

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: Thursday, December 10, 1981 2:30 p.m.

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

**PRAYERS**

[Mr. Speaker in the Chair]

**head: TABLING RETURNS AND REPORTS**

MR. SINDLINGER: Mr. Speaker, I wish to table two documents in the Assembly today. One is a letter from the office of the Auditor General to me, in response to a letter I tabled the other day asking for an elaboration of the terms of reference in a letter from the Premier to the Auditor General. The second is a memorandum to file from me, in regard to a meeting with the Auditor General yesterday.

MR. SPEAKER: I have to express some concern about the possible extent of tablings and filings. If we're going to start tabling or filing things like memos to file and so on, it's going to pose a problem for the Clerk to store all these things.

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. R. SPEAKER: Mr. Speaker, I would like to introduce a very special guest. I guess because of the length of the session, this special guest should have some recognition. It's his 34th anniversary celebration today. I'd like the hon. Member for Calgary McCall to stand and receive that recognition.

MR. LITTLE: Mr. Speaker, it's also my wife's anniversary. [laughter]

**head: MINISTERIAL STATEMENTS****Department of Labour**

MR. YOUNG: Mr. Speaker, 34 years ago today on December 10, 1948 ... [laughter] Maybe I should start again.

Mr. Speaker, 33 years ago today, on December 10, 1948, the General Assembly of the United Nations adopted the Universal Declaration of Human Rights. It was a momentous occasion, because for the first time ever, nations of the world spoke with one voice to proclaim fundamental principles of human rights.

In part, the declaration reads:

All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

The Universal Declaration of Human Rights is more than just a proclamation of rights and principles; it is a noble statement which deserves our deepest commitment. Its endorsement in 1948 by 48 nations, including Canada, represented a glorious achievement for mankind. It serves

not only as an inspirational tribute to the human spirit but as a reminder of the importance of the United Nations.

The rights embodied in the declaration have been set forth in two covenants: the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social, and Cultural Rights. Both covenants were adopted by the United Nations General Assembly on December 16, 1966. Canada is a signator to both covenants.

Here in our province of Alberta, The Alberta Bill of Rights and The Individual's Rights Protection Act give expression to the principles embodied in the Universal Declaration of Human Rights and the two covenants which flow from it. Throughout the province, our citizens can feel secure knowing that The Alberta Bill of Rights and The Individual's Rights Protection Act protect them and their fellow citizens against discrimination because of race, religious beliefs, color, sex, physical characteristics, age, ancestry, or place of origin. As legislators in this Assembly, we can be proud of this legislation.

To commemorate the adoption of the Universal Declaration of Human Rights, the United Nations invites all nations to celebrate Human Rights Day on December 10 each year. With this in mind, the government reaffirms its support for human rights and encourages all Albertans to reflect on the meaning and significance of human rights today, December 10.

In conclusion, Mr. Speaker, for those who are curious as to the significance of the button on their desk, that is the human rights logo adopted by the Alberta Human Rights Commission this past month.

MR. R. SPEAKER: Mr. Speaker, I certainly commend the minister for introducing those statements into the Legislature. I'm sure all members support the thoughts whole-heartedly.

I can only add that in the recognition of the rights and principles of people in the province of Alberta and all over the world, we must also recognize that all people have a various amount of potential and abilities to offer in whatever part of life they participate. As legislators and people within our communities, I think we have to have a little time for everyone else and a little time to consider these potentials and abilities, so we can provide for others the opportunity to develop that potential and to contribute not only to the social life of Alberta but to the economic life and to other phases of life. So I congratulate the minister for introducing this and showing this Legislature's support for this good and healthy concept.

**head: ORAL QUESTION PERIOD****Federal Budget**

MR. R. SPEAKER: Mr. Speaker, my question to the Provincial Treasurer is with regard to a request to the federal government that open public hearings be held on the federal budget. I wonder if the Provincial Treasurer could indicate the government's position with regard to this matter. Will the government, through letter or other types of communication, indicate its support for the some 23 business organizations across Canada that are trying to draw to the attention of the federal government the inadequacies of that terrible budget they brought down?

MR. HYNDMAN: Mr. Speaker, as I've indicated in the past, we recently made representations at a meeting of finance ministers in Halifax, when the concerns of small business men, farmers, investors, and risk takers in Alberta were put forward. We think the better approach would be in just a few days, this coming Monday and Tuesday, at a subsequent meeting of finance ministers in Toronto, to have this government use that occasion to make further representations with respect to the negative impact of the federal budget on various aspects of Alberta economic life. That would be the preferred approach, at which we will again make those representations.

MR. R. SPEAKER: Mr. Speaker, to the Provincial Treasurer. Then at this point in time, the government has not made a decision to support open hearings being requested at present, and the avenue through which the people of Alberta will communicate with the federal government is through the Provincial Treasurer in his presentations next week. Is that accurate?

MR. HYNDMAN: The answer to the first suggestion is no, we're not going to be supporting that approach of public hearings. Individual Albertans, companies, and those who are concerned about the budget should continue to make the strongest possible representations through not only the Provincial Treasurer but Members of Parliament in the province of Alberta.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. I know the time between now and Monday and Tuesday is very short, but even following that Monday and Tuesday meeting, will the Provincial Treasurer or the government of Alberta provide some type of open forum to which people of Alberta could make submissions about their individual cases? I'm not saying that the minister himself should meet all these. Possibly this kind of thing, even including representations that may occur in this Legislature, could happen through various avenues of the government administration. Has the minister considered any type of open forum to deal with individual problems and hear individual concerns of Albertans, to support the noble cause the minister will herald in Ottawa next week?

MR. HYNDMAN: Well, Mr. Speaker, I'm somewhat puzzled by the request, in the sense that we are dealing with a federal budget. It would certainly be most appropriate that the Members of Parliament who represent this province in Parliament in Ottawa be approached first by the hon. member and those others interested, from the point of view of considering whether or not some co-ordinated approach is desirable. At the moment, I expect most Members of Parliament would be anxious to hear today, because they will of course be debating and voting on the federal budget in Parliament. In addition to any approaches or representations we would make, a direct approach to the 21 Members of Parliament who represent this province in Parliament in Ottawa would be the most direct approach.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer, with regard to the minister's presentation on Monday and Tuesday. In that presentation, will the minister be requesting that the government curtail some of the capital gains policy presently in the budget? Will he support that annuity averaging should continue across Canada for various purposes, and

that people of Alberta and Canada should be allowed to keep more of their income for investment purposes? Would those be three items on the Provincial Treasurer's agenda? Will a formal presentation be made with regard to those matters?

MR. HYNDMAN: It would not be a formal presentation, Mr. Speaker, but those are among the items which would be brought forward. Right from the night the budget was brought down, we've indicated the very significant negative impact on risk takers — those who were properly using tax incentives in this country to help build the west and build Alberta — and that the steps that were announced and taken are working a very real hardship in that area. So those areas, plus the concerns with respect to those in agriculture and small business and the detrimental effect essentially on investment, small growing businesses, and savings in Canada: all those will be areas where representations will be made by the government.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier, with regard to the remarks he made at his constituency meeting last week. He indicated that there should be a public debate on the federal budget. I wonder if the Premier could expand on the meaning of "public debate", whether that means the Premier has federal aspirations or whether the public debate should be between the Alberta MPs, as has been suggested by the Provincial Treasurer? Or is the Premier alluding to some other formal mechanism in those remarks?

MR. LOUGHEED: Mr. Speaker, I wasn't alluding to anything more than what one would anticipate in the country today: that the Members of Parliament from the province of Alberta should certainly hear from their constituents, and the constituents should offer opportunities for the Members of Parliament to make their views known in dialogue with our citizens throughout the province. I was encouraging that sort of dialogue between the citizens and the Members of Parliament. I have discussed this matter with most of the Alberta Members of Parliament and, of course, they are very supportive of that view and approach.

#### Teacher/Pupil Ratio

MRS. EMBURY: Mr. Speaker, my first question is directed to the Minister of Education. Could the minister advise the Assembly of the policy of the Department of Education regarding the optimum teacher/pupil ratio in Alberta elementary schools?

MR. KING: Mr. Speaker, the provincial Department of Education does not have a policy regarding what might be considered optimum classroom size, because to establish such a policy at the provincial level would require an attempt to establish a policy that would be suitable in all circumstances in the province. We don't think that would be wise. We prefer to have classroom size established by the local jurisdiction.

MRS. EMBURY: A supplementary question, Mr. Speaker. Has the minister considered a pilot project study to ascertain optimum teacher/pupil ratios and the effect of stress or burnout on teachers?

MR. KING: Mr. Speaker, we have the question of stress under consideration, obviously, and are not quite sure

how to proceed. We are mindful of the fact that the Alberta Teachers' Association, at its annual representative assembly this spring, turned down the money that would have been required for them to do research into the area. We are not sure of the priority of such research on the part of the Department of Education, if it lacks priority in the Alberta Teachers' Association.

With respect to research into optimum classroom size, considerable research has been done. As the Kratzmann report indicated, it's contradictory and inconsistent. The one thing that does appear to stand out is that classroom size makes no appreciable difference to learning until you reach the point where there are fewer than 15 pupils in the classroom.

MRS. EMBURY: A final supplementary, Mr. Speaker. Regarding the teacher/pupil ratio in our bilingual programs in Alberta, is the elementary classroom influenced by the federal government funding of these programs?

MR. KING: No, Mr. Speaker, it should not be. The money which provinces receive from the federal government is based upon calculations of extra cost associated with bilingual or immersion programs. The assumption is that the federal government contribution, which in this province is passed on entirely to the local school board, should be sufficient to cover the additional costs and to allow such considerations as pupil/teacher ratio to be exactly the same in bilingual or immersion programs as in other programs.

MR. SINDLINGER: A supplementary please, Mr. Speaker. Could the minister advise what action the government has undertaken or is prepared to undertake in regard to the Kratzmann Commission report, wherein it was recommended that the maximum — not the optimum, I believe — teacher/pupil ratio be 20:20?

MR. KING: Mr. Speaker, the hon. gentleman is not referring to the Kratzmann report as a whole but to the first recommendation of the Kratzmann report. I believe that my position on the first recommendation is quite clear and has been stated on more than one occasion. The government of the province has no intention of dealing directly with the first recommendation at this time.

#### **Extra Billing by Doctors**

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Hospitals and Medical Care. Could the minister inform the House how many complaints the government-appointed panel set up last winter has received to date with regard to extra billing by doctors?

MR. RUSSELL: Mr. Speaker, I may have that data with me. The number is approximately 60.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Could the minister indicate what percentage was in favor of the patients?

MR. RUSSELL: Roughly half of those were decided in favor of the patient.

MR. MANDEVILLE: One further supplementary question, Mr. Speaker. Have the doctors had any instructions or directions to make patients aware that this panel has been set up to deal with these issues?

MR. RUSSELL: Mr. Speaker, I'm sorry. Have the doctors been made aware that this panel is in existence? Is that the question? Yes, they are aware of the legislation.

MR. MANDEVILLE: One further supplementary question, Mr. Speaker. Could the minister indicate a ballpark figure on what the cost to patients has been as a result of extra billing? Has it been increasing over a period of time?

MR. RUSSELL: Mr. Speaker, since it became such a high-profile issue, extra billing has held approximately steady for all months this year. The last report I had, indicated that approximately 34 per cent of doctors are extra billing, that the amount extra billed is less than 4 per cent of the payments made on a gross basis, and that something in the neighborhood of 6 per cent of procedures carried out each month have been subject to extra billing.

#### **Decentralization of Social Services**

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Social Services and Community Health. It's with respect to the decentralization program and flows from observations made in the November 3 issue of *Forward*. As I look over this document, I see that the regional directors are going to be asked to spend three days a week with the decentralization task force and the other two days a week meeting with regional staff. Under the terms of this very extensive program of review and assessment of decentralization and education decentralization, who is going to be in charge of the department?

MR. BOGLE: Mr. Speaker, clearly we are moving in a dramatic way in terms of decentralization of decision-making. The 43 district offices are operating now as they did two years ago, 10 years ago, or 20 years ago. The process of implementing regional directors who will co-ordinate the activities within a geographic region of the province will be fully implemented early in 1982.

It was felt that there should be a period, from the time of the appointment of the various directors until early in 1982, when all would spend a certain amount of time with the programming personnel in Edmonton and a certain amount of time in the various regions. That process is well under way at this time, Mr. Speaker. In the discussions I have had with the regional directors and the associate deputy minister to whom they report, I'm pleased to report that the process is certainly working as we anticipated and is on track in terms of the time line.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. At this stage, do the regional directors have any administrative responsibilities or authority, in view of the fact that they are going to be spending most of their time on the training program? Will the actual administration of the department be undertaken through the district offices, or do these regional directors have any authority or administrative function at this time?

MR. BOGLE: Very clearly, Mr. Speaker, I thought I answered that same thrust in my earlier response, by saying that the district offices operate today, December 10, the same as they did on December 10 a year ago. The change that will take place very early in 1982 will see the reporting by the district administrators through their re-

gional managers, then to the regional directors. That's when the change will occur. Currently, as I've indicated, the familiarization process is under way, and the time line which was struck some six months ago is being followed.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to identify clearly to the Assembly what that specific time line is? Again, I refer the minister to his comments on page 5 of the memo, Mr. Speaker, in which the functions which will be decentralized will be identified by February 1. My question to the minister is: after the functions have been identified, what is the date the whole process will be formally in operation within the department?

MR. BOGLE: Very clearly, Mr. Speaker, a department the size and magnitude of Social Services and Community Health will not see any particular date and all functions transferred immediately at that time. For instance, we have moved in some ways on the decentralization process at this time. There is now an executive director responsible for institutions. Therefore, the major institutions for which the department is responsible — Alberta Hospital Edmonton, Alberta Hospital Ponoka, Michener Centre, the Eric Cormack Centre in Edmonton, Baker Centre in Calgary, Claresholm care centre, Raymond care centre, and Rosehaven in Camrose — have now seen their reporting lines change so there is an executive director through whom those institutions report.

But the decentralization of the decision-making process alluded to by the hon. Member for Spirit River-Fairview will take place early in 1982, as I indicated. Matters are currently being addressed by the task force, which is made up of senior- and middle-management personnel within the department, working with the regional directors as well as the program officials within the department and the deputy ministers of the three divisions of the department, to ensure that we have addressed as much as is humanly possible the issues which need to be addressed, to ensure that those items which clearly should be decentralized are, in terms of program delivery.

There are other areas which very clearly should remain part of the two programming and planning divisions of the department. In essence, they are the black and white issues. There are also a number of gray issues, items about which there is still some discussion as to whether they should be transferred to the delivery division of the department or remain with the programming division. I'm satisfied that the process that has been identified is following the time lines originally set.

MR. NOTLEY: Mr. Speaker, a supplementary question. Setting aside the gray issues for a moment, can the minister give the Assembly some indication as to the magnitude of the personnel changes that will occur; that is, the shifting of location to the decentralized communities as a result, and the time frame the government is looking at for people actually moving from Edmonton, Calgary, or wherever it may be, to the regional centres?

MR. BOGLE: That's a very fair question, Mr. Speaker, and one which I have personally addressed with members of the department. We envisage the regional offices having a staff component of about 14. The regional managers of the three divisions of the department are all now in the field and in the six regions in the province. Their support staff will be transferred to the new regional office.

Very clearly, Mr. Speaker, we have ensured that . . . As

an example, let me use St. Paul, where currently we have a regional manager for social services. The new regional centre for that part of the province, the northeastern region, will be in Lac La Biche. We have given assurances to regional managers who are now in communities other than the communities which have been designated that we will not require those individuals to move their families, and that once the position becomes vacant through attrition it will be readvertised in Lac La Biche.

So there's going to be a period of time when we see the new offices established. Very few positions will be transferred from the central office in Edmonton to the six regions. Most of the positions are transfers from within those regions. In addition, I believe a total of 18 new positions were created: the six positions for the regional directors, six positions for immediate support staff to those regional directors, and six other positions working in an information system capacity within those regions.

MR. NOTLEY: Mr. Speaker, a supplementary question. The issue of *Forward* deals with the Sage report, that outlined what is described as a failure tree, which includes 1,300 potential failure events within the department. Are any of these failure events specifically related to the process of decentralization?

MR. BOGLE: Most definitely, Mr. Speaker. I answered questions in this Assembly while my estimates were before committee this spring. At that time, I indicated that a contract had been signed with Sage Institute of Canada. The purpose of the contract was to develop what is commonly referred to as a failure avoidance tree. That's done by interviewing members of the department and individuals from the community at large who have a close working relationship with the department.

Mr. Speaker, I believe that in excess of 350 members of the department were interviewed, ranging from secretaries to field staff positions to administrators in the districts, as well as individuals from the regional managers' offices and the central office here in Edmonton. An additional approximately 150 people were interviewed, ranging from the Health Unit Association personnel to a variety of organizations that have a close working relationship with the department.

The purpose was to look at all the possible things that might go wrong in decentralizing, so we could again identify in advance areas that should be given special consideration. I made a commitment while meeting with about 160 senior members of the department on April 3, the day after the Speech from the Throne was delivered in this Assembly. As all members will recall, reference was made in that speech to decentralization of decision-making within the department. I made a commitment on April 3 that once the failure tree was finalized, the information would be shared with the same number of people within the department. That process is moving along very well, and we anticipate being in a position to do that sometime early in 1982.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Is it correct that one of the interviewers for the Sage Institute was Mr. Gordon Thomas, a former assistant to the minister?

MR. BOGLE: No, Mr. Speaker, it is not.

### Health Care Insurance - Doctors' Fees

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Hospitals and Medical Care is with regard to the negotiations with the doctors, which I understand will resume tomorrow. Earlier, the minister made a statement in this Assembly that the government had made a final offer. Could the minister indicate at this time, I'm sure not in detail, if the negotiations resumed because the government has proposed another offer, or has the Alberta Medical Association come back with a revised offer on their behalf?

MR. RUSSELL: Mr. Speaker, the offer put to the negotiating team of the AMA last week was conditional, in that it was a final offer to be put to the vote of the total membership. The board of directors of the AMA took a vote among themselves and decided not to do that. They would not put it to their membership. On that basis, we've ask them to resume negotiations again, and another meeting will be held tomorrow afternoon.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. That means that no new offers have been made by either side. It's a matter of negotiating and discussion that is going on at this point in time.

MR. RUSSELL: Yes.

MR. R. SPEAKER: I have another question, Mr. Speaker, a different one.

MR. SPEAKER: A number of hon. ministers wish to supplement information previously given. If we can deal with them now, it will give hon. members who may have supplementary questions arising from that information a chance to ask them before we run out of time.

### Hospitality Grants

MR. McCRAE: Mr. Speaker, last Tuesday the Member for Calgary Buffalo asked questions about the hospitality grant program of government, specifically with reference to the Propane Gas Association of Canada. It was the hon. member's understanding that that association was not a non-profit organization. I simply wanted to assure him that it is and is registered under the federal corporations statute.

I think there probably is some confusion as to whether the organizations themselves or the members should be non-profit. It would be my sincere hope that the non-profitability of the member organizations would not be a requirement, and it certainly isn't. Perhaps I could liken it to the several beef producers — the short horn group, the Limousin group, and perhaps other beef producer groups — that might well qualify for a hospitality grant as a group, although we would hope they themselves would not be non-profit. They may well be at this time in history, but we certainly hope that would be a passing thing.

MR. R. SPEAKER: Just for the information of the member from Calgary, the beef producers are non-profit at the present time.

MR. McCRAE: I assumed they probably were, and that was the reason for the \$138 million supplement to their income a couple of weeks back.

Mr. Speaker, the Member for Spirit River-Fairview asked particulars of the convention supported by the government. In that regard, they got about \$7,700 for about 750 people. The ceiling per plate is \$14. We don't always give the per plate ceiling. The maximum for any one organizational convention dinner grant is \$8,000. The convention was held in Jasper.

Could I just comment generally, Mr. Speaker, that the hospitality grant program is a very successful one here in Alberta. It does expose Albertans to . . .

MR. SPEAKER: I would have difficulty finding the irrefutable necessity of adding that to the answer.

MR. McCRAE: Thank you very much, Mr. Speaker. That may come out in supplementaries.

### University Libraries

MR. HORSMAN: Mr. Speaker, on December 8, the hon. Member for Spirit River-Fairview asked a question, which my colleague the Minister of Education took as notice, with respect to university libraries. Those matters were dealt with in part in my comments in Committee of Supply, on November 18 in *Hansard*, with respect to the allocations under the Alberta Heritage Savings Trust Fund capital projects division.

I do want to repeat that the Alberta Heritage Savings Trust Fund library development grant was a three-year program to enhance library collections at all board-governed postsecondary institutions. It was offered on the clear understanding that the program would be terminated after the third year of its operation. One of the conditions of the grant was that the institutions continue to maintain their internal library allocations and inflate them by the percentage increase awarded to all other sectors within the institutions.

