to protect some of the smaller carriers in this province and give them more opportunities to use these facilities? Time Air is going to push out in the market place. They have some \$60 million — maybe that's where it was lost. I never thought of that: a realized loss right there. It's a huge sum of money that came from the general revenue of this province.

MR. BRADLEY: He finally found it.

MR. NOTLEY: The Member for Pincher Creek-Crowsnest has finally confessed where it is.

MR. R. SPEAKER: They were purchased with public money one step removed from this Legislature. We can't even hold them accountable for those funds. They're competing unfairly with the small carrier. I certainly think the government should take some kind of stand to prevent that. The results down the road are very obvious. One of the facts Time Air faces in life is 20 per cent interest. Secondly, competition put unfairly into the market place is going to destroy them. I think the minister has to answer that. We've already approved the money for Medicine Hat, but what about these other areas we're approving in terms of the north, where Time Air was going to be the facility serving those areas? It sure isn't going to be PWA — until business gets good; then they're going to step in.

MR. KOWALSKI: Mr. Chairman, this discussion this morning on airport terminal buildings is very important and rather interesting. I'd like to make some comments of appreciation to the Minister of Transportation with respect to one very important terminal that is nearly complete now in the constituency that I feel very fortunate to represent. That terminal is located at Swan Hills. All hon. members may not really appreciate that despite the fact that Swan Hills is located only 140 miles from Edmonton, in the eyes of many people it is in a rather isolated part of Alberta.

Several years ago, the only real access to Swan Hills was one highway. Now, however, because of a rather progressive program of airport development, that community is connected rather directly to Edmonton and other parts of Alberta. I want to extend my appreciation to the minister for that. I also want to extend my appreciation to him for being in Swan Hills this year to open the new airport terminal.

Thank you.

MR. BRADLEY: Mr. Chairman, I really didn't want to get into this discussion this morning, but the hon. Leader of the Opposition has prompted me to. I was a little disappointed that the point of order raised by the hon. Member for Edmonton Mills Woods wasn't thought to be exactly on the point. I thought this whole question of Time Air and PWA that the Leader of the Opposition raised has nothing to do with airport terminal buildings. I really don't see the relevance to this vote of discussing an application to the Canadian Transport Commission. Anyhow, that wasn't the ruling of the Deputy Chairman, so we're into this discussion.

MR. CHAIRMAN: I would interrupt the hon. member to again say that the first clause in the objective is "to upgrade air transportation systems". That is what the first statement is.

MR. BRADLEY: I still don't see the relevance between the system and the granting of rights to fly between different points in that system. I'd like to point out, though, that the development of these airport terminals has been very important with regard to that transportation system. The hon. member talked about competition between PWA and Time Air. At one point, Time Air flew between Pincher Creek and Calgary. That was a very important route for the people in my constituency, who were serviced by air carrier service from Pincher Creek to Calgary. In order to assist the development of a third-level carrier system and that passenger service between Pincher Creek and Calgary, the province granted to Time Air a fairly good incentive with regard to rental of that airport terminal, to provide them with the opportunity to fly out of Pincher Creek and get themselves on their feet. Unfortunately, they weren't able to continue the service.

When we look at the question of third-level air carrier service and at what PWA and Time Air do, if you look at the definition of a third-level air carrier, being Time Air, is it necessarily so that when you fly interprovincially that in fact is third-level air carrier service? The argument could be made that Time Air, by applying to fly interprovincially, was actually moving into a market place that was PWA's responsibility as a regional carrier. If Time Air wishes to get into the bigger market of regional transportation, rather than third-level air carrier service, they must be willing to face the competition. I think Time Air has done an excellent job as a third-level air carrier

service. It applied for a regional route. Our directions to PWA have always been at arm's length, that the management there makes those decisions. We don't interfere or intervene with the decisions made by the management of PWA.

The hon. leader is suggesting we should intervene. On the one hand, he's suggesting non-intervention, yet he says we should intervene with PWA with regard to its management decisions. When they feel a market area traditionally has been their responsibility interprovincially and someone else makes an application, perhaps they feel threatened the other way. I don't see how PWA is threatening the route from Medicine Hat to Calgary. I don't think that's relevant whatsoever in the discussion with regard to the future of Time Air. In fact, the province has guaranteed Time Air loans to purchase aircraft. We've been very supportive of Time Air.

I come back to my point. I don't see the arguments which have been presented as being at all relevant with regard to the question of air terminals.

DR. BUCK: Mr. Chairman, it's really quite interesting to listen to the hon. Member for Pincher Creek-Crowsnest, because it's very obvious to me that to have terminals you have to have airplanes flying out of those terminals. Why do we build air terminals? That's pretty elementary. Even the hon. Member for Pincher Creek-Crowsnest should be able to understand that, Mr. Chairman.

So the question about what the future . . .

AN HON. MEMBER: Are we going to have a discussion about aircraft now, Walt?

DR. BUCK: Well, we'll get into Dash 7s and some of these other airplanes a little bit later. That's for another day. [interjections] Government subsidy? Well, Lou, maybe you can just have another patio party, buy another air line, and make a bigger operation.

Mr. Chairman, I think it's very, very important when we look at what we require in this province for third-level carriers . . . I'm positive Time Air is not going to be able to operate when it starts losing some of these important areas that will encourage it to become a viable third-level carrier.

We have built a terminal in Grande Prairie. But I defy the Minister of Transportation to try to get back from Grande Prairie after about 7:30 at night. What has happened to CP Air that used to fly that route? What has the government done to try to encourage CP Air to keep that service on? We've got the terminal, but we haven't got any airplanes to bring you back from that area. So we should have a little action from the minister and the minister's department. What are they doing? Are they using any muscle? When they want to use muscle, they certainly use it.