Institutions that now complain of being surprised or disturbed, surprise and disturb me, Mr. Speaker. All institutions have been advised repeatedly that the heritage grants were a special program to enhance library acquisitions, and that they would not be continued after the three-year period. If in fact they have not continued to enhance library acquisitions on a regular basis within the global grants to the institutions, the terms of the original grant under the Alberta Heritage Savings Trust Fund have not been met, although we have been assured throughout that that in fact was being done.

### Treasury Branch Mortgage Loans

MR. HYNDMAN: Mr. Speaker, a few days ago the Member for Spirit River-Fairview asked questions with respect to Treasury Branch involvement in mortgages, and with respect to public service pension plans.

With regard to the Treasury Branch questions, he first asked whether in the past five years treasury branches had maintained their percentage in the market place in the residential mortgage area. The answer is yes, and more. Treasury branches first introduced the residential mortgage loan program in 1975. It was initially designed to assist rural Alberta particularly, and subsequently has been expanded province-wide. In 1976, the mortgage loan portfolio was about \$14 million. It is now approximately \$432 million, a 30-fold increase. That represents about 20 per cent of the \$2 billion total financial activity of the heritage fund. In 1976, treasury branches had about 13 per cent of the total mortgages in the province of Alberta

in the residential mortgage area. That figure is now up to 16 per cent, so the activity has increased.

The second question of the hon. member related to the different limits treasury branches have in rural areas and in major urban centres. That is true. As I indicated previously, the basic reason is access to many more financial services and choices of a variety of financial services and programs in the two major metropolitan areas than in the rural areas. That is why, of the 117 treasury branches in the province, 12 are in Edmonton and 8 in Calgary. For example, Calgary has 8 treasury branches, as I mentioned, and just one of the chartered banks has 50 branches. In Rimbey, there is one Treasury Branch and one chartered bank. So the reason is to provide a larger option of choice for rural residents. In many ways, that has been the objective of treasury branches since their initiation.

The third question related to the issue of different limits which treasury branches have, rather than banks. Of course, the banks have a national program covering all provinces. Treasury Branch programs are tailored to the Alberta situation. The Treasury Branch limits are different. The reason for that is that they maintain a proper balance between the fixed and variable rate programs. Of course, they have been growing steadily. With respect to the limits, we have to remember that the choice of the treasury branches has to be whether there are fewer mortgages at higher ceilings or more mortgages at more modest ceilings. That is one basic reason for the ceilings which are made available.

#### Public Service Pension Plans

MR. HYNDMAN: On the question of the public service pensions, the issue raised was with respect to the 4 per cent in the statute. As was indicated in previous years, when the Bills were brought in, there are two interests to be weighed here. If you have a low rate — and the hon. member appropriately mentioned 4 per cent — that of course, as he indicated, is a disadvantage to the short-term public sector employee, the public service employee who is there for less than five years. He or she could argue that in leaving after year three, the contributions he or she has made, plus interest at 4 per cent, is not at the market. On the other hand, we have to remember that a higher rate of interest works to the disadvantage of longer term government employees; those who stay in the public service over five years. When they wish to buy back their prior service, as they are continuously doing, they would have to pay significantly more if the interest rate were raised above 4 per cent. That interest rate is compounded annually. Also, we have to remember that if there are higher interest rates to be paid with respect to these aspects of The Public Service Pension Act, the dollars would have to be taken from pension fund earnings. Therefore, that possibly would reduce benefits to those who are entitled to them or require increased employee contributions down the road.

On balance, therefore, I think it's felt as a matter of public policy that an edge should be maintained in respect of the equities for public sector employees who are in the service longer than five years, rather than those who are in for less than five years.

#### Extra Billing by Doctors (continued)

MR. RUSSELL: Mr. Speaker, I have the explicit infor-

mation requested of me by the Member for Bow Valley earlier today, with respect to complaints dealing with extra billing. To date, 55 cases have been heard, of a total of 84 received. So 31 cases are pending. Until their last meeting, which was October 19, they had cleared 43 cases. Of those, 21 bills were cancelled or refunded, 7 were found to be justified, further information was requested for 2, and in 13 cases the doctor refunded or cancelled the bill before the committee dealt with it.

#### Computer Technology in Schools

MR. KING: Mr. Speaker, on December 8, the hon. Leader of the Opposition asked me certain questions respecting the purchase of microcomputers by the Department of Education. First of all, I would like to advise that the contract price contained in our contract with Bell & Howell is for an amount less than that contained in a proposal made to us by Apple Canada Ltd. With respect to recent advertisements, I'll use as an example one which appeared in the *Edmonton Journal*, November 28, 1981, which advertised a price of \$2,999 for a system. If you subtract from that advertised price on the one hand, and from the Bell & Howell bid price on the other hand, the features of the two systems that are not common to both, you derive from the retail advertisement a \$2,475.35 price for a 48k CPU supported by one disk drive with controller. That's as advertised in the *Edmonton Journal*. On the basis of the same computation, the Bell & Howell price is \$1,829.74, a saving of \$642 or just over 25 per cent.

Certain other communications are afloat in the computer industry, or at least to people interested in computers within the province. It is important to note that most of the comparisons being made are not for identical systems. The major points of difference are with respect to the monitors, printers, extended warranty, clock calendar card, and the integer basic card. I could provide more information to the hon. gentleman, if he would like.

I was asked about purchases of other computers, particularly by the province of British Columbia and the state of Minnesota. I can only repeat what I said on December 8; that is, while both jurisdictions are now purchasing other lines of computers on an experimental basis, none has rejected or is giving up what is described as "Apple technology". With respect to the PASS system, the lease opportunity is open to us after March 31, 1983. Should we choose to do that, it would not necessarily be the case that we would lease after March 31, 1983.

The scholarships, which actually take the form of computer systems, are available to us now from Bell & Howell. We have not yet determined the criteria within the department upon which those scholarships would be awarded. The contract provides that we may do that.

#### ORDERS OF THE DAY

##### head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

220. Moved by Mr. Notley:

Be it resolved that the Assembly refer the document "Alberta NDP Public Hearings into the Alberta Heritage Savings Trust Fund: Briefs and Recommendations", tabled in this Assembly on October 23, 1981, to the select standing committee on the Heritage Savings Trust Fund Act with specific instructions that that select standing

committee give due consideration to the recommendations contained in that document.

MR. NOTLEY: Mr. Speaker, I might point out that the reason this motion is being moved today is as a result of a number of recommendations compiled as a consequence of public hearings throughout the province of Alberta that I conducted as a member of this Assembly, assisted by four of my colleagues in the party I represent.

MR. SPEAKER: I wonder if we could have relative silence in the Chamber.

MR. NOTLEY: Mr. Speaker, I'm sure all members want to hear my observations on this matter today, and no doubt are looking forward to hearing them.

The special select committee on the Heritage Savings Trust Fund felt that the many recommendations contained in this particular document should only be considered if I as a member were prepared to sponsor each and every one. Naturally, when one holds public hearings, you get certain proposals that you agree with, certain proposals you don't; some proposals that related directly to the Heritage Savings Trust Fund, some good ideas that I didn't think fit the parameters of the fund. The only option open at that time would be to take the matter to the Assembly as a whole. That of course is why we have before us this specific motion.

Mr. Speaker, we do have the problem of the recommendations already being tabled by the committee. But I've always felt that one role the select committee on the Heritage Savings Trust Fund should fulfil is not just the narrow assessment in the fall, but that when there is reason to hold meetings at other times of the year, we should in fact be able to do so.

As a matter of interest, I might just point out to the members of the Assembly that in the fall of 1978 a resolution was passed by the special select committee on the Heritage Savings Trust Fund that public hearings be held on the grain handling system. The idea was that that would occur during the winter of 1979. But we all recall an event that took place on March 14, 1979, that disrupted the time frame, if you like, of that rather excellent committee proposal which was agreed to by both government and opposition members of the committee. So we never did proceed with it, notwithstanding the fact that it was one of the formal motions, duly moved, seconded, and carried by the committee.

The proposal before the Assembly today is that the committee evaluate recommendations which have come from quite a number of Albertans at public hearings in different communities. In order to advance the case for acceptance of this motion, I want to take just one example of a proposal from each hearing. Perhaps I might begin with the public hearing in the city of Lethbridge. The first proposal was from the Lethbridge Native Friendship Society. By the way, in case hon. members have overlooked the fact, this documentation was tabled in the House and has been presented to all members of the Assembly. If they don't have them handy, I'm sure they would have them in their offices.

In any event, the first proposal from the Lethbridge Native Friendship Society was that:

The particular needs of Alberta's native friendship societies be addressed by the Heritage Savings Trust Fund through a program of capital funding for friendship society facilities.

The suggestion was not made that operating costs of

friendship centres should be borne by the heritage trust fund. That really wouldn't fit the criteria of the fund that we have established by legislation, at least to date. But certainly whether or not funds should be made available for the capital requirements of friendship facilities would appropriately come under the capital works division of the Heritage Savings Trust Fund.

The argument was presented to me, and I think rather persuasively, that there are some real problems in finding adequate facilities for friendship centres. I think most members of the House would applaud the concept of friendship centres, but the people from the Lethbridge society strongly argued that a program of funding from the trust fund would allow the societies to build adequate centres.

I've been in a number of friendship centres — I suppose most of them — in this province. While one can be extremely impressed with the services provided at friendship centres, many of them are in buildings that frankly are the only available accommodation the society could find. I would argue that this particular recommendation has some considerable merit, and it would be well for the Legislature to consider it.

The next hearing was in the city of Calgary. A number of groups — I might say groups representing hundreds of thousands of Albertans, all the way from the Alberta Federation of Labour, to the Canadian Union of Public Employees, to the Alberta Union of Provincial Employees, North Peace Unifarm, National Farmers Union, the Federation of Alberta Students, the Federation of Metis Settlements: quite a substantial array of groups. Two very important groups, the Metis Association of Alberta and the Indian Association of Alberta, made excellent presentations, and I want to go into both of those in a little more detail in a moment. But in Calgary, the Alberta region of the Canadian Union of Public Employees made a proposal that I have no doubt the members of the government might find a bit difficult to accept, but it's broadly supported by many; that is, that privately owned nursing homes in this province should be acquired and operated publicly. Their suggestion was that that might be one way heritage trust fund money could be used.

As members are well aware, Mr. Speaker, I frankly support the idea of public ownership of privately owned nursing homes. However, I'm not sure we need to do that through the heritage trust fund. I think that's the kind of commitment we should make to the quality of health care, and it should properly be financed from the estimates of the Department of Hospitals and Medical Care. Nevertheless, CUPE advanced a suggestion that one possible way the heritage trust fund could be invested would be through acquiring privately owned nursing homes and bringing up their standards to equal the standards in the public and non-profit nursing homes in the province.

Mr. Speaker, in the city of Red Deer we had a number of submissions — the Red Deer Renters' Association and a number of individuals — but one I thought was quite interesting was from the United Nurses of Alberta. The United Nurses argued that one of the problems with the capital investment in hospitals — and I might just say that I raised this during the Heritage Savings Trust Fund estimates of the Minister of Hospitals and Medical Care this fall — was that when you are spending a lot of money on capital investment in hospitals, let's make that extra investment to ensure adequate day care facilities in the hospitals. If you want to continue attracting nurses, certainly you have to have adequate day care. Nursing is shift work, and it just isn't possible to carry on nursing in

the absence of a workable day care program.

Their argument, and I confess strong support for it, was that we should take a look at the capital investments of the Department of Hospitals and Medical Care and ensure that day care facilities be part of hospital construction. When I look at some of the hospitals in this province and see some of the luxuries that I don't really think are necessary, I would argue that day care facilities for the nurses working in the building would probably be much better supported by the public.

While the United Nurses has my full support in this concept, I'm not convinced it needs to be funded from the Heritage Savings Trust Fund. Recognizing the shortage of nurses and the need to attract married women back into the work force, it would frankly be my submission and would just be common sense that when we plan a hospital in this day and age, our Department of Hospitals and Medical Care would incorporate day care facilities in this billion dollar plus capital construction program.

I think the point that needs underlining, Mr. Speaker, and which was brought rather strongly to my attention by the UNA, who came out to several of the hearings, is that while that makes a good deal of sense in theory, it isn't being done in practice. When many hospitals are planned, the first thing that gets cut when the budget begins to rise is the day care facility. That's going to hurt us in the long run, because some of the people who should be actively engaged in the nursing profession aren't going to do that if they don't have adequate day care facilities.

Mr. Speaker, in Cold Lake-Grand Centre, we had several submissions that were quite interesting. One was from the Mayor Kowal of Grand Centre, who argued that while the Alberta Opportunity Company exists, the fact of the matter is — and I'll just quote from the report:

As for the Alberta Opportunity Company, Mayor Kowal argued that not only was there not enough money made available through AOC but that the present red tape involved in obtaining financial support from that institution was sufficient to discourage those small businessmen who did not want to be told how to run their businesses.

Another recommendation we received in Cold Lake was from Mr. Dennis Heney, on behalf of the Lakeland Industrial Development Council. Along with our Deputy Minister of Transportation, Mr. McFarlane, Mr. Heney is the advocate in this province of getting into the lighter-than-air business in a major way. I suppose one can laugh somewhat about bringing back the age of the dirigibles. But when one sees the work that particular council has done and examines some of the material prepared by the Goodyear people from Akron, Ohio, there is no doubt that lighter-than-air ships would have some real economic value, especially in a country like ours where we have vast distances, and hauling equipment might be an awful lot less expensive through airships than putting in expensive runways, airports, and roads in some remote areas. So Mr. Heney made the case, and we thought it was quite interesting. His basic recommendation was that an investment by the heritage trust fund in providing hangars would be the proposition he would advance.

In Edmonton, there was a host of recommendations. We had a number from the university, the Edmonton Voters Association, the Federation of Metis Settlements, the Federation of Alberta Students, the Metis Association of Alberta, the Indian Association of Alberta, the National Farmers Union, the Council on Aging, the Wilderness Association, the Federation of Labour, the Christian Farmers Federation, the Alberta Union of Pro-

vincial Employees, and Edmontonians For A Non-Nuclear Future.

I think I will deal with just a couple of those recommendations, Mr. Speaker. One would be the Indian Association of Alberta. We had a very good submission by Helen Gladue, Angeline Wilyer, and Debbie Pace on behalf of that association. They spent considerable time talking about the whole issue of treaty and aboriginal rights, then went on to argue that there needs to be a significant investment in economic development for aboriginal people in the province, pointing out as well that there's an inequality

... implicit in the failure of the government of Alberta to apply its municipal debt reduction [plan] to Indian Reserves ...

2. That Heritage Savings Trust Fund monies be provided to the Indian Association of Alberta to undertake social and legal research with regard to the major problem related to the apprehension of Indian children and their placement in non-native foster homes.
3. That an investigation be undertaken in conjunction with the Indian Association of Alberta into possible ways in which the Heritage Savings Trust Fund might provide long term support to the development of a viable economic base on Indian Reserves in the province of Alberta.

I thought their submission was quite excellent.

I want to deal with the Council on Aging, page 92. On behalf of the Council on Aging, Mr. Stuart Bishop recommended that:

The Alberta Heritage Savings Trust Fund support an endowment [fund] for an Institute of Gerontology in the Province of Alberta.

In fact, Mr. Bishop paid some tribute to the hon. Member for Calgary Currie and indicated that the Council on Aging had been discussing this matter with the hon. member but, unfortunately, we haven't any commitment yet from this government. I think we should see some action on that particular proposal as quickly as possible.

Mr. Speaker, in Fairview, the North Peace Unifarm made submissions, and quite a number of proposals are contained in their brief. I'd like to underline a couple. One is with respect to the use of heritage trust fund money for rail links. This is a very strong issue, especially in the north Peace. In past years, the heritage trust fund committee has addressed the issue in a general way. It makes absolutely no sense to us that grain from the north Peace should be brought all the way down through Edmonton, then sent out on the CN main line to Vancouver or Prince Rupert, when rail links that would allow us to use the BCR would cut down the one-way trip from Hines Creek by just under 500 miles — to be exact, 491 miles, according to the regional Department of Agriculture. Their proposal was that we invest in railway construction. We hear all sorts of things about railway abandonment, but their argument was that in this day and age we should be looking at energy-efficient modes of transportation. That obviously means expanding our rail facilities, not contracting them.

The Unifarm people also felt that there should be legislative control over the trust fund, and that some provision be made to shelter fuel and energy prices. I don't think that's appropriate from the heritage trust fund, Mr. Speaker, but I think it has to be part of the budget next year. I think this government has to come up with a much better program to shelter fuel prices. It isn't good enough



to say we're doing more than other provinces.

The fact of the matter is that if we see the present energy agreement come into force in the stages set out in the agreement, unless something is done to shelter agriculture in this province we're going to lose a lot of farmers. There's no doubt about that. Higher fuel prices, higher fertilizer prices, higher prices for insecticides and sprays, higher interest charges, coupled with the generally flat situation as far as prices are concerned — desperation prices in the beef industry, as we all know — have put farmers in this province in a cost/price squeeze which is extremely serious. I just wanted to underline the importance of that particular brief.

As well, in Fairview, Grande Prairie, and Edmonton, the Metis Association of Alberta made representation focussed on the housing conditions for Metis people in the province. In Fairview, they also argued that something should be done about the unbelievable conditions in the schools in the Northland School Division. We now have an official trustee, but whether we're going to have the funding through the Department of Education to rebuild some of those schools awaits some indication of action by this government.

I have travelled through the division. I haven't been in all the schools, but I've been in a number of them. Mr. Speaker, I would say to you and to the members of this House that there would be very few members of this Legislature who would want their children to go to some of the schools in the Northland School Division. We have plant facilities in that division that are in absolutely shameful condition. If any member has the opportunity to go, if his or her eyes are open at all, he would realize just how much we have to do in terms of improving the basic school facilities in the Northland School Division in Alberta.

I'm not sure myself, Mr. Speaker, that all the blame rests with the board. I think a good part of the responsibility rests with this government for not making enough money available. Where I would differ with the Metis Association is that I'm not sure we need to spend heritage trust fund money. I think what is necessary to deal with this situation is just adequate funding from the Department of Education.

Mr. Speaker, we also had a number of REAs represented. Their suggestion was that we place some emphasis on heritage trust fund investment in rebuilding these lines. It is going to be interesting. We all pounded our desks when the recent Act went through on power rate distribution. But I underline the question of distribution to the system, because we're still going to see our rural people facing some pretty hefty power hikes unless something is done to deal with the rehabilitation of these rural lines. They're in very bad shape. If we leave that up to the REAs and it's pushed back on the people who live in the REA franchise areas, their power bills are going to skyrocket, notwithstanding the so-called equalization program we all happily adopted a few days ago.

The final one I want to deal with is Grande Prairie. I thought the issue was put best by a young man who really was not in any way, shape, or form associated with the party I lead. I don't think this particular gentleman had any political affiliation as such, but he was interested in the issue. He is an agricultural school graduate. He outlined to our committee the problems he was having in getting a loan from the Agricultural Development Corporation. We, of course, had been assured in the select committee that there was no problem; that all the money that was necessary was available for the ADC. Of course,

but within the rules set out by the ADC. You can make sure you have all the money you need if you set the rules accordingly. I suppose we even had an example of that when the Provincial Treasurer reported on the amount of money available. If you increase the ceiling, you make fewer mortgages available. If you decrease the ceiling, you have more mortgages available. The same is true with respect to the Agricultural Development Corporation. Put enough rules, regulations, and roadblocks in the way, and you're not going to have any danger of running out of money, because you're going to cut down on the number of people who would otherwise be able to qualify.

This particular young gentleman, who works at Procter & Gamble, detailed some of the frustration he encountered in attempting to get a loan from the ADC. Without going into that struggle, I think the observation he made to us at the end of his presentation was appropriate. He simply said, cut it anyway you like: you can invest in me as a young person and 10 years down the road I'll be a taxpayer, contributing tax money to the government of Alberta and helping you for that rainy day you're so worried about. Or the other way is, don't invest in me and perhaps, when my company moves, as some day it will, I'll be getting my share of the heritage trust fund but it won't be as a contributor; it will be my share at the local social insurance office down the street. I think that is the kind of point many Albertans feel. In the long run, an investment in Albertans to broaden the base of the economy is going to be far more important than simply saving money for a rainy day.

Mr. Speaker, in the course of these remarks, it's not my intention to outline all the other proposals. That undertaking would take far too long. I do want to underline one other that I think is important, and that's the Federation of Metis Settlements:

Heritage Trust Fund monies should be used to support the creation of an educational institution similar to the Gabriel Dumont Institute of Native Studies and Applied Research in Saskatchewan, the purpose of such an Institute being "To promote the renewal and development of native culture through appropriate research activities, through the development of resource materials, through the distribution of those materials and by implementing specific and cultural programs and service."

Mr. Speaker, as we deal with the heritage trust fund, I think there is a tremendous responsibility to save for our history the very important contribution of people from all races, but especially our original peoples. The proposal the Federation of Metis Settlements has made for this kind of institute of native studies is one that I would frankly suggest — setting aside the differences that in the last few weeks have been more obvious than usual in this House — the government should well consider, because it would be in keeping to use at least a small part of the fund to preserve our history and recognize the very real historical contribution of our original peoples to the development of this province.

Mr. Speaker, with those words I would certainly invite the comments and observations of the members of this Assembly on the matter. It was quite an enjoyable experience travelling around the province and hearing the contributions of many Albertans. For the record, I just want to say that while a number of them were supporters of the party I'm associated with, by no means were they all. The hon. Member for Calgary Buffalo, as a member of the special select committee on the Heritage Savings

Trust Fund, also undertook a similar set of public hearings. I think the information he received was useful.

In closing, I would just say to you and to members of the House that after conducting these hearings, I am convinced that if the special select committee, representing both sides of the House, were to do the same thing, we would receive an amazing response from the people of Alberta. It always limits it if one member is doing it, or a member who is associated with one party, as opposed to all the members. But if there were a committee that represents both sides of the House, such as the special select committee, we would find that, if not a box office attraction, it would nevertheless elicit interest from the people of Alberta. I encourage members to think about that as they consider this debate.

MR. PAYNE: Mr. Speaker, you may recall that previously in this fall sitting you called me to order for imputing to the Member for Clover Bar the motivation of political opportunism in debate. Today, I would like to assure you that I will endeavor to be the model of restraint in my remarks with respect to Motion 220. I will endeavor to avoid any imputation of opportunistic motives in the motion brought before the Assembly by the hon. Member for Spirit River-Fairview. As well, I have no wish to denigrate in any way the objectives of those who submitted the resolutions on the heritage fund that now comprise a part of the hon. member's motion documentation before us today.

Mr. Speaker, I noted with interest the hon. member's reference to "quite a substantial array of groups" that made submissions to the NDP heritage fund committee during its hearings in Calgary. I suppose a number of conclusions could be drawn from the NDP experience in Calgary. Of course, it's safe to assume there is widespread interest in Calgary in the heritage fund, and that's a very healthy circumstance and one the Calgary members have tried to encourage. One conclusion the hon. Member for Spirit River-Fairview might be tempted to draw is that support for his party and its philosophy is shared by "quite a substantial array" of Calgarians. Just in case the hon. member has found it difficult to yield to that temptation, my recollection of the March '79 public perception and more recent samplings indicate that support in Calgary for the socialist party of Alberta is quite insubstantial.

I seriously question several aspects of the motion and its related document. In part, they relate to the fundamental role of the Member of the Legislative Assembly. If the Assembly were to pass this motion today, I suspect it could lead to a considerable number of submissions by the public directly to the committee. As I'm sure is the case with many members, whenever I discuss the heritage fund with constituents, I often encourage them to reflect on the ways they think fund objectives could be more successfully attained, and to let me know of their suggestion with a simple letter or phone call. In turn, I undertake to convey that suggestion to my government colleagues on the Select Committee on The Alberta Heritage Savings Trust Fund Act, and this I have done on a number of occasions.

I further undertake to convey the suggestion directly to the Provincial Treasurer, if the suggestion is made during a period that the select committee is not meeting. As well, through suburban community newsletter editorials, I attempt to keep my constituents informed on fund matters and issues. Through those editorials, I encourage constituents to let me know of their views and, where applicable,

their suggestions and recommendations.

Mr. Speaker, I submit that that is a proper and fundamental role of a Member of the Legislative Assembly. It's certainly a proper role for the M.L.A. for Calgary Fish Creek. Frankly, I feel there is little need for the NDP to be eliciting suggestions on the heritage fund in my constituency, or indeed in other constituencies except perhaps the one represented by the hon. member sponsoring the motion before us today.

If I could, Mr. Speaker, I'd like to make one or two comments with respect to a second document, entitled *The Alberta Development Fund: an NDP Alternative*, circulated to members of the Assembly this fall sitting. Although it's not subject of the motion today, in many respects its defects, as I view them in this document, are similar to the defects in Motion 220.

MR. NOTLEY: You're going to be relevant, are you?

MR. PAYNE: I'm going to be strictly relevant, I assure you. It is an alternative I would have great difficulty supporting in any way. For example, the NDP's argument that small business, farmers, and ordinary Albertans receive no direct benefits from the heritage fund completely ignores the many benefits to Albertans of the programs of the six provincial corporations that are financed by the heritage fund and of the capital projects division projects. At September 30 this year, these investments totalled over \$6 billion, or nearly two-thirds of the heritage fund. These current programs have specific objectives and eligibility parameters. By contrast, the NDP paper fails to make concrete proposals for its program of low-interest loans.

Mr. Speaker, I find that the NDP proposals lack clear objectives and a well-defined strategy for diversifying our economy. The diversification effort in their proposal would appear to be concentrated to buy out existing companies. Using heritage fund moneys to buy into existing companies obviously would not lead to greater economic development. In many cases, the government would simply be replacing private capital with public funds. Indeed, using the heritage fund to buy out existing companies could, by eroding investor confidence in the Alberta economy, deter new investment at a time when new investment is sadly needed.

It might be useful for the hon. Member for Spirit River-Fairview and his party to review carefully the analogous federal government exercise with its purchase earlier this year of Petrofina by Petro-Canada. I submit to those who supported that purchase that not one single extra job has been created and, as near as I can determine, not one additional barrel of oil has been discovered because of that government purchase.

MR. SPEAKER: Order please. Possibly the hon. member can assist me, since he is probably more familiar with the two documents than I am. My understanding is that the reasonably narrow point in this debate is whether or not the document entitled *Alberta NDP Public Hearings into the Alberta Heritage Savings Trust Fund: Briefs and Recommendations*, should be referred to the standing committee on the Heritage Savings Trust Fund. If I perceive the direction of the hon. member's remarks thus far, he is discussing a different document. Possibly he can assist me by indicating how the examination of that different document may be relevant to whether or not this document should be referred to that committee.

MR. PAYNE: That's an appropriate question, Mr. Speaker, and one I dealt with briefly earlier in my remarks in which I indicated that the defects in the document which is the subject of this motion are similar to the defects I perceive in the other document, and that the defects in both derive from a philosophical position that makes it difficult, if not impossible, for me to support a motion in which either document would be referred to the committee. So the logic that applies in one case applies in the other.

I'm reluctant to stand on my feet with such a learned furrow on your brow, Mr. Speaker. But given the vertical nod of the hon. member's head, may I continue?

MR. SPEAKER: I wasn't aware that my furrows had been educated, but I have a little difficulty. If the similarity is that close, can't we deal with this document directly instead of a lot of other similar documents?

DR. REID: Mr. Speaker, on a point of order. As a non-farmer, may I inquire whether or not the furrows are straight?

MR. SPEAKER: Anyway, they're furrows and not ruts.

MR. PAYNE: Mr. Speaker, I once had a friend who remarked that the difference between a furrow, or a rut, and a grave is about 5 feet, 6 inches.

I don't really see much benefit to our colleagues in the House in continuing this discussion between you and me, Mr. Speaker. I can only repeat my fundamental disagreement with the philosophical basis of the document in the motion. But I'll reply as candidly as I can, Mr. Speaker. I find it easier to deal with my reservations with respect to the NDP's philosophical positions that give rise to these documents rather than challenge specific recommendations of the document and inadvertently and inappropriately antagonize those who submitted those resolutions in the first instance. As I indicated in my remarks at the outset, I'm sure they were utterly well intentioned. So I prefer to avoid that inadvertent error.

MR. SPEAKER: It does seem a little tenuous to me. But I suppose that where there's a doubt, it should be resolved in favor of latitude.

MR. PAYNE: If I could just pick up the now widely scattered threads of thought here, Mr. Speaker. I think I can manage to reach the degree of relevance and pertinence you desire.

On a number of occasions, and during this sitting as well, the hon. Member for Spirit River-Fairview has argued that the economy of Alberta is becoming increasingly dependent on the development of our non-renewable resources. It's a point that's made in one or two of the submissions to the NDP heritage fund hearings. While the Alberta economy does continue to be resource based, Mr. Speaker, in my view this is not necessarily undesirable at this stage of our province's development. In both documents and in speeches in this House, the Member for Spirit River-Fairview has chosen to ignore the rapid growth of other sectors of the economy, notably the manufacturing sector. Earlier today, I obtained some numbers to document or justify this point. Through the decade of the '70s, employment in Alberta has increased at an average annual rate of 4.7 per cent, compared to little more than 1 per cent for Canada as a whole.

Implicit in the NDP's criticism of the government's record in diversifying the provincial economy, is the view that economic development and diversification can only be achieved by government or public ownership and state planning. As well, the NDP takes the very narrow view that diversification can only mean industries unrelated to the energy sector. The NDP position completely ignores the important opportunities for development that have grown from linkages to the energy sector, such as the rapidly expanding petrochemical industry.

In summary, Mr. Speaker, I would like to take this opportunity to indicate my unequivocal rejection of the hon. member's approach to the heritage fund in general, and in particular his motion before us today. I certainly encourage all hon. members present to do likewise.

Thank you for latitude and lenience today, Mr. Speaker.

MR. SPEAKER: I say again that the narrow question is whether or not this document should be referred to the standing committee. It's a matter of concern to me if we're not going to be relevant in a particular debate, and that may very readily rise up to haunt us as a precedent. Then the rule of relevance has gone out the window, and we're going to have all sorts of debate where other members don't have a fair chance to prepare to take part in it because they don't know into what irrelevant avenues that debate is going to lead. If we're going to debate this motion any further, it seems to me that we should get right back onto the track.

MR. PAHL: Mr. Speaker, in rising to debate Motion 220 and trying to make my case against support of this motion, I will take the scenic route, if I may, and start my remarks with the indication that I am a member of the select standing committee of the Legislature on the Alberta Heritage Savings Trust Fund, and just move to the background of the idea of public hearings and the issue of whether this effort of the Alberta NDP should be introduced to the deliberations of the Heritage Savings Trust Fund select committee.

First of all, as most members may know, there were two efforts at holding public hearings independent of the wishes of the select committee of the Legislature. The hon. Member for Calgary Buffalo conducted such a hearing and, in general terms, generated little or no interest. The hon. Member for Spirit River-Fairview, with the support of the NDP, drummed up a bit more action on the subject.

Mr. Speaker, what did the two members do with the results of their activity? In fairness, the Member for Calgary Buffalo, as I can best understand, put all his recommendations on the table for the committee. He voted against some of them, but in fairness he put them all before the committee, standing in his name. The hon. Member for Spirit River-Fairview was a little more selective. He took some of the recommendations from his public hearing exercise across the province and placed them in his name. Others he attempted to table with no such sponsorship. I suppose I would add as a footnote, Mr. Speaker, that the Social Credit Party, the opposition, bought their ideas a year ago. I must admit they got good value for their money by engaging a consultant to provide them with some ideas on what to do when reviewing the Heritage Savings Trust Fund activities of the previous year.

Mr. Speaker, in my brief learning experience in this Assembly, I have been taught very well that it is unpar-

liamentary to attribute honorable or otherwise motives to any member. I will of course not do so now.

MR. SPEAKER: Honorable ones are quite parliamentary.

MR. PAHL: Okay. I will avoid the temptation to cloud honor with others. What I will do in debating Motion 220 is relate my views on the responsibilities of the select standing committee on the Heritage Savings Trust Fund and its members. Those responsibilities are set out in Section 14 of The Alberta Heritage Savings Trust Fund Act of 1976. With the indulgence of you and the Assembly, Mr. Speaker, I will read the relevant part of Section 14(3), which says that once the annual report has been received by:

the Select Standing Committee for review and a report concerning the investments of the Trust Fund which may contain any recommendations of the Committee concerning those investments ...

In other words, the report of the Heritage Savings Trust Fund is submitted to the committee. Section 14(5) further says:

The Select Standing Committee may, without leave of the Assembly, sit during any period when the Assembly is adjourned or after prorogation of a session of the Legislature.

In other words, Mr. Speaker, there's quite wide latitude with respect to the activities of the select committee. That Act, passed in 1976, is of course five years old. There has been considerable evolution in the latitude of the practice of the committee in the last while.

In the three sittings that I have been a member, the debate has been wide-ranging. Last year, the select committee also considered the possibility of public hearings and, for the year just past, elected not to undertake public hearings. Further to Section 14(5), the select committee of the Legislature undertook a field trip to Kananaskis Country. We also heard, in effect, public hearings in this Assembly: meetings in this Assembly with ministers responsible for departments that had Heritage Savings Trust Fund supported projects.

We heard the Provincial Treasurer, who is responsible overall for the preparation of the report and the day to day administration of the Alberta Heritage Savings Trust Fund. We also heard from the Premier, who appeared before our committee as chairman of the investment committee. I might add that for the first time, the select committee heard the Auditor General. All ministers, the Provincial Treasurer, the Premier, and the [Auditor] General were available for questioning as long as the members of the Alberta Heritage Savings Trust Fund committee wanted them to be here. So there was a full hearing.

Mr. Speaker, after that process, all members except the chairman were to submit their recommendations to the chairman. Those were fully debated by the Heritage Savings Trust Fund select committee of the Legislature. I must point out that at that time, the recommendations were submitted in the name of each member. As I said, they were fully debated.

In terms of evaluating how effective the select standing committee of the Legislature on the Heritage Savings Trust Fund Act has been, it's worth making reference to page 2 of the report of the committee, under the name of the hon. Member for Edson, which indicates:

In the previous four Reports of the Select Standing Committee, many recommendations have been made

and ... subsequently ... implemented by government. Of twelve recommendations in the general area, eleven have been implemented in total or in part ...

There were two recommendations in the Canada investment division, and they too were accepted.

Twelve of twenty-six recommendations in the Capital Projects Division have been implemented ... and in addition thirteen have been covered, in part or in whole, through the General Revenue Fund.

Mr. Speaker, the point is that there is full opportunity for members of the select committee, through whatever resources they may wish to use, to put their recommendations before the committee. Although the committee has enjoyed a good deal of latitude in its performance, I indicated that the committee is really supposed to evaluate the performance and the report of the Heritage Savings Trust Fund for the last year's record.

As a select committee of the Legislature, we're not set up to further the political ambitions of any parties. The recommendations stand in the member's name. Of course, they can come from anywhere, but in fact they stand in the member's name. In my view it would be irresponsible for the committee — and indeed for a member — to present recommendations that did not reflect the judgment and support of the member bringing them forward.

Mr. Speaker, I will simply close by saying that if we present to the committee this package of comments from the public, we will have the effect of bringing into the House the views of those who are not elected to sit in this Legislature. Clearly, that would be an inappropriate move. Therefore, I would recommend to all members of the Assembly that they reject Motion 220.

Thank you.

DR. REID: Mr. Speaker, I would like to make some remarks in relation to Motion 220 by the hon. Member for Spirit River-Fairview. It's an interesting motion, and I suppose results to some extent from the activities of the Select Standing Committee on The Alberta Heritage Savings Trust Fund Act this past summer and fall, and in particular from an attempt by the hon. Member for Spirit River-Fairview to have jam on both sides of his piece of bread. Anybody who has brought up children knows the effects of that: there's jam all over the place.

In the select standing committee, the hon. Member for Spirit River-Fairview, just the same as all the other members of the committee except for me as chairman, had the opportunity to present proposals for recommendations to me by a certain date. Those recommendations, as submitted, were then considered at some length by the committee. The hon. Member for Spirit River-Fairview presented some 18 proposed recommendations in that manner, the same as the other members of the committee. In addition to the proposals he put forward over his signature, he submitted this document, or at least the initial form of it, not as his own proposals but as a document he would "sponsor", I think the word was. After considerable debate and consulting with the two gentlemen who gave us advice, which corroborated my own opinion, it was decided that the particular document under consideration this afternoon could not in actual fact be received by the committee as recommendations for discussion and, indeed, should not even be received by the committee as information. The alternative, of course, was that the Member for Spirit River-Fairview could table the document in this Assembly, which he did some time ago.

The difficulty I had as chairman was that in rejecting the document, either as information or as proposed recommendations, the appearance was given that there was an attempt to stifle the introduction of information by the hon. Member for Spirit River-Fairview. In actual fact, nothing could be further from the truth, because he had exactly the same opportunity as other members to submit proposed recommendations, and he did indeed submit 18 that were discussed by the committee. In actual fact, I believe several were adopted and put forward as recommendations by the committee in the report to the Legislature.

On perusing this document and looking at the proposed recommendations submitted by the hon. Member for Spirit River-Fairview, it became apparent that some of the proposals he received at public hearings were indeed adopted or adapted by him and submitted as proposals that he was prepared to stand behind and debate on behalf of the people who had submitted them to him at public hearings. From that, of course, one has to conclude that he was not prepared to take the other recommendations in this document and put them forward to the standing committee as proposals that he would debate, propose, and support. In other words, one has to presume that at some stage, he made a political decision that some of the proposals were acceptable to his own political philosophy and that of his party and others were not.

Of course, that's a perfectly valid and justifiable decision for him to make. Indeed, I think all members of the committee made similar decisions from information and proposals submitted to them as members of that committee, either by other members of their party or by citizens at large. It is part of the responsibility of members of the committee and, indeed, of all members of this Assembly to receive information, advice, or even proposed recommendations from their own constituents. But obviously, before putting them forward and backing and supporting them, any member has to feel that that is justifiable.

The hon. Member for Edmonton Whitemud expressed that responsibility quite satisfactorily during debate; also the fact that at a subsequent election, if he were again to seek nomination and election to this Assembly, he would have to stand behind the decisions he had made in that filtering process. Of course, that same responsibility applies to the hon. Member for Spirit River-Fairview as the member for that particular constituency in this province. I myself completely support that view and approach. Of course as chairman, I could not submit proposed recommendations directly. With little persuasion, I persuaded other members, I think with their willingness, to submit two proposals for recommendations I had received that I thought were valid and justified. I'm concerned that in actual fact so few of the very large number of recommendations the hon. Member for Spirit River-Fairview received at public hearings found their way into his own 18 proposed recommendations for debate by the committee. He could have submitted any number of proposed recommendations for discussion, debate, and decision.

Mr. Speaker, a more important point is what happens if we accept this motion before the Assembly this afternoon. Before I do that, I would like to emphasize two facts. I am not in any way rejecting any of the information or the 149 proposed recommendations that are in the document. And I certainly am not rejecting the tabling of a document in the Assembly, as I think that was the correct way for the hon. Member for Spirit River-Fairview to get the information in front of the Assembly.

In fact, that tabling has brought all the information, not just the 149 recommendations, to the attention of the other members of the Select Standing Committee on The Alberta Heritage Savings Trust Fund Act. It may well be that other members of the committee, of political persuasions or philosophy different from the Member for Spirit River-Fairview, may take up some of the information and recommendations and submit them as their own proposals for recommendations at some future date. The committee will of course consider them at that time.

Mr. Speaker, passage of the resolution before us this afternoon would mean that the committee would be directed by this Assembly to receive and consider the document. The wording of the motion is binding and quite specific. I hope it's not a precedent-setting motion. I don't think it is, because of the wording, but in actual fact it may well be used as a precedent in the future if it's accepted. By accepting this motion, we would have public hearings enter the committee's work by the back door.

The purpose of a standing committee is well documented in Section 14(3) of The Alberta Heritage Savings Trust Fund Act. It has been interpreted reasonably broadly by committees prior to this year, under other chairmen. Indeed, the rather narrow wording of Section 14(3) has been broadened to the extent that all ministers who have budgets under the capital projects division of the Alberta Heritage Savings Trust Fund appear before the committee at hearings which are in public, whether it's broad discussion questions to the ministers by members of the committee on both sides of the House and answers given by the ministers.

In addition to that, this year the Provincial Treasurer spent two half days in front of the committee discussing the broader issues under the Alberta Heritage Savings Trust Fund. Also, the Premier appeared before the committee for some two hours. At the end of that two-hour appearance, there were no further questions to the Premier by any member of the committee. So I presume there were no more to be asked of him. In addition, this year we had two appearances by the Auditor General, a somewhat precedent-setting occasion.

In other words, Mr. Speaker, there is broad public availability to the discussions of the committee. As I said, if we are to take this motion that is before us this afternoon, we would have the back door to public hearings by certain members of the committee, not by the whole committee. The committee would not hold the hearings but would get a distillation of someone else's public hearings into the subject of the Alberta Heritage Savings Trust Fund.