Are we serving the north? Are we serving these people? I will leave for a later date, Mr. Chairman, the little trip the hon. former Leader of the Opposition and I took from Calgary, starting at 7 o'clock in the morning, and 17 hours later we got to Anchorage. What is the Department of Transportation doing about encouraging the extension of service from Alberta to Anchorage, the centre of the action in the oil industry in the Beaufort?

MR. BRADLEY: Should we build a terminal in Anchorage?

DR. BUCK: No, but we'd sure like to have an airplane flying out of Grande Prairie to Anchorage, hon. member. You know, the role of government is to be ahead of things, to be leaders. [interjections] Well, Lou, we could probably buy an Alaskan air line pretty cheaply.

MR. KNAAK: This matter is raised again and was raised yesterday in committee. We're obligated to confine our remarks strictly to the point. The matter of routes and when they're being flown is exclusively a federal jurisdiction, and this House has no jurisdiction whatsoever over air traffic, intraprovincially or interprovincially. It's exclusively a federal jurisdiction, and I don't know why we're talking about it.

MR. CHAIRMAN: The hon. member has raised a reasonable point of order, and I would ask the Member for Clover Bar to perhaps confine his remarks to the vote under consideration.

DR. BUCK: Mr. Chairman, there's a lawyer playing lawyer again.

MR. KNAAK: On a point of order, Mr. Chairman. Just because we have one member who's knowledgeable about what the jurisdiction of this House is, another person doesn't have to get all upset about it because he doesn't know what's going on.

DR. BUCK: Mr. Speaker, I'm not upset. I'm just trying to indicate to the hon. Member for Edmonton Whitemud that the flight that originated in Calgary stopped in Edmonton and stopped in Grande Prairie, where we're spending taxpayers' money out of the Heritage Savings Trust Fund — Mr. Chairman, I hope the member can understand that — which was the third stop in the flight going to Anchorage. Certainly that's outside our jurisdiction, but the airport in Grande Prairie happens to be in our jurisdiction. Even a lawyer can understand that, Mr. Chairman. Even a layman can understand that, and even the taxpayer can understand that. So when we're talking about air transportation and terminals, surely the hon. Member for Edmonton Whitemud can understand that. We're talking about an entire transportation system using taxpayers' money, building facilities in Grande Prairie and throughout the province. That's relevant to any argument when you're talking about transportation systems.

Mr. Chairman, do you want me to adjourn now, or would you like me to continue another day? [interjections] Well, fine, get up and extend the clock. I'm ready.

MR. CHAIRMAN: I point out to the hon. member that it is not yet 1 o'clock.

DR. BUCK: It's not 1 o'clock? I have lots of time. I've ordered my Christmas cake. I can have Christmas here, Mr. Chairman.

AN HON. MEMBER: Are you going to be Santa Claus?

DR. BUCK: Mr. Chairman, if the minister will move off the Grande Prairie terminal for a second — we can get back to that later — I'd like to know if the Minister of Transportation can indicate what future the minister sees for the northeastern part of the province, using these airport facilities, the facilities in Lloydminster, facilities they're looking at in Cold Lake, and how that's going to

tie in with the possibility of Time Air serving those areas — if we ever get the Executive Council's act together that they go ahead and do something about the proposed tar sands and oil sands plant in Cold Lake.

MR. KROEGER: Mr. Chairman, I think I should comment on some of the things that have been said. It may be relevant to illustrate the point that while we in Transportation design and build a highway system, we do not try to tell trucks that they ought to run there because someone wants something hauled. Now we supply facilities such as airports and terminal buildings, but we can't dictate to Time Air what they're going to do next.

I don't know that I should spend any time talking about PWA, but I can assure the House that we really do run an arm's length operation there, that Time Air and PWA are in competition in certain areas. The routes are approved and assigned by the CTC, which is a federal jurisdiction. We don't interfere with that. The bids that Time Air or PWA make are out of our hands. The only communication I have with PWA is through the chairman of the board. They have not asked me if they should be allowed to buy four or six 767s. That's a management decision, and we leave it at that. We certainly do not interfere. While we are in the business of providing facilities such as airports and terminal buildings, we do not try to dictate who should use them or how they should use them simply because that is an option for the operators. They make the application if they want. They provide the service if it's feasible, and beyond that, we really don't enter into the process.

DR. BUCK: Mr. Chairman, is the Minister of Transportation trying to tell this committee that he doesn't know where third-level carriers could be putting air lines into place? Is the minister standing in his place and trying to tell this committee that he just happens to pick a town and says, I'm going to build an airport terminal? If that's what he's trying to tell us, I can't believe it, Mr. Chairman.

So first of all, I'd like the minister to clarify: does he not build airport terminals where he thinks third-level carriers are going to be used?

MR. KING: Mr. Chairman, I move that 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. KING: Mr. Speaker, before moving the adjournment of the House, I would like to advise members that on Monday afternoon it is proposed that the House meet in Committee of Supply, where we will continue consideration of the estimates of the Department of Transportation, followed by the estimates of the Department of Hospitals and Medical Care. At the moment, I'm unable

to advise what the activity of the House will be on Monday evening.

DR. BUCK: Mr. Speaker, just before you call the question, I believe the Acting Government House Leader said that he's not sure what the business will be Monday evening. By his saying that, I presume there will be business Monday evening.

MR. KING: No, Mr. Speaker. I'm sorry, I'm not able to advise whether or not the government would propose to sit on Monday evening.

[At 1 p.m., pursuant to Standing Order 5, the House adjourned to Monday at 2:30 p.m.]