It's interesting that both last year and this year, the subject of public hearings was discussed at some length by committee members, under the chairmanship of the hon. Member for Calgary Fish Creek, who preceded me in debate, and this year under my chairmanship. I'm not going to go into the details of those discussions, because the transcripts of the hearings of the committee are filed in the Legislature Library and are available to anybody who wishes to read through them. But it was the opinion of the majority of the committee on both occasions that public hearings should not be held in the years 1980 and 1981. Mr. Speaker, I fully expect that the matter will come up for debate again in the committee on future occasions and will again receive a full hearing in the committee. Transcripts of that discussion will be filed in the library.

If one reads the motion and looks at the document, in actuality the purpose of the motion is to circumvent the

decision of the committee not to hold public hearings. To circumvent that decision on this occasion would only result in the discussion of the document before us. But if it were used as a precedent in future, it would undoubtedly result in a flood of briefs, recommendations, information — I think the hon. Member for Spirit River-Fairview used the words "amazing response". On the surface, that may appear to be an admirable purpose. As he said, public hearings might well be a box office attraction in the province. If held by the committee, they would probably attract more attention than if they were held by individual members of the committee. Perhaps the hon. Member for Calgary McCall, who is a member of the committee, and I, would have to powder our heads for the television lights. Some other members might have suggestions as to what else we might do with our heads.

The subject of public hearings should be addressed a bit more seriously than in my recent remarks. The purpose of the committee is not to consider proposed legislation, but rather to consider the annual report on the Alberta Heritage Savings Trust Fund and the investments, and to make recommendations regarding possible alternative investments. In actual fact, that is quite a responsibility. I think it's a responsibility that members of the committee take very seriously, acting as they do on behalf of the Legislative Assembly and all Albertans, who they represent. In order to perform that function adequately, members of the committee have to study the trust fund Act and the committee's function and responsibilities, and look at quite a lot of information presented to them by ministers as well as verbal presentations by the ministers. As I said, public hearings might well be box office, but would they they be genuinely productive for the function of the committee?

The Alberta Heritage Savings Trust Fund is a savings fund. It is not a spending fund at this time in the province's history. Some Albertans may well not believe in savings. I think those native Albertans who lived through the dirty '30s support the concept, and as a racial characteristic I suppose I have to. In addition to some Albertans who do not support that savings concept, supporters of some political parties may not support it either, and feel that present-day Albertans should have a hundred cents on the dollar use of all the money we derive from the depleting natural resources of the province. Adherents of those political parties seem to feel that present-day Albertans are unique and have unique rights to spend money which in actual fact is the heritage of all Albertans, present and future. It's for that reason that the Alberta Heritage Savings Trust Fund was named as it was.

If we look at the 149 recommendations in the document the hon. Member for Spirit River-Fairview is suggesting the Legislative Assembly refer to the standing committee, many fall within the spending category. It may well be, Mr. Speaker, that they are worth-while purposes or projects. Many may well be justified under the General Revenue Fund programs of the province. But we have to remember that without changing The Heritage Savings Trust Fund Act, the capital projects division is limited to 20 per cent, and we're already at 12 per cent of that total. Having roughed out the costs of some of these proposals, I can assure you there is no possibility that even a minority could be carried out without exceeding the 20 per cent limit of the fund, either its present value or its projected value.

For that reason alone, if the Member for Spirit River-Fairview genuinely believes in the savings concept of the fund, I would have thought he should have at least fil-

tered through some of these recommendations during the public hearings he held. I have to presume that during those hearings, he indicated to the people who made the proposals that indeed their proposals were being addressed to the wrong purpose, that they should have been addressed to the General Revenue Fund of the province, not The Alberta Heritage Savings Trust Fund Act, or they would completely destroy the savings nature of the fund and the committee that looks after the fund on behalf of Albertans.

Mr. Speaker, with that remark, indicating that I believe the member has put forward the document in all good faith but that in actual fact it is destructive of the savings concept of the fund, I'd like to adjourn debate at this time.

MR. SPEAKER: The debate is actually automatically adjourned because we've run to the end of the time.

head: **PUBLIC BILLS AND ORDERS**  
**OTHER THAN**  
**GOVERNMENT BILLS AND ORDERS**  
**(Second Reading)**

**Bill 208**

**An Act to Amend The Ombudsman Act (No. 2)**

MR. NOTLEY: Mr. Speaker, I move second reading of Bill 208, An Act to Amend The Ombudsman Act (No. 2).

Mr. Speaker, very briefly, the main provision of Bill No. 208 would be to extend the jurisdiction of the Ombudsman to include the new definition of an agency. That would mean:

- (i) a Provincial agency as defined in section 18 of *The Financial Administration Act, 1977*; or
- (ii) a person rendering a service to the public or to a class of the public which is paid for by public funds to an extent of 50% or more and which is pursuant to an agreement concluded between that person and any department or any agency within the meaning of subclause (i).

Mr. Speaker, in more simple and direct terms, that means the inclusion of nursing homes and other social care facilities which are presently excluded.

First of all, Mr. Speaker, I want to say that in my view the present Ombudsman of the province of Alberta is doing an excellent job. Of course, anyone who occupies the position of Ombudsman has a high profile. This particular Ombudsman has a high profile for excellent reasons. Over the last number of years since his appointment, he has undertaken a number of investigations in a courageous way that has earned him the respect of both sides of this Assembly and the admiration of the vast majority of Albertans. That's important. When one considers extending the jurisdiction of the Ombudsman, one has to assess whether or not complaints people have about social care facilities or nursing homes can be properly adjudicated by the Ombudsman's office. I suppose one wouldn't consider an expansion of the jurisdiction if one didn't have confidence not only in the office in the abstract but in the individual who occupies that office.

This particular Ombudsman has some major reports to his credit. To outline some of the major investigations of the present occupant of the office: the report on the raid on Metis settlements; the report on the Westfield controversy; and the report on foster care, which was tabled in

this Assembly last spring. So, Mr. Speaker, when one asks the question, do we have a person occupying the position of Ombudsman who is fulfilling that role in a fully capable way which earns the respect of Albertans, I think the answer from both sides of the House would be a resounding and overwhelming yes.

But I say to members of the House that that is perhaps not always the case with ombudsmen in Canada. We have had several examples in recent Canadian history where ombudsmen have been anything but above the partisan controversy that divides political parties. That is not the situation either with this Ombudsman or, I should say in fairness, with his predecessor.

One advantage of expanding the scope of the Ombudsman's office to include investigation of complaints from nursing homes and social care facilities is that the office is widely understood among Albertans as a place they can go if people have a complaint about an operation of government, and that individual can properly evaluate the complaint and determine whether it's justified. The office has a high profile; people understand its existence. That's important, Mr. Speaker, because there is no point in saying that we protect the public when we set up committees that are not as widely perceived among the public, either in terms of being able to do an adequate job or in terms of just being as widely known. I don't suppose many people in Alberta don't know that the province has an Ombudsman. I think most of our citizens are aware of that. I would say the vast majority of our students know that we have the office of Ombudsman.

Because of that high profile, it is possible that a person who has a legitimate complaint about a social care facility or nursing home can address it to the Ombudsman's office. If that Ombudsman doesn't have the authority to investigate, people get confused by the system. Members of the Legislature should be the first to recognize this. As members of the Assembly, one task most of us have to face is advising people what possible route they can take in terms of applying for a grant, making a complaint, requesting information, or this sort of thing. Our constituency offices have enormous value because they become, if you like, the focal point of advising people where they can move in this huge government operation in order to seek redress or obtain assistance or information.

Mr. Speaker, not everybody comes to their M.L.A. The point I would make first of all in advancing the idea of expanding the scope of the Ombudsman is that this is one office which is widely recognized by the citizenry in the province. By expanding the scope of the Ombudsman's jurisdiction, a person who has a concern about a social care facility — be it a home in Peace River, a home for delinquent children in Edmonton, or a nursing home in some other part of the province — if that power to be able to investigate is exclusively vested in the hands of the Ombudsman, they can lay their complaint to a person they recognize exists, has the power to do something about it, and will investigate the complaint fairly.

The high profile of the Ombudsman is an important aspect of this issue. Some can say, and no doubt we'll have members arguing, that the Health Facilities Review Committee and the Social Care Facilities Review Committee can do the job. I don't intend to get into a discussion of the performance of those two committees, because that's not really relevant to this Bill, except to say that neither committee — this is no disrespect to members of the Legislature who are on those committees or, for that matter, the people from private life who are on those committees. But the fact of the matter is that neither

committee has the public profile of the Ombudsman. A person who has a complaint about a social care facility or nursing home knows there is an Ombudsman in Alberta. I would say to members of this House that if we were to take a public opinion poll in downtown Edmonton and ask 100 people on Jasper and 101 Street how many of them know there is a Social Care Facilities Review Committee and a Health Facilities Review Committee, I would be highly surprised if one person in five knew these committees exist. I could be wrong, and if there are any research data to prove me wrong I would welcome some members advancing it to the House in the debate. Mr. Speaker, there is no question that the profile of the Ombudsman's office is widely enough recognized in the province that a person who has a complaint can go to the Ombudsman because they know the office exists.

[Mr. Purdy in the Chair]

It worries me when I see us moving in a direction of a multiplicity of avenues for dealing with complaints of government services. I have sat for several years on the Committee on Legislative Offices. On occasion, several members have suggested we should look at the idea of a municipal ombudsman and a university ombudsman. The more you multiply the number of people who have some stake in the investigation of complaints, whether it be review committees such as the two committees that have been set up under legislation in this province or whether it's ombudsmen on the city level, the less likely you are to see those complaints submitted in the first place. What you do is face the average citizen, who is already intimidated by the massiveness of government, with the complexity of trying to figure out where in heaven's name he begins to look in order to make a complaint. Much of that would be overcome by simply extending the power and authority of the Ombudsman.

Mr. Speaker, I have some concern. I don't intend to get into a debate on Bill 70, because that has been given Royal Assent. What has occurred is that we have passed a Bill which allows the jurisdiction of the Ombudsman, albeit with his consent, to be qualified still further. That's in the area of mental hospitals at Ponoka and Edmonton. I regret that, because some other device to evaluate complaints confuses things still further. What we need is the power of the Ombudsman not just extended ultimately to include the areas I've covered here. Frankly, if I had my 'druthers', I would like to see the power of the Ombudsman's office extended to include municipal governments in this province. It may mean we have to have more people, a larger investigative staff, working directly for the Ombudsman's office. But if we're going to seriously address complaints people have, the last thing we do is multiply the committees or the people who are evaluating the complaints. The more appropriate course is to extend the jurisdiction and scope of the Ombudsman's office.

Mr. Speaker, from the time this concept was originated many, many years ago in the Scandinavian countries, it has gained acceptance throughout the world. I think it's one of the major accomplishments of the former government that Alberta became the first province in Canada to enact an Ombudsman Act. In my view, that's something the former government can be very proud of. But the issue is not whether we have an ombudsman. I'm sure all members of the House support that concept. The issue now is whether there should be an extension of the jurisdiction of that office, not as far as I would ultimately like to see — to include municipal operations — but at least

to include the vast majority of those people who are ultimately affected by the operation of this government. It is pretty hard to say that people who live in nursing homes today are not affected by this government, whether those nursing homes are privately or publicly operated, because the major portion of the funding comes from the province of Alberta. Similarly, that's true of the social care facilities that exist in this province. In my judgment, it is wrong to separate from the scope of the Ombudsman's office these private facilities which are largely publicly funded.

The basic principle contained in Bill 208 is very simple and straightforward. Under the terms of the legislation that all parties in this province support — that is, the legislation to set up The Ombudsman Act — it would extend the scope of the jurisdiction of the Ombudsman to include nursing homes and social care facilities. Notwithstanding the fact that we have committees that have been established and, at least in one case, working for some time — and in the case of the social care review committee, working for a shorter period of time — notwithstanding the fact that these committees exist, I would argue that a better way of dealing with the complaints of the citizenry is to extend the scope and jurisdiction of the Ombudsman in this province.

MRS. FYFE: Mr. Speaker, this afternoon I would like to make a few comments on Bill 208. As was just mentioned, Alberta was the first jurisdiction in North America to create an Ombudsman office. I also believe that was an extremely important and significant move by the previous government in this province. But it was done in light of a province that has a long history of providing appeal procedures for people within the province. I would like to get into that in a few moments.

The office of Ombudsman has been described as the little man's juggernaut of big government. Therefore, the prime reason for the Ombudsman's office to exist is to act as an independent check or balance, so to speak, to government processes which affect the individual. Alberta is similar to other provinces in the fact that the Ombudsman has power to recommend changes on certain administrative procedures, but legislatures are not bound to follow these recommendations specifically. However, that does not mean the recommendations are not taken seriously. In most circumstances across this country, I'm sure appropriate action is taken on those recommendations.

At present, The Alberta Ombudsman Act uses the definition of agency and department as defined in The Financial Administration Act of this province. That means those are the areas the Ombudsman has jurisdiction in. The Ombudsman institution can be found in all provinces of Canada with the exception of Prince Edward Island. It is commonly said in that province that they have 32 ombudsmen, those being the Members of the Legislative Assembly. In Ontario, British Columbia, Manitoba, and Saskatchewan, which were just recently contacted, there was no direct authority to investigate any contract agencies. British Columbia is believed to have the most comprehensive legislation for ombudsmen. That legislation has provision to extend into jurisdictions for a variety of areas. However, this has not been proclaimed. Even if this legislation were proclaimed, the office still would not have authority to investigate private contract agencies. This, of course, is what is for debate this afternoon in Bill 208.

In dealing with senior governments — provincial and

federal levels of government — within a democracy, a person who has a complaint against an administrative procedure or process, or a workers' compensation decision, for example, has no direct appeal to an appeal board other than through the regular process: through the MLA, through the appropriate minister. In a situation such as workers' compensation, it is extremely important that the Ombudsman have authority because, when accepting coverage under this legislation and program, the worker gives up his right of recourse through the courts. In a situation where a worker feels a decision of the board, or some procedure or decision within the administration, has not been in his best interest, it is extremely important to have that counteraction, that balance, that right for an independent agency to review the files and the situation on behalf of the worker.

The role of the Ombudsman has been an ongoing concern for many people in this province and certainly in this Assembly. In December 1975, a motion was passed to establish a select committee to review the legislation relating to the Ombudsman in Alberta. One difficult area this select committee dealt with, and received a tremendous amount of input from across the province, dealt with the question of the Ombudsman jurisdiction extending into municipal government. Particularly rural municipalities in Alberta expressed in no uncertain terms a very strong voice opposing the extension of this service into rural jurisdictions. There was a feeling across the province in municipal government that there is adequate access to elected persons and to other processes such as the Farmers' Advocate, and that local autonomy should be protected at all costs.

As an example of a situation where I feel there has been a proliferation of authority would be the northeastern Alberta commissioner, where a separate office was established to assist in the administration of such areas, an office that individuals can go to. Another example would be new town status, where there are appointed rather than elected persons. In these situations, while there is access on the part of the residents within these jurisdictions, there is a loss of autonomy. If the same principle could apply to extension of ombudsmen to be appointed by the provincial government to supersede or interject its authority into the local area, you can understand the concerns and apprehensions that take place at the local level.

The system which exists within rural areas is very different, perhaps, from looking at a system such as the provincial government as a whole; systems where the local residents, the citizens, know their elected person in the smaller communities. They have access to them in a much easier way. They have the right of appeal through a number of different processes. For example, the new Planning Act in Alberta included a number of different appeals and processes — development appeal boards, the right of the provincial planning board, the right to go to court — to protect the rights of the individual, to provide access, to ensure that there's always an appeal process available. Assessment on property — the right to appeal that decision through courts of revision.

It's extremely important to have the proper follow-up of complaints and this information function. The reason I have used the example of municipal government, and I'm glad Mr. Speaker didn't call me to order on this, was because I wanted to use the example of municipal appeal processes to show that if this Bill were to receive support, it would also have to include the agencies funded through the family and community support service programs,



which receive more than 50 per cent of their funding through the provincial government, as each of the municipalities that enjoy these programs has entered into contract with the province and receives funding. Therefore, even without appointing an ombudsman role at the municipal government *per se*, just by these programs receiving funding, they would also be taken in. That's where the concern arises. At the local level, there are now various procedures, processes, and appeals set up to protect the decision — administrative policies that apply to people living within the local jurisdictions.

One of the prime areas of concern I would have, related to Bill 208, relates to the immense problem I believe the Ombudsman would have in being familiar — I'm not speaking only of the one person but the office as a whole, which is a staff, as all members know — and totally knowledgeable in all aspects of municipal government and all the various boards, agencies, hospitals, nursing programs, and educational programs of postsecondary institutions in this province. This is an extremely wide, all-encompassing type of Bill.

No one would disagree that the office of Ombudsman is important. It's important to have an appeal for those who legitimately feel they have been wronged by provincial administration, ensuring that people have an advocate office with investigative authority to review and recommend changes. I submit that the need for this office is directly proportionate to the size of government. Therefore, the larger government gets, the more complex it is and the more difficult for the average person to understand.

I believe that the office of Ombudsman should be seen as a friend to the individual citizen. If the office were to be broadened, extended to have a staff of persons knowledgeable in all the various areas I previously mentioned, all the contract agencies more than 50 per cent funded, there would have to be duplication of existing agencies and boards which have been established. Secondly, you would have this huge proliferation of people who would have to be knowledgeable in each of these areas. I fear the local boards would be inhibited in their approach, knowing that big brother is out there watching each decision; not a big brother who was appointed at the local jurisdiction to ensure that there is a proper appeal process to protect the rights of individuals, but a watchdog appointed by the province to ensure that no administrative process would not be investigated if the complaint were lodged.

I personally support proper investigation and inquiry of complaints at the local level, but I feel that these procedures and this Ombudsman type of function should be appointed at that level; secondly, that it maximize the competency of those people serving in that function. I do not feel that it would serve the office well to have this proliferation of interest areas. While there may be simplicity in the name of the Ombudsman, and the previous member based a good deal of his argument on the fact that it's important that people recognize the name Ombudsman and know where to go for any complaint, I feel that so much more would be lost by encompassing all these various agencies of the appeal process into one. The effectiveness of this massive expansion of office would result in poorer service. We're concerned about results, the result of protecting the rights of the individual.

We have areas of specific appeal processes now, boards that have investigative powers, and agencies that are in place. The previous member mentioned the Social Care Facilities Review Committee. I would agree with him that

probably four out of five persons on the street may not be familiar with that name. But we as legislators, and the Ombudsman office, or any other government agency within the province, are most likely aware of it, and that is certainly part of the role that we carry, a role of deciphering and referring to the appropriate agency. Much better to have a level of competency, a board of quality, than to go only on the simplicity of the name, because we would lose so much more.

The Social Care Facilities Review Committee, which was established last year, has spent innumerable hours travelling throughout this province and developing a certain competency through that process. It didn't happen overnight and it didn't happen the first day, because reviewing and visiting these facilities means a comparison [between] facilities, a familiarization with the facilities. The information I have acquired is that since December 6 last year, this committee has visited approximately 425 facilities in this province. Now this is visiting those facilities, talking to the staff, and talking to the people who reside within those institutions and facilities. They are not simply waiting for complaints, although this committee does respond to complaints and referrals that they receive from various agencies from across the province; it carries a role beyond that. But it's dealing with one specific area, the social care facilities. Another board, established in 1972, is the Alberta Health Facilities Review Committee, which deals with health facilities, not with all the other agencies across the province but in areas of active treatment hospitals, auxiliary hospitals, nursing homes, and mental health facilities.

The Human Rights Commission receives complaints each day dealing with the rights of the individual. It protects the rights of the individual. The legislation passed in this Assembly supersedes other legislation and protects those rights. It's a commission that has developed tremendous expertise, and that has an extremely high reputation for protecting the rights of individuals residing in this province. There are other boards, but I'm only going to mention those three as examples of the specific importance of developing a level of competency to review, investigate, and make recommendations, so that the changes we make in this province are responsible and responsive changes.

The previous member mentioned the Bill passed, related to the establishment of the board of Alberta Hospitals. As a member, I visited one of those hospitals within the constituency I represent, and felt very strongly that it's extremely important that that facility have a board that speaks with a political voice, that it can express the concerns not just of the patients residing in it but of the programs that are developed within that facility. The reaction I have had within the constituency I represent is that this is a very positive move that will continue the development of a level of excellence that has certainly been changing over the last period of years. There has been tremendous progress in the development of programs within those hospitals. I feel very confident that the development of the board is one more step in achieving the level of care that the people residing there deserve.

What happens where there is a specific concern in an area this government is concerned with? How do we deal with it, rather than through the offices and agencies that exist and have been appointed as appeal process? The example I would like to set forward in my remarks this afternoon is, of course, the Cavanagh board of inquiry. This was established to carry out a detailed review in the specific area of The Child Welfare Act and The Social

Care Facilities Licensing Act. This was a move to have a very detailed and thorough examination and consideration of briefs and submissions from people across this province. It was a way of having a board deal with a very specific concern.

A second example is the Nursing Home Review Panel, which has been established to make recommendations. Either of these two boards may suggest that we need a different type of Ombudsman function. Those recommendations are entirely possible. I don't want to second-guess what these committees will do, but it's very possible that they may make recommendations related to that area. I'm sure the recommendations will be received with a great deal of thought and open-mindedness by the members of this Legislature. However, the importance is that there was concern to deal with a specific, to try to get results and improve the situation that exists, and to ensure that the recommendations we have are not the general, subjective type of recommendations, but that they are very detailed, deep, and responsive recommendations and report, made by competent and qualified persons.

I would like to conclude my remarks this afternoon by simply saying that the Bill itself, in my opinion, is far too broad. I think that the results of the application of this Bill would not have the positive benefits that I'm sure the member would like to see but, in fact, a deterioration of the protection of the rights of the people of this province. Therefore, I urge members of the Assembly not to support Bill 208.

MR. MACK: It is a pleasure to participate in the debate on Bill 208, a Bill to amend The Ombudsman Act. I'd like to briefly reflect on one or two comments by the hon. Member for Spirit River-Fairview, the sponsor of the Bill, particularly in respect of his very narrow appreciation of the social care review committee and the Alberta health care review committee.

I believe it wasn't intended by the hon. member to basically discredit those two very important committees in the manner in which he left the perception in his comments when he indicated that perhaps the proliferation of investigations would leave Albertans at a disadvantage in knowing where they might go to be able to lay their concerns and seek and receive redress of perhaps some of the shortfalls, in their opinion, by the various agencies of the government or those receiving funds or a portion of them through the government purse.

I hold an entirely different view, Mr. Speaker. I believe that the composition of those two groups is such that they have some very, very prominent, responsible citizens sitting on them. The societal problems we are experiencing on a day to day basis are such that I believe these inspections and reviews should be on an ongoing basis, unannounced, and not on a complaint basis, if you will. Where there is visibility, one would tend to receive adequate service and the kind of service that would be acceptable and proper. Visibility quite often generates the kind of motivation and the type of response by not only those receiving the service but those who deliver that service.

I basically cannot support or accept the very narrow understanding and concept that the Ombudsman is all, and the Ombudsman's inability to go into a specific facility actually leaving that facility vulnerable and not providing the equitable and acceptable service to the residents within. When members of the social services review committee or the health care facilities review committee

visit more frequently — and they have the opportunity of doing it on a far more frequent basis, rather than on an investigatory basis — certainly on an ongoing basis, it would enhance the service delivery to the citizens in a much, much greater way than if we left it strictly to the narrow area of investigating, where in fact there is such a serious problem where either a family or the residents require the facility.

I think Alberta has shown over the years that they are leaders in this particular area, in sensitivity to the residents of the province. That is why I believe they established the office of the Ombudsman in 1967. That is why I believe the health care review committee was established. I believe this kind of sensitivity has translated into the establishment of these committees — for example, the Cavanagh review committee that will be reporting to the government — in order that we might be assured that the services we provide are adequate, are consistent with the needs of a given community, if you will, and that all service is in good, healthy, and acceptable condition.

The basic reason for the establishment of the office of Ombudsman was to have an individual act as a 'complaintsman' and, in so doing, act as an independent check and balance, if you will, to the many governmental processes that affect individuals, so individuals would have this avenue. The Ombudsman does not have the right to establish policy. His function is to check the administrative procedure. I think there's a difference here. The procedures are investigated by the Ombudsman, and the Ombudsman will report on them to both the Legislature and the public. But he does not have the authority or power to change government policy.

It is useful to note at this point that three characteristics which recur and, in effect, define the essential attributes of the Ombudsman concept are from the document entitled *The Report of the Committee on the Ombudsman Concept*, a government of Canada document, dated 1977. The first attribute is that an Ombudsman is non-partisan, impartial, independent of the executive arm of government. Secondly, the Ombudsman's central duty is to take up specific complaints from members of the public against injustice arising from administrative practices, actions, or omissions of governments, thereby investigating these and reporting on same. Thirdly, the Ombudsman possesses the power to make these investigations thoroughly and fully and then reports on them, as I earlier indicated. These three attributes and characteristics are based on the premise that the office of the Ombudsman is for the average citizen, and this availability should be made to the average citizen who would be dealing with the government. Implicit in the demonstrated success of the Ombudsman's office is accessibility.

[Mr. Speaker in the Chair]

Mr. Speaker, if the office of the Ombudsman were expanded, as suggested in Bill 208, to include a much broader spectrum of services which may be marginally financially supported by government. I wonder if we would not be creating an office which would have to examine perhaps 1,000 institutions, if not more. If that very office we have established to be the voice of the individual who may have a grievance against the government, that very expansion would deny early and quick accessibility for redress for that individual, and I believe that is an area we should not overlook lightly. There is the possibility of creating a bureaucracy within a bureaucracy, and then the individual is lost in the shuffle, if you

will, because of the large, broad spectrum that is expanded.

When we think of the Ombudsman, we think not of his supportive staff but of the man who actually makes the decision, who has been given the responsibility to look into the complaints. We all recognize that support staff is necessary. But I would move with a great degree of trepidation in the direction to expand the office to have in excess of 1,000 or more facilities for that one individual to have to address. I would have to sincerely question the capability of being able to thoroughly discharge those responsibilities.

Perhaps this Bill might have more properly been addressed to the Select Standing Committee on Legislative Offices, which basically has a very good working relationship with the current Ombudsman. Perhaps there could very well have been much greater time to assess and evaluate any expansion in the area of the Ombudsman, and perhaps make a report as to what the committee's findings might have been, rather than the vehicle of Bill 208.

I believe mechanisms like the Alberta health care review committee and the Social Care Facilities Review Committee are extremely important. The Cavanagh board of review and the Nursing Home Review Panel, which are already in place, do not dictate a need for the Ombudsman's jurisdiction to be expanded. We have yet to hear from the Cavanagh board of review, and I believe that in itself is merit not to move into an expanded area until we have the report of the Cavanagh board of review, which does have fairly broad terms of reference on which it will be reviewing, assessing, and reporting.

Mr. Speaker, I am satisfied that the Health Facilities Review Committee — which was established in 1972 and given the mandate to visit health facilities throughout the province for the purpose of reviewing and inspecting them, observing the manner in which they are operated — has done a very credible job. The Act was amended in '73 to expand its review into senior citizens' lodges and contract nursing homes. A further amendment in '78 clarified the committee's authority in respect of being able to receive and investigate complaints. This committee is composed of two elected officials, and the balance of the members on the committee are citizens respected in the community.

As I indicated earlier, I do not discount their ability and effectiveness in being able to go into these facilities, speak to the residents within those facilities and to their families, make an on-site inspection, and come up with a determination in their report to indicate yes, we think the situation in that particular facility is healthy and we're satisfied that the health services delivered there are equitable; or, we have concerns and reservations with regard to that particular facility, whether in terms of food, actual care, quality of care, and so on.

So I'm not prepared to discount the committee's ability and the discharging of its responsibility as well as the fine staff in most of these facilities. Of course, we recognize that there are individuals who may not necessarily discharge their responsibilities in a manner which would be acceptable and fair. It's for this very purpose that this government has established committees to make unannounced visits to these facilities to make periodic assessments and evaluations, to ensure that the obligations assumed by the management of these facilities and their employees are providing the kind of care that would be acceptable for us, our parents, and ultimately for our citizens.

In 1980, the Health Facilities Review Committee visited 64 general hospitals, 18 auxiliary hospitals, 41 nursing homes, 53 lodges, and four mental institutions. That's a fairly tall order, and certainly the committee is active. To suggest it is not doing a credible and adequate job is just totally unacceptable. I do not accept it. I compliment them, and I believe those citizens who have committed to serve on those committees should be commended rather than criticized that perhaps they are not doing an adequate job. I know the hon. member did not openly criticize them, but the perception is there. I'd like to dispel that perception, because I'm sure the hon. member didn't mean that. He didn't clarify it either, so it left me with some concern.

The annual report notes that the committee sees its role as that of considering a complaint from a layman's point of view. When they walk into a facility, I believe there would not be that trepidation to respond and talk to a citizen interested in the well-being of Albertans, rather than an ombudsman. I think people would almost fear to approach an ombudsman coming in, unless they were so desperate that a complaint was lodged and a total investigation made on that one specific complaint.

I believe we are not giving just recognition to these two major committees this government put in place, their function, and the manner in which they're discharging those responsibilities they've undertaken. In that particular area alone, I could not support Bill 208 and the comments of the hon. Member for Spirit River-Fairview regarding his fear of proliferation. My fear would be if we waited, without having the checks and balances in place on an ongoing basis, until there was a major complaint from a citizen who was abused or did not receive the care he is entitled to. I believe an ongoing inspection is in order. I hope it would continue to be in place. In fact, I'd even like to see it expanded so that more frequent visits could be made to these facilities. That in itself would give us the kind of response from the residents of those facilities which would be a signal to this government as to whether the money invested in providing care for those Albertans who require it is well invested in terms of the delivery of service. I support that.

I believe the Ombudsman's office has a role, and I support the Ombudsman's office. I would not want to leave anyone thinking that the previous Ombudsman and the current Ombudsman are not discharging a very valuable function in the province. Certainly they are. I concur with the hon. Member for Spirit River-Fairview. I have great respect for the previous Ombudsman and the current Ombudsman. I think they're serving the citizens of Alberta well. But the committees we have in place are doing an extremely credible job. I think the citizens in these facilities, if we as individuals would go in and talk to them, would concur in the comments I'm making.

The third mechanism is the Cavanagh board of review. As I indicated earlier, that board has yet to report to the Lieutenant Governor in Council. I'm sure that the mandate for that particular board is to report on changes, if any, that should be made in the policies, practices, and procedures in the administration of The Child Welfare Act. Also, the board will review the extent of services available and the nature and quality of facilities provided for the child care system in Alberta.

Mr. Speaker, I have many other things I wish to comment on, but I would like to close by reiterating that Bill 208, An Act to Amend the Ombudsman Act, is not the appropriate vehicle through which to make changes to The Ombudsman Act. As I've indicated, I think the

select standing committee should first review that. I could not support Bill 208, and I urge other hon. members to do so.

MR. COOK: I'd like to be very brief. I don't have a whole lot of choice, Mr. Speaker, so I'd like to make a couple of quick points.

I guess I'm fairly ambivalent about this legislation. I appreciate where the hon. member is coming from. I recognize that he has a great deal of respect for the Ombudsman, and I think we all do. But the Ombudsman has some limitations in his mandate. As has been pointed out this afternoon by other hon. members in the Chamber, the Ombudsman cannot investigate a problem before a complaint is received, so he can only react instead of being pro-active. That's a fairly serious limitation.

The hon. Member for Spirit River-Fairview seemed to suggest, though, that the Ombudsman's high profile and respect in the province was sufficient to warrant an extension of his mandate into this area of group homes, nursing homes, and other facilities. I suppose one could draw that conclusion, but one could also perhaps suggest that the committees chaired by the hon. Member for Calgary Millican, I believe, and the Member for Edmonton Norwood might benefit from more public relations and advertising, and they would accomplish that same goal.

I'm ambivalent. I think there is a case to be made on one side, but I think the hon. members who chair the committees, who are in the Assembly this afternoon, are doing a really fine job. With that, I'd simply like to suggest that maybe we should call a vote of the Assembly and on that basis decide the pleasure of the Assembly. I respectfully call the question, Mr. Speaker.

[Motion lost]

MR. HORSMAN: Mr. Speaker, this evening it is proposed that the House assemble in Committee of Supply for the purpose of dealing with certain appropriations under the Alberta Heritage Savings Trust Fund, capital projects division. The hon. Associate Minister of Public Lands and Wildlife will be on hand to deal with matters relating to public lands. Should that vote be concluded, I will also be on hand to conclude the vote on my departmental estimates. I'm also advised that the hon. Minister responsible for Workers' Health, Safety and Compensation will be available.

Therefore, Mr. Speaker, I move that when the House assembles tonight it do so in Committee of Supply, and that the House adjourn until the committee rises and reports.

MR. SPEAKER: Do hon. members agree that when they are on hand at 8 o'clock this evening, they will be in Committee of Supply?

HON. MEMBERS: Agreed.

[The House recessed at 5:31 p.m.]

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

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  
Energy and Natural Resources**

**4 — Grazing Reserves Development**

MR. SINDLINGER: Mr. Chairman, I'd like to make a few opening comments about grazing reserves development and then ask a few specific questions, if I could, please.

First of all, in regard to grazing reserves development, I have to note that this, like most other programs from the heritage fund, is worth while. Like the other estimates for the capital projects division, I think it's a worth-while expenditure. However, I want to get into more detail in the specifics of the program from two points of view: one, how funds have been allocated prior to this particular point and, two, the plans for these funds once they are appropriated.

I wonder if I could start with the first one, and ask the minister if he could give us a brief overview of what has been done with the funds to date, in terms of the amount of land purchased and the use it has been put to, to this point.

MR. MILLER: Mr. Chairman, I'm pleased to be able to bring forward the information requested by the Member for Calgary Buffalo. First of all, I would ask if he happens to have the handout, which I made available when I met with the heritage trust fund committee on August 18, on which I had the various reserves listed, the work that had been done, and the projected work that was to be done. Have you that information, or would you like me to present it to you now? It's quite comprehensive, and I think it would answer a lot of the concerns you might have.

I should announce also at this time that this is a \$38 million program. We have 10 reserves already established under the program, with three others in the planning stage. We feel, as the member said, that it's a very worth while program. The majority of these reserves do not require the purchase of land, because most of the land utilized is already Crown land.

Mr. Chairman, could I perhaps at this time have one of the pages deliver a copy of this to the Member for Calgary Buffalo. I wonder if the Member for Spirit River-Fairview . . . He has his with him this evening. I don't know if this answers your concerns. The money expended is for fencing the property and for doing the planning of the area which is to be developed. We do the brushing, the clearing, and the seeding of grass. We provide dugouts, corrals, and housing for the manager of the grazing reserve and other infrastructure facilities.

MR. SINDLINGER: In response to your question, Mr. Minister, I do not have this with me. You said it is quite comprehensive. I wonder if it might not be worth while if you briefly summarize this for us, so that we knew what was in this. Then perhaps we could go from there. I understood you offered to do that, and I would appreciate that, please.

MR. CHAIRMAN: Perhaps other members might wish to make comments or ask questions. That will give the Member for Calgary Buffalo a chance to peruse that and summarize it himself.

MR. NOTLEY: Mr. Chairman, I certainly have some comments to make. The information the minister made available to the committee was useful. Would it be possible to have that information made available to all members? I think that would be quite helpful in our discussion. While I appreciate the offer to make it available to the hon. Member for Calgary Buffalo and myself, other members may wish to make comments as well.

Mr. Chairman, I'd like to begin by saying that certainly this is one area of the capital works estimates that I have no particular difficulty supporting at all. I think it's a sound program. I know some could argue that it's a very substantial investment; the minister indicated some \$38 million. But it's an investment in an industry that is basic to the province of Alberta. As I see it, it fits the criteria not only in terms of long-term benefits but diversification of the economy of the province. I have no particular problem defending the grazing reserve program, whether I'm speaking in rural or urban Alberta. I really don't mind where the words I say in this House are transcribed and reproduced, because this program merits support.

The only concern I have, Mr. Chairman, is the pace. While I think the grazing reserve program is useful, I'd like to make several observations about the Horner report on the beef industry in the province, as it applies to this particular estimate. One observation Dr. Horner quite properly made is that we've got to move much more dramatically in opening up public land. Part of opening up public land is expansion of the grazing reserve program. There's no question about that. That's a useful thing to do. As I see, we now have quite a number of acres. I think the figure for the 10 reserves to date, as I see it, is just a little under 200,000 acres, which is about 300 square miles.

The first question I would put to the minister in terms of the planning is what would be the upper limit at this stage, in terms of the planning the department has undertaken? The minister suggested that another three reserves are in the final planning stages. But let's just take a look at that Horner report for a moment and put it in context. I believe Dr. Horner talks about 10 million acres; the minister can correct me if I'm wrong. Obviously, we would not look at much of that land just for grazing but for higher uses, if one can argue that the cultivation of crops is higher use, and I think you can.

What does the minister see, in terms of the total of that 10 million acres which would be feasible for grazing reserve expansion? I raise that because I think these grazing reserves are pretty critical if we're going to develop a livestock industry in northern Alberta. It's a very important aspect of increasing the livestock industry in northern Alberta. The minister has suggested that three reserves are in the final planning stages, but what are we looking at beyond that?

Perhaps in this particular discussion, the minister might also give us some indication as to where the government stands at this stage on the recommendation in the Horner report for what is really massive expansion of our public lands. We've seen expansion over the last number of years, but I think the Horner report calls for what really would be a sweeping increase in the utilization of our public lands in the north. The minister and I may disagree over the extent of the use of public lands for

recreational purposes, but I won't get into that tonight because that's not part of the estimates. But I don't think there's any disagreement among members of this House about the need to expand public land for agriculture. If this province is concerned about its traditional basic industry, we have to have a pretty clear policy on opening up Crown land. And that involves expansion of these grazing reserves as well as changes to and expansion of the homesteading program.

Because of the importance of the matter, I'd like the minister to give us some indication of what expansion is being considered beyond the three final reserves, how the minister relates grazing reserves to the total Horner report for expansion of public land, what pace he sees being practical to meet the objective of the 10 million acres set out in the Horner plan, and whether it is the government's view that that is a reasonable objective at this stage.

MR. MILLER: Mr. Chairman, I appreciate the comments of the hon. Member for Spirit River-Fairview and his support for this program. I might add that the planning stages for the three reserves presently in place — Pembina, Sang Lake, and the Blackfoot. Some development will be going on this year in the Pembina as well as Sang Lake. I should point out that at this time we are looking at two other specific areas as potential grazing reserves. One is in the Sanguo area and the other is in the northeastern Alberta area.

The member raises a very interesting point in regard to the Horner report and the opening up of 10 million acres. One thing that has to be given consideration is that until there are cattle in the area, the need for a grazing reserve actually isn't there. I think the member would appreciate that we pretty well have to go and get some settlement in the area, and the establishment of a grazing reserve would follow. In mentioning the settled areas, I should point out that the large areas where we are able to get a parcel of land to develop, the easy ones have been taken and it is getting increasingly difficult to get some Crown land on which there isn't already some sort of disposition. I couldn't agree more when he says it is a very valuable program for the smaller farmers in northern Alberta, particularly those on marginal land.

Generally speaking, grazing reserves are not on top-quality land. They generally go to land that has some tree cover, but it's not No. 1 soil. It is utilizing a resource and developing one of the assets of Alberta. As the member said, it has long-term benefits which you can't say are going to occur in the short term, but over a period of 30, 40, or 50 years. Not only will we increase the grazing capacity, but I think you'll also see an increase in the wildlife aspect for the people of Alberta.

MR. SINDLINGER: Mr. Chairman, since the minister has touched on the topic of the gray-wooded areas of northern Alberta, and the program is specifically designed for the gray-wooded areas in any case, I'd like to know if any consideration is being given to establishing the program in areas other than those described as gray-wooded soils. If there is, what are they? If not, why?

MR. MILLER: I should point out, Mr. Chairman, that there was a program in place before this grazing reserve program funded by the Alberta Heritage Savings Trust Fund was brought into being. For example, we have other grazing reserves in other parts of Alberta which are similar to this type of program, which were established

throughout all Alberta in former years. As I pointed out to the Member for Spirit River-Fairview, one of the problems we run into is to be able to get a piece of land which is big enough to accommodate a grazing reserve, in view of the fact that much of settled Alberta where we have Crown land is already under some sort of disposition.

MR. SINDLINGER: Mr. Chairman, inasmuch as the minister indicated that there was another program prior to this one that was similar, I wonder if the minister might elaborate a little on the dissimilarities. What was the distinction between the two, and what makes them different? The reason I'm asking that question is to try to determine why this particular program is being funded under the Heritage Savings Trust Fund.

This question has come up in other instances as well. In some cases, the ministers have been able to satisfactorily explain the difference. In others, they have not been able to and, by their own admission, feel there isn't any dissimilarity between programs under the original funding from general revenue as opposed to the heritage fund. If the programs that were already established ...

MR. CHAIRMAN: The Chair has some difficulty with that type of questioning. In the vote we are working on here at the moment, the objective is very specific:

To diversify and stabilize small scale farming particularly in the grey wooded areas of northern Alberta by providing additional improved pasturelands.

I have some difficulty going back into the history of grazing reserves in respect to this vote.

MR. SINDLINGER: That's a good point, Mr. Chairman. Maybe I'll put the question in a different way and just ask the minister to define why this particular program is being funded from the heritage fund and not from the General Revenue Fund. Different sets of criteria are given in the Heritage Savings Trust Fund. In this case, the criteria for capital projects are long-term social and economic benefits for Albertans. That's a pretty general set of criteria and, admittedly, almost anything could fall under that. On the other hand, if a program very much like this one was already being undertaken by the government from the General Revenue Fund, the question then arises that if it was already being done from that place, why is it now being done from this place? To put the question in more current terms, perhaps the minister could explain why this program is being undertaken with heritage savings trust funds.

MR. CHAIRMAN: Before the minister responds, perhaps we could hear from the Member for Grande Prairie.

MR. BORSTAD: Thank you, Mr. Chairman. I notice on the page that says, general funded pastures, it presently takes about 12 acres per animal on these reserves. Is that the carrying capacity of those reserves, or is there more room for extra cattle? What is the carrying capacity of these reserves as they now stand?

MR. MILLER: Mr. Chairman, first of all in response to the Member for Grande Prairie, the carrying capacity varies from reserve to reserve. I might point out that the grazing reserves which have been established for quite a number of years are probably operating at their maximum carrying capacity. Some of the newer ones — for example, one up by High Prairie — aren't being fully

utilized. The pastures that haven't been in operation for a long time are still in the development stage. Their carrying capacity will probably be increased. As the land is developed, the carrying capacity increases dramatically over what it is in its natural state.

MR. BORSTAD: Mr. Chairman, if you pick the Kleskun Lake reserve, which I'm familiar with — I don't know whether or not you have that in your head, but I'm wondering what the capacity is on that reserve. Is there room for more cattle to be handled on that reserve?

MR. MILLER: Mr. Chairman, I'm not sure whether that reserve is operating at full capacity. I haven't got that specific knowledge, but I would be prepared to get it for the member.

Perhaps I should respond to the hon. Member for Calgary Buffalo, in regard to his concern as to why this grazing reserve program is under the capital projects division of the Heritage Savings Trust Fund. Mr. Chairman, I can think of no program more fit to be funded under this program than our grazing reserve program. It fits into the guidelines and certainly benefits all Albertans, particularly the smaller operators.

MRS. CRIPPS: Is it expected that once the ...

MR. CHAIRMAN: I wonder if hon. members would address the Chair. This is kind of slipping tonight.

MRS. CRIPPS: Sorry, Mr. Chairman. Is it expected that once the grazing reserves are cleared and operating at full capacity, the operating expenses will carry the reserves?

MR. MILLER: Mr. Chairman, the way it's set up at present, the answer is no. They are operating at a loss, which is picked up through the general revenue. The capital costs of developing the reserve are under the Heritage Savings Trust Fund program. As such, we are operating at a loss at this point in time. We are concerned about this, and are looking at ways in which we might be able to reduce our cost of operation, and certainly are giving it every consideration. It is a concern that they aren't carrying their way as they might be.

MRS. CRIPPS: A supplementary, Mr. Chairman. I didn't expect to pick up the capital cost. I realize there's no way that we can pick up that capital cost, and it's probably a good investment in the long run. But the ones that are operating at full capacity — for instance, Buck Mountain is practically operating at a break-even level. So I guess my question was, is it the expectation that down the road the rest of them will be operating at a break-even level?

MR. MILLER: The Member for Drayton Valley raises a very good point. In the beginning stages, when they are being developed as such, you can expect them to be operating at a loss. We hope to be able to get them in a position where they carry themselves. But we have to make some adjustments. Perhaps one answer might be to get greater involvement with the patrons, to do some of the maintenance and other costs associated with the handling of cattle, rather than having it all hired.

MR. SINDLINGER: Mr. Chairman, first an observation, and secondly a question. In regard to why the heritage fund for this particular project, the minister has

responded that he could think of no project more fit for the fund than this; that it fits the guidelines and will present benefits for Albertans. My observation is that something like that could be said of almost any project the government undertakes. For example, in its normal funding of programs, one could say the same thing of highways: that the highways are fitting for government expenditures and they will provide benefits for Albertans. The same with expenditures for hospitals. We pay for hospitals, schools, and social services. But that really doesn't distinguish this type of investment from other investments. They could all be said to be the same.

This is the problem the founders for the fund grappled with when they first set up the guidelines for fund investments. Notwithstanding the fact, they came up with criteria like long-term social and economic benefits, or rate of return on investment, or strengthen and diversify the economy. A lot of debate centred on, well, how can that really distinguish these projects from other government projects by themselves because, really, they look the same. One criticism the fund has undergone in the last couple of years is that the capital projects division appears to be nothing more than an extension of regular government programs. The first time I remember that coming up was two years ago, on irrigation, when we saw that one of the irrigation programs was being partly funded by general revenue and the other by the Heritage Savings Trust Fund.

This might appear to be the same type of case, when it's noted that other established grazing reserves in the province are funded by the General Revenue Fund, and now we have these which are funded by the Heritage Savings Trust Fund. The criterion that seemed to capture the essence of the capital projects division most appropriately was one set out in debate by one of the members, picked up by others, and carried through in the initial debates. That was that the Heritage Savings Trust Fund would be used to do those things that the government would otherwise not do. Certainly, this project doesn't fit that category, because the government is already doing this sort of thing, or was doing this sort of thing a long time ago. So somehow we made the leap from general revenue funding into the Heritage Savings Trust Fund.

Now that problem is not unique just to this particular program. It can be said of many other programs in here as well. I'm not noting this as an adverse criticism of this particular project, but I'd just like to re-emphasize it because it is important that the people in the province understand the difference between heritage fund projects and General Revenue Fund projects. We had that problem for several years in the Heritage Savings Trust Fund watchdog committee. In the first year, I can remember one of the recommendations being that the government undertake expenditures to make the public more aware of exactly what was in the fund, and what it was being used for. In this particular year, I believe that one of the recommendations made was that a small brochure be developed, describing the Heritage Savings Trust Fund. That would be sent to all the residents of the province, so there would be a very clear understanding of exactly what the fund was and what it was being used for.

So in this particular case, rather than just saying this project fits the guidelines of the fund, I think, in line with the recommendations made by the watchdog committee, more thought ought to be given to demonstrating to citizens in the province that this is, in fact, a unique type of project; that not only would it have long-term benefits for the province, but it also would not have been undertaken

in the first place unless there was a Heritage Savings Trust Fund. That is the major benefit of the Heritage Savings Trust Fund capital projects division: that these things which are being undertaken would have not been undertaken had it not been for the fund. That's a communications problem that we in the Legislature have with those outside the Legislature. I know we've directed some attention to it, and we'll get more when we get that pamphlet distributed. So that's the observation I wanted to make, Mr. Chairman.

In regard to the question, I wasn't quite clear on the question asked by the Member for Grande Prairie; I couldn't quite hear him. But I believe it had to do with the number of cattle being supported by the program. There was a supplementary question from the Member for Drayton Valley, in regard to the self-sustaining nature of the grazing reserves, once established. If that was the case, perhaps my question is redundant. But I think the minister said he would try to get more information on the number of cattle being sustained. More specifically, the question I would put to him is: what is the crossover point, in terms of — well, the minister's comment was that he hoped to get them in a position where they carry themselves, which I suppose would be a profit position or at least a break-even position, as opposed to a profit-making position. If the minister could have available the information indicating how many cattle are being carried at the present time, and how that relates to the maximum capacity — I believe that was the question posed by the Member for Grande Prairie. I think it was noted that maximum capacity was probably being reached on the older reserves, then specific reference was made to High Prairie not being fully utilized.

In a little while, I would like to get down to a per unit cost in regard to the number of acres purchased and the number of cattle being sustained on all these acres: perhaps a per unit figure of cattle per acre, then look at the cost per acre in terms of acquisition and development, and then look down the line and determine when that crossover point is reached. For example, if the capital cost per acre is X dollars, when do we recover that X dollars and have the grazing reserves sustain themselves? I guess the first question to the minister is in regard to the total number of cattle being sustained on the total acreage. Perhaps, we could then look at a total cost per cow per acre.

MR. MILLER: First of all, Mr. Chairman, I should point out that establishing grazing reserves years ago wasn't that capital intensive. They were in areas where they didn't have the high cost of brush removal and seeding. Generally speaking, it was easier to develop those reserves. When we start going north of Edmonton, into the gray-wooded soils, the cost of developing an acre becomes quite extensive, when you look at cost of brushing, piling, repiling, seeding, and general development.

As far as the cost per acre per animal unit is concerned, I don't think we can look at it on the short-term basis. It's something like a farmer who develops his own land. He doesn't look for a return in the immediate year or two years. It's a long-term program, where you have to look at 30 or 40 years. The fact of the matter is that we have a land resource, which isn't being fully utilized. In order to get greater utilization, you plan and select areas which are to be developed. From that, you have to think that in 30 or 40 years, you'll have an asset that increases dramatically once the development takes place.

MR. SINDLINGER: Mr. Chairman, a supplementary then. When the minister talks about looking at this on a long-term basis as opposed to short-term basis, as those in the cattle industry often do, he indicated that perhaps these projects ought to be considered on a 30 to 40 year basis. Not being an expert in the area of cattle raising and things of that nature, it seems to me that that is a very extensive, long-term period.

I might relate that 30 or 40 years to the earlier comment by the minister that he hoped to get these reserves in a position where they could carry themselves. The question I would ask is whether that hope relates specifically to recovery of the capital cost, or does that comment relate specifically to recovery of the operating costs on an annual basis, or to recovery of the total cost on an annual basis? Perhaps to clarify that, the minister might note whether there is any provision for operating costs in this appropriation. Are all these expenditures, the \$7.2 million we're looking for today — I think the minister said it's an approximately \$38 million program. Just roughly, it looks like the expenditure to March 31, 1981, was \$10.6 million. There is a comparable '81-82 estimate of \$8.7 million. That takes us to about \$19.4 million.

We're about halfway through the program now at \$19.4 million, depending upon how much of the '81-82 estimates were expended. It may have been that some of it was allowed to lapse. If that is all for capital costs and none for operating costs, I would have to presume that what we're talking about in getting them into a position where they can carry themselves or be self-sustaining would simply be a recovery of capital costs, and the capital cost recovery or pay-out period would then be 30 to 40 years. Could I get some clarification on that, please, Mr. Chairman?

MR. MILLER: Mr. Chairman, the capital costs are picked up by the Heritage Savings Trust Fund, but none of the operating costs. The operating costs come out of general revenue. As far as the return on investment, we are not calculating that. When I say we are trying to get these self-sustaining, it's in regard to operating costs. The capital cost — we have developed a resource which has increased in value because of that development.

MR. SINDLINGER: One final supplementary, if I could please, Mr. Chairman.

MR. CHAIRMAN: In regard to the last question, I'm not too sure if the hon. member is studying the vote before us very carefully. Regarding capital costs in particular, it states right there that it may involve land purchases, improvements, and facility construction. It's plain and simple there. Maybe we could hear from the hon. Member for Spirit River-Fairview.

MR. NOTLEY: Well, Mr. Chairman, there is a supplementary.

MR. SINDLINGER: If I may, please, Mr. Chairman. I'd like to know the total cost of the project. What is the total liability incurred by this appropriation?

I don't think that is an unreasonable question. It's a question the Auditor General suggested should not even have to be asked. The Auditor General has recommended that that type of information be included in the annual estimate, rather than us having to ask the question. The reason the Auditor General feels the question should be asked is that sometimes, when the Legislative Assembly

votes funds for a particular project, there are other expenditures from other sources that are associated with it. Unless one knows the total cost for a particular project, it's not reasonable to expect that individual to make a responsible judgment without adequate information.

In this particular case, we're asking for \$7,199,700 in capital costs. I don't think it's unreasonable to ask what the associated operating costs are. For all I know, the associated operating costs could be \$10 or \$20, or \$10 million or \$20 million. I'm not asking for a dollar and cent response in regard to the operating costs. But if we could get some indication of the order of magnitude so we'll have an idea of the relative importance of that, we'll know exactly what we're committing ourselves to.

MR. MILLER: Mr. Chairman, the operating costs for last year were \$1,980,000.

MR. NOTLEY: Mr. Chairman, I'm glad the minister clarified the issue of capital costs. I don't think there can be any doubt that there's no way these grazing reserves could be self-sufficient if you include the capital costs.

Mr. Chairman, as I look at the reserves to date, we're talking about just a little under 200,000 acres. The total program is going to be \$38 million. Perhaps the minister could tell us whether that total program includes the three reserves now in the final planning stage. How many acres are involved in them? Just doing a little quick arithmetic here, we'd be looking at capital costs somewhere in excess of \$300 an acre. I'm prepared to justify that. But at the same time, I don't think anyone could be under any illusion that we could possibly expect farmers to pay even 15 per cent interest on a capital cost of \$300 an acre. For example, I look at Wanham, in my own constituency, where the carrying capacity is about one animal for every 10 acres. It's just not feasible that you charge that much. You'd be charging more to pasture an animal in the summer than it's worth at the auction mart. So we can't do that. It's just not practical.

I have several supplementary questions, but I wonder if the minister could give us the total number of acres that will be in place with the three reserves that are in the final planning stage. I presume that that 37,958 includes the three. If not, perhaps he could tell us.

MR. MILLER: Yes, Mr. Chairman, the Blackfoot grazing reserve is going to be 25,000 acres in size; the Pembina, 19,200; and Sang Lake, 15,000 acres. The hon. member makes an excellent point when he says that the cost of development can run up to \$300 per acre. I think there are intangibles that we can't put a price on. For example, there is the wildlife habitat. Wildlife benefits from the development of the pasture, in that there's increased grazing for them. As far as the Blackfoot grazing reserve is concerned, which is just on the east side of Sherwood Park, it's a multi-use facility, where we will not only be developing it for the grazing aspect but also for the wildlife habitat, the cross-country skiers, the snowmobilers, the wildlife people, forestry concerns. Multiple benefits take place in these reserves which are being developed, which you can't put a price on.

MR. NOTLEY: Mr. Chairman, I should just correct my own quick arithmetic here. I think the figure would actually be closer to \$150 an acre rather than \$300. We're just doing ballpark arithmetic, but I don't want to mislead anyone. I just had my figures mixed up a bit.

Mr. Chairman, with respect to the \$6,845,000 that is



going to be provided this year for the development and construction of facilities, how is that going to be broken down between clearing and piling, breaking, repile and burn, work down, seed, rootrake, fertilizer, fencing, dugouts, sheds, barns, garage, et cetera? Does the minister have the estimates? We have the proposed number of acres for the current year, but we don't have the breakdown of the appropriation we are asked to vote on.

MR. MILLER: Mr. Chairman, I haven't got that information, but I'd be glad to get it for the hon. member. I think he would appreciate, being a rural member, that costs and the speed of development are very dependent on the weather factor, as to what can be done and what can't be done. Certainly the fencing element, the dugout element, the machinery element, and the corral element can take place without too many problems. But when we come to brushing, breaking, and piling, there is a variable factor dependent on the weather. But I would be pleased to supply the hon. member with information in regard to what is specifically proposed for this coming year.

MR. NOTLEY: Perhaps we'll have a chance to look at that a little later, Mr. Chairman.

What monitoring is done, in terms of comparing some of the costs between different grazing reserves? I realize there will be some regional differences but, for example, are there significant differences in contract costs between — let's take three northern ones — the final completion work that's now being done in Bear Canyon, the work being done in Manning, and in Valleyview? Are there significant differences in the actual contract costs for the type of work being done, or is there a reasonable constant as to these costs?

The other question I would put to the minister is: have we found there has been an easier situation getting bids this summer because of the slowdown in the oil industry? Has that brought down the cost of bids for cat work, brushing work — this type of thing — in the reserves?

MR. MILLER: Mr. Chairman, the work is let by tender, as the member probably knows. Generally speaking, the lowest tender is selected. I would think that the work that has to be done — in other words, the amount of brush cover, how thick it was, how big the trees were, the size of the acreage — are all greater factors than whether it's in one area or another.

We find that these contractors are quite mobile. They will move around, and they are very competitive. As the member is probably aware, the price has been a little better than ordinarily for most of the contracts this year because the slowdown in the oil industry has made more equipment available to do this work.

MR. NOTLEY: Mr. Chairman, a further supplementary question. The minister indicated in an answer to the Member for Calgary Buffalo, I think, that the emphasis is going to be in the gray-wooded area, where we're able to use Crown land. Of the ones that are announced, I think very little of the projects would be anything other than Crown land at this stage, as I look at the area.

However, Mr. Chairman, let's take a look at the three projects that are being planned: Pembina, Blackfoot, and Saddle Lake, and the minister also suggested Sangudo. I could be wrong, but I doubt there would be sufficient Crown land that you could assemble in the Sangudo area for a 15,000 to 20,000 acre grazing reserve. Are we now about to embark upon significant acquisition and pur-

chase of deeded land to proceed in certain areas of the province where we do have heavy cattle population but where there isn't sufficient Crown land available for expansion?

The reason I raise that is that the minister, in response to the first question, pointed out that there's no point in putting a grazing reserve into an area if you don't have any cattle. That makes a certain amount of elementary sense to me. But we have areas with heavy cattle populations in the province where, especially for the smaller operator, it would be helpful if we could proceed. Are we unduly restricted at this stage, in terms of grazing reserve expansion, because of the traditional policy of concentrating on the development of public land?

Perhaps if we could take a rundown on these three that are in the final planning stage. The minister could perhaps tell us how much is public, and if there's any private land in any of them. For example, I think the Blackfoot would be largely public, but I suspect there'd be some private land. I'd be interested in what the situation is, and whether it would be possible to proceed on public land in Sangudo or whether we're going to have to look at some form of acquisition of private land.

MR. MILLER: First of all, Mr. Chairman, I should apologize to the member for saying Sangudo. It's a place — I can't remember the name of it — between High Prairie and Slave Lake. What's the name of that town where we had the forestry ...

AN HON. MEMBER: Kinuso.

MR. MILLER: Kinuso, that's the place. It's the Kinuso area. I apologize.

MR. NOTLEY: Lots of Crown land there.

MR. MILLER: Exactly. Well, that's where we're looking. As far as the Blackfoot, Pembina, and Sang Lake grazing reserves, this is all Crown land which is being developed. The member is right: our main thrust has been to utilize Crown land which is available and hasn't had a disposition under it.

MR. SINDLINGER: Mr. Chairman, I'd like to ask a question about the land-use plan developed by an interdepartmental team. That's stated right in the implementation of this particular vote. I note that under special projects there is an allocation of \$174,200, comparable to \$110,140 the year before. Special projects is described as allowing

for the input of other government departments and agencies into the development plan for new reserves.

When we looked at the Environment estimates, we found what was termed interdepartmental subsidization. Appropriations were going to support or sustain aspects of the department which were in place, not for the particular Heritage Savings Trust Fund project, but for people and services which were there for the department in any case. It turned out that just some of the manpower or services were there for the Heritage Savings Trust Fund project.

If it could be said that more than 50 per cent of manpower time or services was required for a heritage fund project and the remainder left over for the department, it could still be said to be in support of the Heritage Savings Trust Fund. However, if the situation is reversed and the manpower services are for more than 50 per cent of departmental uses, yet money is taken from

the fund to make up the total, we have a situation where the fund is supporting things which would normally be undertaken by the department in the first place. So I think I would like to ask the minister if he would please elaborate a little on the special projects and identify precisely what they have been and what they are intended to be in this particular case.

Secondly, when he talks about an interdepartmental team, could he identify what other departments are on that particular team and what their functions are? It may be that this is, in fact, something entirely removed from the Heritage Savings Trust Fund or, if not entirely, the major portion of it would be.

Thirdly, I would like the minister, if he would please, to elaborate on the land-use plan developed by this interdepartmental team. I think it would be more than prudent if this land-use plan, which was developed as a long-range plan — especially in view of the comment by the minister that there was an expected pay-out period, if I could call it that, although that's not really what it is, a 30 to 40 year development period in selected areas. If there's a 30 or 40 year development period before the reserve can become self-sustaining, it would seem to me that inherent in that objective would be a long-range development plan.

I could make the comparison with airports. When we considered the airport vote, representations were received from communities that felt they required a new airport facility, a runway, or a terminal building. But that amounts to 'ad hockery' because, over the long run, we are trying to develop a systematic network of airports and terminals for our third-level air carriers. Building a terminal here and one there, without prioritizing them, and building them simply because somebody came and said we need one here, is 'ad hockery'. Short-term decisions for terminal buildings and facilities might not be compatible with the long-range plan. One might find that this terminal here will not be needed for the long term.

Given the fact that such a long-term period is associated with these projects — 30 or 40 years — it would seem prudent to me to have a land-use plan that is indeed a long-term plan. I'd like to know if the minister could elaborate on that long-term land-use plan, and let us know what plans have been developed and if they have been made available yet for public perusal.

Mr. Chairman, the three questions I ask in regard to special projects are: one, what special projects are contemplated for this particular vote; two, what is the interdepartmental team that will provide the input; and three, what is the land-use plan? A sub-question to that would be: where is it now, and at what stage is the land-use plan? Has it been finalized, or is it still in the exploratory, preliminary, or development stages?

MR. MILLER: Mr. Chairman, I hope I got the questions correctly. The hon. member was talking about airports, and he got me kind of confused for a bit. However, he raises an excellent point when he talks about the planning aspect. The planning aspect is carried out by the Resource Evaluation and Planning Committee. The purpose of this committee, composed of representatives from the Public Lands and Wildlife, Environment, Agriculture, Forestry, et cetera, is that there is an interdepartmental review of what is to be done on a specific piece of land.

I think the best example of what is being done has to be the Blackfoot integrated resource management plan. The money he speaks about is to get information to the public and to get public input as to what should be

developed on a specific piece of land. He talks about a pay-back in 30 or 40 years. We're not looking on it as a pay-back as such, but as a development of a resource which will have ongoing benefits. We look on it as a plan that the public has input to. When we go in to develop a grazing reserve, we don't develop it from corner to corner. There is selective clearing, so that we have what we call wild animal escape routes.

In the case of Blackfoot, we have cross-country ski trails and snowmobile trails. We have the pastures fenced off, so that we have controlled grazing. We have areas set aside for the ungulates. In the Blackfoot grazing reserve, we hope to be able to establish some dugouts in which we might be able to stock some fish. We hope to be able to release some pheasant in the area. So it's a people resource, developed for the total population of Alberta. The Blackfoot grazing reserve has had a great deal of input. We started with a plan and submitted it to the people for their comments. The various user groups were contacted. Now we're at the stage where we're looking at detailed plans, and we are working with the user groups in order to establish the best use of the area, as it were, and hope to be able to satisfy all the user groups to the best of our ability. I think it should be pointed out that the grazing aspect is only one part of it. It's the part that is paying. The other is people projects where there is no direct charge, so no revenue is derived from it. However, it is the development of a resource for the people of Alberta.

[Mr. Purdy in the Chair]

MR. SINDLINGER: Mr. Chairman, a supplementary question please. The minister has just dispelled an illusion I had, that the primary use of the grazing reserves was for grazing. But when he elaborates on it and says it's also people oriented — for example, when he talks about trails for snowmobiles and cross-country skiing and also the wild animal escape routes through selective clearing — I get the impression that it's a multi-use development.

Mr. Chairman, I'd like to ask the minister two questions in regard to the response he has given. The first is in regard to the Resources Evaluation and Planning Committee that the minister just identified for us. To demonstrate the work that Resources Evaluation and Planning Committee does, the minister referred to and used for an illustration the Blackfoot integrated resources plan and indicated that that information was put out to the public in order to get public input to the planning process. Unquestionably that's a desirable thing to do.

First, I might ask the minister what type of public input was received. For example, was there overwhelming response, or were there people who had objections for any particular reason? Coming back to my opening comments in regard to this specific section of the appropriations — that is, the land-use plan developed — the question I put was in regard to the term of the land use. Inasmuch as we are looking at a 30- to 40-year developmental period, when you look at that in present dollar values, that factor is really off the scale and can't be contemplated any more.

When most projects are analysed, what is called a discounted cash flow or present value analysis is done. Once you get past a 10-year horizon, the incremental dollars are minuscule and aren't even counted into the program. From what the minister has said to me, I would not even consider looking at this to the 30- or 40-year period when we talk about hoping to get the reserves in a

position where they will carry themselves, especially in regard to operating costs. It's so far in the future that it's not really relevant to this particular case. Especially in regard to the operating costs, I haven't been able to get a precise number on that. But when the minister indicated there was \$1.98 million in operating costs last year, looking at the handout provided for us where there is about 258,000 acres total for the program, that comes down to only about \$9.90 per head of cattle per acre. If I understood him right, I think he said that 10 acres supports one cow, which means about \$100 per cow per year. Again, that's not a very significant sum.

Nevertheless, in regard to this long-term land-use plan, aside from the first question I asked, since these are multi-use facilities and they could become more widespread across the province rather than just the particular attention given to the gray-wooded areas in northern Alberta, I'd still be interested in knowing what sort of long-term, broadly based plan is in place for the development. That is, is there an overall plan for the entire province, so we're not just going helter-skelter: it looks like we'll do this one this year, and maybe if we have some more money, we'll do that one next year?

So those are the two questions I've asked. First of all, in regard to the Resources Evaluation and Planning Committee and its attempts to get information to the public and get public information back: what type of public meetings were undertaken; what were the representations at those meetings; and what was the response in general, not in detail, but was there general acceptance and advocacy or were there those who objected to the plans and for what particular reason? Secondly, in regard to the land-use plan, two aspects of that: the planning term, is it short-term planning over one or two years or, if it's long-term planning, can we say to ourselves, in 10 years from now there will be a public — oh, I was just going to say "public demand", and I'd better not say public demand — need for, say, five or 10 more grazing reserves? Given the land inventory at the particular time, could we accommodate all of those, some of them, or those in that particular area, and is that land-use plan broad enough to cover the entire province so that there would be a very orderly and systematic plan for the development of the grazing reserves?

MR. MILLER: First of all, Mr. Chairman, I should point out that the Blackfoot grazing reserve is somewhat different from the other grazing reserves which have been established because of its location and the demand from the people from the Edmonton and Sherwood Park areas for someplace to carry out their various user-group activities. At one time, the Blackfoot grazing reserve was a grazing association. With the increase in the amount of tree cover that naturally developed over the whole grazing reserve area, the amount of grazing was gradually decreasing. The people who had the grazing association could see that inevitably there would be no grazing left.

So the benefit derived from going into a grazing reserve was that by this program being implemented and some of the land being developed, we were able to satisfy the needs for the cattle that were to be grazed there on a lot less land than the total grazing reserve. In other words, by developing the land, whereas formerly we might have needed 50 acres per animal unit, we could now look at 5 to 10 acres. So this made it possible for land to be utilized for other uses.

I should also point out, Mr. Chairman, that as any farmer knows, if you have raw land and develop it, the

minute it's brushed, piled, and broken, it increases dramatically in value. So the money we're putting in from the heritage trust fund is not an expense, as such, but an investment in the development of a resource. It's hard to put a price on it in the short term, or even the long term. We do know that by this type of development, we have greater utilization of our resource.

The Member for Calgary Buffalo should be aware that the primary purpose in establishing grazing reserves is to increase the grazing capability but, at the same time, to increase wildlife habitat. As I mentioned, in the Blackfoot grazing reserve, we have a demand from the user groups which we might not have in other areas. For example, I refer to the Sang Lake grazing reserve, where we're going to clear 1,000 acres this year. A lot of this is harvestable timber which is presently being removed, so we are not wasting the timber; we're utilizing the resource. After the timber is cleared off, we'll be in a position to develop that land for grazing purposes.

I'm not sure if I've answered all his questions with regard to the Resource Evaluation and Planning Committee, but I would point out that probably the most important factor is this planning team. They look at the area first and determine the number of acres to be cleared and the potential for reforestation so that it can be carried on. They also meet with local groups as to what they feel should be developed and what should be left in its natural state. In many cases this involves talking to the farmers of the area who are going to utilize the resource. They meet with the fish and game associations and the agricultural societies in the general area for input from the local level.

The program is working extremely well in all areas. I might point out that certain reservations are brought forward by various groups. But generally speaking, after the reserve is established and people see what it can do for the economy of the area, they feel it's money well spent.

MR. SINDLINGER: Just one final supplementary please, Mr. Chairman. The minister has responded adequately to the first part of the question regarding the Resources Evaluation and Planning Committee, and noted that Public Lands, Environment, Agriculture, and Forestry do meet with the local residents and various interest groups. I do expect that most of the residents of the area, once having the program in place, would recognize the economic benefits for that particular area.

Still, the question of the overall, long-term provincial plan perhaps got lost in the consideration of the initial questions. If I could put the question most succinctly: is there a land-use plan in place today? Has a land-use plan been developed, and is it available now?

MR. MILLER: Various regional plans are being developed. But more specifically, in responding to the grazing reserve aspect, we respond to demands from the people of the area. If they show that there is a need for us to establish a grazing reserve, that the numbers of cattle are there, that there is a need for increased grazing capability, we respond as such. This is the case in regard to Kinuso, for example, where we have had an request from the people out there to establish a grazing reserve. We're responding to their concerns.

MR. SINDLINGER: Mr. Chairman, I understand that the program is a responsive one. It responds to a request or need developed and presented by a local area rather

than initiation from the department. In the case, then, of this total project cost of \$38 million, is that for projects already presented to the department or for those projects already presented and there is money left over for projects which may be presented? Did I make myself clear on that?

MR. MILLER: In other words, you're asking whether the money is already committed for the reserves identified, or whether there are funds for others. There are still funds for other reserves which will be identified.

MR. SINDLINGER: That raises another supplementary, please, Mr. Chairman. I thank you for bearing with me. How much money would be left over, then, for other reserves yet to be identified? And how many reserves would that leftover money accommodate?

MR. MILLER: This is an impossible question, Mr. Chairman. It depends on the number of requests and the number of acres needed. We can't generalize, at this point in time, as to how many reserves, how big, or where they will be. We're responding to the needs.

MR. SINDLINGER: Mr. Chairman, I again beg your indulgence. That raises another question. If there will be money left over for reserves yet to be identified, I can understand that the need or representations have not yet been received by the department. I think the department would know how much money would be left over, or how much money is being held in reserve for those reserves yet to be identified. We have a total project cost here of \$38 million. How much of it has already been committed to certain projects? I know you can't tell me how many reserves it would take, but we could identify how many dollars are left over for grazing reserves yet to be identified.

MR. MILLER: Mr. Chairman, we can't do that. Different reserves have different requirements. For example, we're going to fence the Blackfoot grazing reserve with ungulate fencing to take care of the wildlife. We have different conditions on different reserves. It's an ongoing program which has \$38 million to develop. We are responding to needs, and the needs vary from reserve to reserve. It's hard to identify specifically how we could do that.

MR. SINDLINGER: I think I've got it narrowed down now, and I think I can get the final answer to this one. Of the \$38 million for the total project, how much money has been committed to reserves?

MRS. CRIPPS: It tells you right on the first page.

MR. MILLER: Mr. Chairman, I will have to try to get that answer because this has varied. Specifically, one of the problems we've run into is the various user needs which we're trying to develop for the Blackfoot grazing reserve. Our costs depend on what we're going to do there.

MRS. CRIPPS: It may be too late, now. I just wanted to talk about the needs that the Member for Calgary Buffalo was talking about. In my area I have one of those pastures, the Pembina reserve. The need for a reserve was a direct request from the farmers in that area. They, along with the council of the county of Parkland, picked

the area they thought would be useful for a reserve. Then the resource evaluation committee, made up of Recreation, Public Lands, Agriculture, Energy and Natural Resources — in Energy and Natural Resources we were talking about both oil and natural gas, because both of them are involved in the reserve. I held public meetings last year which members of the department attended. The farmers asked questions. To date, I have only received one negative letter on that grazing reserve project.

In that particular area, they have to fence out the oil wells because cattle can't graze up to those donkeys — whatever you want to call them. The cost there is much higher than I would imagine the cost would be on a grazing reserve that doesn't have oil wells all over it. The total area is 19,200 acres, and I believe the total cleared area will be 11,000 acres: that leaves out creek protection, areas of good timber, and any areas Fish and Game designated as important for animal life in the Cynthia area. An extensive evaluation was done, and I believe that that evaluation is public. If you'd like, I have one in my office.

MR. NOTLEY: Mr. Chairman, first of all, I want to go back to the question on the total amount. Mr. Minister, I'm referring to the handout. I have \$10,600,000 spent as of March 31, 1981; \$8,700,000 approved for 1981-82; and we're now asked to approve \$7,200,000. My arithmetic brings the total of those figures to \$26.5 million, which would leave about \$11.5 million. I guess the question that the hon. Member for Calgary Buffalo raised is with respect to that \$11.5 million. I would presume that at least a portion of that \$11.5 million, as I go over the different grazing reserves already announced, will be for completing them. For example, in '82-83 we certainly have varying expenditures required to complete almost all of them, although on a declining basis. Nevertheless, there will be fairly significant amounts of money for almost all of them in '82-83.

Could the minister tell us whether or not the reserves included in the handout will go into '83-84 and '84-85? In other words, how much of that leftover \$11.5 million is going to be spent in completing the 10 reserves that have already been announced, that have been planned, and that we've issued contracts for? At least we have the matter under some kind of clear-cut plan of where we're going. Perhaps we could just start there.

MR. MILLER: Mr. Chairman, the member has the figures as to what is to be done on each reserve until 1982-83; is that correct? He's asking, what is going to happen in 1984-85? Most of the reserves, the 10 that are in the process and are being completed, most of that work is done and is behind us. There is work going on right now on the three in the planning stage, particularly in the Sang Lake and Pembina grazing reserves. The Blackfoot grazing reserve is still in the planning stage. The detailed plans are being reviewed by the user groups. None, or very little, development will take place there this winter. But it will be in a position where it will be ongoing from there.

I don't know if I responded to your question specifically or not. I might have missed what you were asking for.

MR. NOTLEY: Mr. Chairman, the reason I ask it is that the figures the minister gave were not approximate but, in fact, quite exact: \$37,958,000. So I would assume that there are fairly clear estimates. My point was that I'd like to know how much of that difference, about \$11.5 mil-

lion, between what we've already committed and what we have figures for would be taken up by the completion of the existing reserves. I would assume a relatively small portion. How much of that would be assigned to the three additional reserves? I presume we're just talking about the three additional reserves that are being planned, not ones that may be on the horizon down the road; or are we? I was a little confused in your response, Mr. Minister, to the Member for Calgary Buffalo. I had gotten from an earlier question that we're talking about the \$38 million as it applies to the 10 reserves already announced and in place and the three that are now well into the planning process. If we go beyond that, suppose we identify another half-dozen in the next five years, that would be on top of the \$38 million, as opposed to being included in the \$38 million.

MR. MILLER: Mr. Chairman, I'll have to take that question as notice and try to get a specific answer for the member.

MR. NOTLEY: Mr. Chairman, a supplementary question to the minister. I realize that, particularly with the Blackfoot reserve, we're looking at a different concept and one that's going to be much, much more expensive. I think that if you're going to make multipurpose use of the public lands in the area, the department is taking the right approach. However, Mr. Chairman, do we have an estimate at this stage of the cost of Blackfoot reserve?

MR. MILLER: I'll also take that question and get the answer for the member.

MR. NOTLEY: Mr. Chairman, I want to just make one observation about the Resource Evaluation and Planning Committee. I should say that at least as far as the Bear Canyon reserve is concerned, and the one west of Spirit River, there seems to be a lot of positive feedback that I get as the M.L.A. for the area. I would, however, just point out to the minister, because this relates to the question that the Member for Calgary Buffalo raised a little while ago, that the whole issue of land-use planning in the province has been the subject of some controversy, I know, in the north and central Peace, not during the term of the present minister as much as several years before.

One of the reasons that we got into problems, Mr. Minister, was this whole business of deciding what should be in the green zone and what should be in the yellow zone. About five years ago, as a result of the work of this interdepartmental committee, a number of residents in the north Peace, in my constituency as well as in the constituency of the hon. Minister of Municipal Affairs, suddenly found that their deeded land had been stuck in the green zone. You can well imagine the consternation of the people involved when they discovered that the land they thought was theirs — which at some point they may want to sell to someone else, and which they've proved up, worked up, what have you — was stuck in the green zone, where there would be much more severe limitations on what they could do with it. That created a good deal of problems and a lot of unnecessary hard feeling. I would hope that, in terms of dealing with the user groups and community involvement, that mistake won't occur again.

We need land-use planning, there's no question about that. No one would support the concept of land-use planning more strongly than I do. But if you get into a situation where you have maps drawn, then somehow this

gets out to people, and they find, as they did in Menno Simons, that their land was stuck in the green zone, you've got people almost ready to come down and catch the minister and find the first tree or lamppost and take the appropriate action in their mind at the time. I think we can avoid that by ensuring that there is a public participation process.

I would just say, at least with respect to the two grazing reserves in the Spirit River-Fairview constituency, that the matter has been handled rather well. But it should be pointed out that three or four years before, we got into what I thought was an unnecessary row in what was a good program, a good effort to systematically plan the use of land. But because of the fact that people weren't involved in that process, we created hard feelings and people got their backs up unnecessarily.

MR. MILLER: Mr. Chairman, the member raises an excellent point. I think that perhaps in the past we were remiss and that inadequate planning was taking place before decisions were arrived at. This isn't to say that our method of planning now isn't the best in North America, because I actually believe it is. We do have this interdepartmental committee, which is represented on the REAP committee, which is doing an evaluation as to the best use of a specific piece of land, whether it should be for forestry production, agriculture, or recreation, or whether it should be left in its natural state.

I couldn't agree more when the member says how important it is that we have input from the local people. I'm constantly getting demands to open up new agricultural land. In some cases, this is very valid. In other cases, it's not, because of the tree cover, the potential for forestry, climatology, the need for drainage, et cetera, so that all these factors have to be taken into consideration. It should be done before a decision is made as to what specific use should be given to that parcel or area of land. I appreciate the member's bringing forward how important the planning aspect is. In my opinion, and as he pointed out, it seems it was well done in those two grazing reserves in the north and south Peace. I think we're doing a pretty good job, and certainly working with the people and trying to establish the maximum utilization of our lands in Alberta.

MR. SINDLINGER: Mr. Chairman, to the minister. Again referring to the handout the member gave to us, there is no date on it. This was given to the heritage fund this summer.

MR. MILLER: August 18.

MR. SINDLINGER: August 18. In regard to the Blackfoot provincial grazing reserve — and this is coming back to the questions I was asking earlier about the total cost and how much money has been committed. If I understand correctly, three of these are still in the planning stage. One is the Blackfoot, one is the Pembina, and the other is the Sang Lake provincial reserve. Money is budgeted for '80-81, '81-82, and '82-83 for the Blackfoot one. Just doing a rough calculation on that, the proposed budget for '82-83 is almost \$0.25 million. That \$0.25 million would have to come out of this year's appropriation of \$7,199,000, if that is all for the planning. But also in 1980-81, approximately \$105,000 was budgeted. This doesn't show if that was what was actually expended. Also it shows budgeted for '81-82 — just a quick count — it looks like about \$95,000.

My question is: at exactly what stage is the Blackfoot provincial grazing reserve in terms of exploratory, preliminary, and development planning? I ask that in comparison with Pembina where, just by quick calculation, it looks like a little over \$40,000 has been budgeted for the comparable period. There's only \$3,500 budgeted for Sang Lake. So of the three that are in the planning stage, two have very low figures allocated to them, and yet the Blackfoot provincial grazing reserve has almost \$0.25 million budgeted already. I can't tell from this how much has been expended. The minister, Mr. Chairman, has already pointed out that the final total costs for this particular project haven't been estimated yet.

It seems to me that Blackfoot provincial grazing reserve, from the description given to us by the minister, might be called something more appropriate than a grazing reserve, with all the other uses for it, the multi-use facility. It might even be called a provincial park. I hope I'm not exercising my imagination too much, but we had the example of Kananaskis Park, where we started out with an initial project cost of something like \$40 million, and it's now somewhere in the neighborhood of \$140 million because of changes in scope as we went along. So perhaps the minister might be able to indicate, of these budget amounts for each year over the three-year period, amounting to almost \$0.25 million, how much has in fact been expended and what the expenditure was for.

Secondly, I appreciate the fact that the minister doesn't have the total anticipated costs for the Blackfoot project yet, but bearing in mind there is only about \$11 million left out of the total project, we wouldn't want a Kananaskis project here that cost \$140 million. I'm sure it's not going to be that. If we could just get a ballpark number. I did a little ballparking earlier and tried to figure out what the cost per acre had been so far in the reserves developed. The Member for Spirit River-Fairview came up with \$150 per acre. I tried to corroborate that, using my calculator, but one could use two different figures. The acreage on the reserves announced today is 198,816 acres, almost 200,000 acres. If you divide that 200,000 acres into the total project cost of \$37,000,958, you're looking at about \$180 per acre. But if you take out of there the acreage for Blackfoot, Pembina, and Sang Lake, instead of 258,000 acres you've got a number that's going to appreciate to almost \$197 per acre. So we're looking at \$200 per acre.

On that basis, if you look at an average of \$200 per acre and you have about \$11 million left in your program, that would enable you to develop reserves that would have about another 50,000 acres. The total acreage that's left for your 11 million bucks would be another 50,000 acres. Since we already have 200,000, you're looking at an increment of 20 per cent in acreage. So, 20 per cent is your increment in acreage for the money you have left. In terms of acreage, you're 80 per cent through your project. I'm sure you and your officials already know this, but I'm just trying to put some parameters on it so I can understand the project scope.

Mr. Chairman, I apologize. I did stray a little from the point. The point was, in regard to the Blackfoot provincial grazing reserve: of the budgeted amounts for '80-81, '81-82, '82-83, how much has been expended, and how much has been expended for either exploratory, preliminary, or developmental planning?

MR. MILLER: Mr. Chairman, as I told the hon. Member for Spirit River-Fairview, I'll try to get that cost, and I'll have it provided to the hon. Member for Calgary

Buffalo.

I should point out that with regard to Blackfoot grazing reserve, we're behind schedule. I think the reason, as the member is probably aware, is that the multi-use aspect has created problems we don't have in other grazing reserves, where we don't have the people demands for alternate uses. In Sang Lake, as we pointed out, it's basically grazing, plus the wildlife habitat. Blackfoot grazing reserve is more of a multi-use concept.

MR. SINDLINGER: Mr. Chairman, one question I did ask that kind of got lost in there was with regard to the primary function of Blackfoot provincial grazing reserve. Will the primary function be for cattle grazing or for people use, the multifaceted use the minister addressed?

MR. MILLER: As I pointed out before, Mr. Chairman, the Blackfoot grazing reserve was a Blackfoot grazing association, where control was vested in the people who were using it strictly for grazing purposes. Because of the fact that the grazing was decreasing yearly because of the amount of brush and trees moving in, gradually the number of cattle that could be grazed on the area decreased yearly. They saw the need for some sort of development. They agreed that their grazing association would forego their lease if a grazing reserve were established. Because they did this, it left land that we could utilize for other purposes. Although the basic consideration is grazing — that's the primary concern — we are able to accommodate the other user groups so that everybody benefits.

MR. SINDLINGER: A supplementary please, Mr. Chairman, especially with regard to this particular grazing reserve. I understand all grazing reserves have a user fee of some sort. Will there also be a user fee for this grazing reserve for uses other than cattle grazing?

MR. MILLER: No.

DR. BUCK: Mr. Chairman, to the minister. I apologize for being late. It's a little hard to make time on those roads. As the minister well knows, the Blackfoot grazing reserve is in my constituency. There seem to be many unanswered questions. Both the minister and I have been involved in this, plus the people in the area. Nobody out there is exactly sure what we're going to do. I'm not sure, and I don't think even the minister is sure. We get so many conflicts between the cattle people and — somebody says, well, maybe we can use skidoos, but only in a certain area; somebody else says, if you run skidoos in this area, what will happen to the deer; somebody worries because the elk get out of the park, and they're eating the farmer's hay. It's a tough one, Mr. Minister, and I appreciate the problems you are having. I say that with all sincerity. I think it's going to be the flagship or pilot project for a multi-use grazing area. Then, of course, on top of that, it is that close to a large centre. So you have a real problem with this.

Some of the criticism I think the department has received is that the cost per animal for the people who'd be using it for grazing may be so high that you wonder: is it going to be a benefit? I know the cattlemen in the area are afraid that they eventually will get squeezed right out. If we invest so many dollars and the carrying capacity is not increased that much, then the department will be open to criticism that we've just invested too many dollars for the number of dollars we're going to get back

from the cattlemen. I'd just like to know, number one, will the carrying capacity be increased appreciably? Secondly, if it is, is it going to be at a very high expense? I'll just start with that.

MR. MILLER: No, we are not looking at increasing the carrying capacity. We're looking at holding the number of animal units we presently have. We are not looking for a return on our capital investment as such. We are interested in trying to cover our operating costs, which we are not doing on most of the grazing reserves at the present time.

I think the Member for Clover Bar very much appreciates, as he mentioned, the problem we have because of the various user groups. We came out with this initial plan, which was developed by the department and circulated to the members of Sherwood Park and the whole area out there, in the spring of 1980. The various user groups responded, both on an individual and a group basis, and also at public meetings. Finally, we decided this wasn't specific enough for the people. In this past year we have gone back; we have developed more specific plans which we are presenting to the various user groups with the idea that we will contact all the user groups before the plan is actually finalized. We will have representatives from the user groups sit down with the department people. There will have to be trade-offs among the various user groups. But hopefully, when this is done, we'll have a plan that will satisfy the majority of the concerns which are expressed.

We're behind in our schedule, as the Member for Calgary Buffalo says. He was wondering why we are spending so much time and money. It's because we haven't been satisfied in our own minds or in the people's minds that we have something that is best suited for the total area.

DR. BUCK: Mr. Chairman, to the minister. Another concern that has been brought to my attention — this is one in which you're damned if you do and you're damned if you don't — if we don't maintain the present level of carrying capacity, then we won't be able to graze animals. Then the next group comes along and says, goodness gracious, they're knocking down the white aspen. Then a couple of duck ponds are going to be filled in and levelled out, so we have the environmentalists after the minister's hide. I am saying to the minister as sincerely as I can, I don't know how you're going to really win at this, because it's a no-win situation. I guess what's going to happen is that, after all the studies are done, the minister is just going to have to say, look, we've studied this thing to death; this is what we're going to do.

I'm sure I'm going to get some of the flak too, because if you take sides you're caught dead in the middle. Like I say, I'm trying to be as fair to the minister as I can and to be fair to the user groups, but it's one of those catch-22 situations. I would like to know — to try to allay the fears of the environmentalists — will we be destroying some of the natural habitat?

The national park is right across the road, and for a long time before I became concerned about the protection of the environment — that's really a new science within the last 12 years or so. "Environment" was a word that nobody had even given any consideration to 15 years ago; it was just a word in the dictionary. But at one time, as the president of the Chamber of Commerce in Fort Saskatchewan, I thought Elk Island Park, which is close to the city of Edmonton, should have a big swimming

pool in it; it should have more recreational developments. But now I've changed my philosophy a whole 360. I think it should remain as a natural habitat park because it's really one of the last areas in this part of Alberta that is as it was when the buffalo roamed the plains.

That is the concern the environmentalists have. What are we going to do? Are we going to destroy it? There are a lot of native aspen stands in that area which of course provide browse for deer. You knock some of that down, then the deer have to go someplace, and if you don't knock them down, then the cattle have to go someplace. Then, if you make too many open places, people chase coyotes with skidoos. It's one of those situations that I don't know how we're going to resolve. Then of course the people who live approximating the area feel they should have more preference than the people who come from the cities on the weekends just to cross-country ski. It is a tough situation.

[Mr. Appleby in the Chair]

The question I'm leading up to, Mr. Chairman: is how much of the native white aspen will be knocked down? That is a concern of the environmentalists and of the people in the fringe areas outside the confines of the reserve, because the people close to there love to have half a dozen deer come traipsing across their fields. That doesn't bother them. They like the deer, and then they're mad at the skidoos because they chase the deer. My first question is, how much of the native white aspen will we be destroying? Will it be a significant amount? If it will be, the old war will start again from the environmentalists.

MR. MILLER: I appreciate the comments of the Member for Clover Bar. He's probably aware that there is controlled clearing as such. We're going to leave natural escape routes for the animals. The snowmobile trails are being constructed so that they won't disturb the animals in their mating season or in their calving season. We are dividing the pasture into different pastures so that some will be left to grow up, to provide browse for the animals in the winter. I think we're clearing about 20 per cent. But I would like to just take that as notice and get back to the member as to the amount of actual land clearing that will take place. It runs in my mind, from looking at the plan about a year ago, that it was approximately 20 per cent.

DR. BUCK: Mr. Chairman, just so I don't forget. I just touched very briefly on what's going to happen to the elk. There are many of them, and they come under the fence and over the fence, and they're out in that area, even though the odd one gets picked off. You know how they how do it at night. The hon. minister and I were raised in the same country, and we know how some of those people operate. As a matter of fact, some think it's a commercial enterprise. I think one fellow's record was 60 deer before he got caught. Then he got fined.

MR. NOTLEY: Is that diversification, Walt?

DR. BUCK: That's diversification. I think he got fined about \$500. That's not in that area; it's back in the area the hon. minister and I came from. The guy thought it was a good business, and he was doing well. After the first 60, he thought it was such a good business that he just kept on; he only got fined \$500.

As the minister is well aware, there is a certain nuisance

factor. Elk do come out and people in the reserve and some of the adjoining farmers do have quite a problem with them. What is going to happen with the elk running relatively free in the reserve? Are we going to round them up and put them back in the park? What are we going to do with them?

MR. MILLER: No, Mr. Chairman. The plan is to fence it with ungulate fencing, so they will be controlled within the area. As the member is probably aware, there will probably have to be some harvesting of these elk done by authorization.

DR. BUCK: Mr. Chairman, a supplementary question on the elk. I wasn't aware until several years ago that many native people do quite a lot of hunting in that area. Is the thinning, and the others being put back into the park, possibly going to be done by native people? They still have the right to hunt, and they exercise that right. What is the arrangement with those people?

MR. MILLER: The member raises a very good question. I think the amount of harvest that would take place would depend on the number of animals actually counted in that area. I can't be any more specific at this time, as I have no idea of the present elk population in that area.

MR. CLARK: Mr. Chairman, to the minister. There's been quite a bit of controversy here tonight on the cost of grazing in the grazing leases. When they have joint use, I was just wondering if other user groups have offered to pay something toward the upkeep of the land they're using, the same as the farmer has to pay if he leases it for cattle?

MR. MILLER: Generally speaking, other than the Blackfoot grazing reserve, there isn't that much usage by people other than those who use it for grazing, and the wildlife habitat. We haven't given any thought to charging the user groups at this point in time. As it's been pointed out so often this evening, the Blackfoot grazing reserve is somewhat different from the other grazing reserves throughout the province of Alberta.

MR. NOTLEY: Mr. Chairman, I have three or four questions of a general nature on the program. When we began our study of the estimates, the minister indicated that tenders were called and the lowest tenders were accepted in most cases. Perhaps he might just expand upon that a bit. The reason I raise it is because of the obvious issue of local preference, especially in the gray-wooded areas in Alberta, where you have a number of farmers who have purchased cats and equipment over the last decade or so, so they could work in the oil patch, because of the parallel industrial and energy development in these gray-wooded areas. The minister indicated that more moderate bids are coming in and that the bids have been affected by the slowdown in the oil patch.

The point I'd like to explore with the minister for a moment is: while I realize we're dealing with public dollars, and we want to get the very best value for those public dollars, I would just pose the problem of smaller operators in the areas where these reserves are proceeding. With the slowdown in the energy industry, and the commitment this government made last December, a year ago, to take up part of the slack, including road work, public buildings, et cetera, what role has the minister's department played in that with respect to grazing reserves

development, in terms of providing some kind of local preference where there is a reason for doing so; or if not, all things being equal, the local contractor gets the job. The second part of that, Mr. Chairman, would be whether the minister can give us any indication as to what has happened in the current year's operations. Has there, in fact, been a use of local contractors on a fairly extensive basis? I think that would be useful.

Mr. Chairman, there are two other questions. But rather than mixing too many different concepts, it might be better, for the study of estimates, if we stop there and give the minister an opportunity to respond. Then I'll go on to the other questions.

MR. MILLER: Basically speaking, Mr. Chairman, there's no local preference. As I said before, the bid is awarded to the lowest tender, provided he has the ability to do the job.

MR. NOTLEY: Mr. Chairman, who makes the assessment of the ability to do the job? Is that done directly by the department in Edmonton, or is it done on a decentralized basis? Who, in fact, makes that judgment? Obviously it's not going to be the minister, but what is the framework in which the decision is made that contractor "A" can do the job but contractor "B" may not? When somebody who lives in the area bids on a job and somebody 200 or 300 hundred miles away gets it, Mr. Minister, there's always the feeling that doggone it, they know somebody I don't know; and how come they got it, when I had a lower bid? So I ask specifically: who handles it, and what is the process of determining the capability of a contractor to carry it out?

MR. MILLER: The capability generally relates to the type of equipment available to do the job. In other words, if a person bid on a major project and he just had a D2 cat to do it, he would be suspect as being able to complete the job in the time allocated. I might point out that in the great majority of cases, it's the lowest tender received. At the same time, I should also say that there are extenuating circumstances where the lowest tender isn't able to do it. In that case, we give him every opportunity to present his case. And if, in the opinion of the department, he can't do it, it's awarded to the next one. But certainly it isn't done lightly. It's given a great deal of thought before we do other than award the contract to the lowest tender.

MR. NOTLEY: Mr. Chairman, to follow that up, basically I think that is true. As much as possible, one has to provide it to the lowest bidder. The reason I raise the question is because of the obvious interest by contractors, which has been heightened as a result of the slowdowns in the energy industry. You have people who have idle equipment. There are public projects, and they obviously want to have a crack at them. If the judgment is made on the basis of equipment, I have no difficulty with that.

The trade-off that I think one has to make in terms of this issue, particularly in parts of the province, is that, sure, you might have a low bid presented by a fairly large contracting firm. But they may not know the local situation as well as somebody who operates a cat in the Worsley area, for example, and bids on Bear Canyon. They're dealing with it all the time. They've been doing cat work in the area for C A N F O R , they've been doing it for oil companies. So they can actually bid on what it's going to cost them. And their knowledge of the local



situation, from a practical point of view, is such that the job in fact can be completed. In any of these bids, have we found that we've had to open up bids again, that there has been failure to perform on the part of contractors?

MR. MILLER: Mr. Chairman, I think there have been, but I don't know the specific cases. As the member pointed out, quite possibly people have come into an area, have been the lowest bidder, and were not aware of some of the pitfalls that can occur when you get into this business of going into an area where perhaps there are heavier trees to be cut than they are normally used to. I could certainly look into that and provide the member with information, if this has occurred. As I say, it's quite likely that it may have occurred at some time, but I'm not aware at present if that has occurred in the last year or two.

MR. NOTLEY: Mr. Chairman, I'd like to go into a slightly different area. If there are any supplementaries on this, I'll defer.

I'd like to ask the minister what the adequacy is of our non-Heritage Savings Trust Fund grazing reserves, primarily in the areas not targeted under this program. I raise that because as we look at new projects beyond the three originally planned — and getting back to the point the minister made when I first raised the question: that there is no point putting the grazing reserve in areas where there are no cattle. We have existing grazing reserves in the province that were financed out of the general revenue of the province in years past. To what extent are those reserves meeting the needs, and to what extent is there going to be, within the foreseeable future, some reason for expanding our grazing reserve potential — commitment would be a better way of describing it — in areas of the province where we have a cattle population but where quite frankly, we might have to move from the use of Crown land to perhaps purchasing land from farmers who want to sell and putting together the kind of package that would allow grazing reserves to proceed in these other areas, particularly where you have marginal land.

I say that because it seems to me that if we are going to move into deeded land, I would really be reluctant to see us have to expropriate. It would be better if we could plan well enough ahead of time that as farms come up for sale, we could purchase them and lease them back until we have enough land assembled to move into grazing reserves. So I guess the question is: to what extent are existing reserves, where cattle population tends to be concentrated at the moment, adequate, and to what extent are the plans, beyond the three we're looking at now, going to involve the acquisition of deeded land?

MR. MILLER: Mr. Chairman, we haven't looked at acquiring deeded land as such, other than on a very small basis where we could add to an existing reserve. In many cases, we have improved the existing reserve; in other words, we've gone in and, by brushing and reseeded, we've been able to increase the carrying capacity by developing the actual acres in place at present. If we are going to look at establishing new reserve in developed areas, it would be quite costly, as the member is probably aware, to acquire an area sufficient to establish a viable unit.

MR. NOTLEY: I don't think there's any doubt about that. Once you get into purchasing deeded land in this

day and age in Alberta, the \$150 an acre cost we've been talking about would be multiplied like the loaves and fishes, I think. So the costs would probably be staggering.

Mr. Chairman, I did want to ask the minister — and this gets back to the Horner report. He mentioned it, but Dr. Horner was a little more specific in terms of the global figure of 10 million acres. Obviously, we're not talking about 10 million acres that are going to go into grazing reserves. But we are talking about a massive program to open up public land, and part of that will not doubt be grazing reserves. Because as we move people into areas like Fort Vermilion and some of these parts of the province where there can be expansion, one of the things we'd want to do is ensure that there are adequate grazing reserves as part of the overall program. In view of the Horner report, are we in a position at this stage, do we have sufficient staff, to meet that particular challenge? In particular, we had a manpower estimate of \$372,000; this year an estimate of \$415,000. What does that mean in terms of man-years? How much of that is administration? How much of it is casual labor? What is the breakdown? To what extent are we ...

MR. CHAIRMAN: I excuse myself for interrupting, but there is quite a noise level in here, and it's very difficult to follow the discussion going on.

MR. NOTLEY: Thank you, Mr. Chairman. To what extent are we seconding people from the department in this \$415,000; in other words, are other people from the department working on it? Obviously that would be true to a certain extent. I would think that the land-use planning would involve a number of people from other departments. But perhaps we could get a breakdown of the manpower information and, specifically, whether or not at this stage, as a committee voting estimates, we should be asking ourselves whether we need to significantly improve or expand the manpower of the department if we're going to reach the Horner goal.

MR. MILLER: Mr. Chairman, the Member for Spirit River-Fairview raises another issue, as it were. Although the grazing reserves are part of the 10 million acres which were suggested by Dr. Horner, I might add that the Horner report came in after the meeting I had with the heritage trust fund committee on August 18, and certainly the 10 million acres weren't part of that consideration at that time. I should add that the manpower we have identified as costing \$415,000 is for the projects we are presently looking at and doesn't include the Horner report as such.

MR. NOTLEY: Mr. Chairman, just a supplementary question on that. Could the minister break down the manpower figure? How many people are employed in this program? Perhaps he could identify the project management control system: who's in charge and how the system works.

MR. MILLER: I'll take that question as notice, Mr. Chairman. Some of the people are under contract, and some are departmental. I'll get that information.

MR. SINDLINGER: Mr. Chairman, a supplementary in that regard. As has been noted, the manpower cost is \$415,400. Just taking an approximate cost per individual of \$40,000, which would include salary, supplementary benefits, and ancillary costs such as office space and

secretarial services, that amounts to roughly 10 people. I note that in the subprograms under program support it is indicated that program support

provides for the gathering of field data to develop new grazing reserves proposals and for the supervising of contracts for the development of reserves.

If we can look at these subprojects in simple terms, in terms of the past, present, and future, really we have the past in regard to a project, "gathering . . . field data to develop new grazing reserves [projects]". The second category is "the supervising of contracts for the development of reserves". I guess that's the construction under way. But there isn't a third category, and that's with regard to the future.

The third category of the subproject says it

Allows for the input of other government departments and agencies into the development plan for new reserves.

So we're looking after the past, in a sense, gathering data and input from the public. Having acquired that information, we're in a position to go ahead and actually develop a reserve. But what we don't have is a third category with regard to the future. How do we actually monitor what has been accomplished or constructed? How do we ensure that what we wanted to have done was in fact done? More importantly, with regard to utilization, how do we ensure that the grazing reserve is being utilized in the manner it was intended to be utilized? I ask those questions because, when we look at the manpower expenditure of \$415,000, we're looking at only 10 people. That's a pretty broad range when you consider the facts. First, you have to gather information to plan. Second, you have to supervise the construction. Those two categories alone could take up more than 10 people, especially when some of those 10 people would be support services for others; for example, a secretary or a supervisor of the others. I don't know how many actual planning people you would have in a group like that. Bearing in mind that the allocation of \$415,000 would probably have only 10 people in total, it wouldn't be unreasonable to think that of the 10 only six were directly involved in the planning and construction phase. What does that leave for the utilization phase? How many of those six people would be used to actually supervise the use of a grazing reserve to ensure that the utilization is that for which the reserve was intended in the first place?

DR. BUCK: Question. Sorry, sir.

AN HON. MEMBER: I'm with you, pal.

DR. BUCK: Sorry, I thought you were finished.

MR. SINDLINGER: I do have an interest in this.

That's the question I would put to the minister then, Mr. Chairman. Inasmuch as there is allocation here for what seems to be the planning stage and the development stage, what is in place for the actual utilization stage and monitoring of that utilization?

MR. MILLER: Mr. Chairman, I'll take that question as notice.

Agreed to:

4 — Grazing Reserves Development	\$7,199,700
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MR. MILLER: I move that the estimates be approved.

[Motion carried]

MR. HORSMAN: I move that the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

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

Resolved that from the Alberta Heritage Savings Trust Fund, sums not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1983, for the purpose of making investments in the following project to be administered by the Minister of Energy and Natural Resources: \$7,199,700 for grazing reserves development projects.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, it is proposed that tomorrow following question period we will deal in Committee of Supply with Advanced Education and Manpower and possibly with Workers' Health, Safety and Compensation.

[At 10:14 p.m. on motion, the House adjourned to Friday at 10 a.m.]